Franchise Disclosure Document

Stork Vision Systems, Inc.
d/b/a Stork Vision
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The franchise offered is for the operation of a Prenatal Imaging Center business under the name Stork Vision®.

The total investment necessary to begin operation of a Stork Vision® franchised business is between $49,850 and $110,000. This includes $35,000 that must be paid to the franchisor or its affiliates.

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.**

The terms of your contract will govern your franchise relationship. Don't rely on the disclosure document alone to understand your contract. Read your entire 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-0HELP 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 May 15, 2024

How to Use This Franchise Disclosure Document

Here are some questions you may be asking about buying a franchise and tips on how to find more information:

QUESTION	WHERE TO FIND INFORMATION
How much can I earn?	Item 19 may give you information about outlet sales, costs, profits or losses. You should also try to obtain this information from others, like current and former franchisees. You can find their names and contact information in Item 20 or Exhibits D & E.
How much will I need to invest?	Items 5 and 6 list fees you will be paying to the franchisor or at the franchisor's direction. Item 7 lists the initial investment to open. Item 8 describes the suppliers you must use.
Does the franchisor have the financial ability to provide support to my business?	Item 21 or Exhibit F includes financial statements. Review these statements carefully.
Is the franchise system stable, growing, or shrinking?	Item 20 summarizes the recent history of the number of company-owned and franchised outlets.
Will my business be the only Stork Vision business in my area?	Item 12 and the "territory" provisions in the franchise agreement describe whether the franchisor and other franchisees can compete with you.
Does the franchisor have a troubled legal history?	Items 3 and 4 tell you whether the franchisor or its management have been involved in material litigation or bankruptcy proceedings.
What's it like to be a Stork Vision franchisee?	Item 20 or Exhibits D & E lists current and former franchisees. You can contact them to ask about their experiences.
What else should I know?	These questions are only a few things you should look for. Review all 23 Items and all Exhibits in this disclosure document to better understand this franchise opportunity. See the table of contents.

What You Need To Know About Franchising *Generally*

Continuing responsibility to pay fees. You may have to pay royalties and other fees even if you are losing money.

Business model can change. The franchise agreement may allow the franchisor to change its manuals and business model without your consent. These changes may require you to make additional investments in your franchise business or may harm your franchise business.

Supplier restrictions. You may have to buy or lease items from the franchisor or a limited group of suppliers the franchisor designates. These items may be more expensive than similar items you could buy on your own.

Operating restrictions. The franchise agreement may prohibit you from operating a similar business during the term of the franchise. There are usually other restrictions. Some examples may include controlling your location, your access to customers, what you sell, how you market, and your hours of operation.

Competition from franchisor. Even if the franchise agreement grants you a territory, the franchisor may have the right to compete with you in your territory.

Renewal. Your franchise agreement may not permit you to renew. Even if it does, you may have to sign a new agreement with different terms and conditions in order to continue to operate your franchise business.

When your franchise ends. The franchise agreement may prohibit you from operating a similar business after your franchise ends even if you still have obligations to your landlord or other creditors.

Some States Require Registration

Your state may have a franchise law, or other law, that requires franchisors to register before offering or selling franchises in the state. Registration does not mean that the state recommends the franchise or has verified the information in this document. To find out if your state has a registration requirement, or to contact your state, use the agency information in Exhibit A.

Your state also may have laws that require special disclosures or amendments be made to your franchise agreement. If so, you should check the State Specific Addenda. See the Table of Contents for the location of the State Specific Addenda.

Special Risks to Consider About *This* Franchise

Certain states require that the following risk(s) be highlighted:

1. **Out-of-State Dispute Resolution.** The franchise agreement requires you to resolve disputes with the franchisor by mediation, arbitration and/or litigation only in Texas. Out-of-state mediation, arbitration, or litigation may force you to accept a less favorable settlement for disputes. It may also cost more to mediate, arbitrate, or litigate with the franchisor in Texas than in your own state.

Certain states may require other risks to be highlighted. Check the "State Specific Addenda" (if any) to see whether your state requires other risks to be highlighted.

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Exhibit A. List of State Agencies/Agents for Service of Process
Exhibit B. Franchise Agreement
Exhibit C. Operations Manual Table of Contents
Exhibit D. List of Franchisees
Exhibit E. Franchisees Who Have Left the System
Exhibit F. Financial Statements
Exhibit G. State Addenda to FDD
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Exhibit I. State Effective Dates
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Item 1

THE FRANCHISOR AND ANY PARENTS, PREDECESSORS, AND ANY AFFILIATES

The Franchisor is Stork Vision Systems, Inc., a Texas corporation doing business as "Stork Vision". For ease of reference, Stork Vision Systems, Inc. will be referred to as "we", "us", "our", or "Stork Vision Systems, Inc.", or "SVSI" in this disclosure document. We will refer to the person or entity who buys the franchise as 'you' and 'your' throughout the disclosure document. If you are a corporation, certain provisions of the franchise agreement also apply to your owners and will be noted.

We are a Texas corporation incorporated on April 5, 2010. We do business as Stork Vision. Since March 2013, our principal business address has been 5712 Colleyville Blvd., Suite 202 Colleyville, Texas 76034. From February 2008 to March 2013, our principal business address was 1102 Bear Creek Parkway, Suite 3123 Keller, Texas 76248. We operate and sell franchises for the operation of a business known as Stork Vision (the 'Business').

Stork Vision Systems, Inc. agents for service of process are disclosed in *Exhibit A*.

The Stork Vision® franchise which we offer is a Prenatal Ultrasound Imaging Center type business that offers an assortment of products and services including ultrasound imaging packages and related retail merchandise. Stork Vision® centers are located in retail outlets, and provide expectant mothers with limited diagnostic 2D, 3D and 4D ultrasounds pursuant to written orders from a state-licensed practitioner. All Stork Vision® ultrasounds are performed by sonographers registered (or registry eligible) with the American Registry for Diagnostic Medical Sonography, and all ultrasounds are reviewed by the center's medical director (who is a state-licensed OB/GYN, radiologist, or family practice physician.

Potential customers include members of the general public.

We offer a Franchise Agreement for the development and operation of a single Business at a specified location.

The Business is characterized by a distinctive exterior and interior design including décor and color scheme; uniform standards, specifications, and procedures for operations; procedures for quality control; training and ongoing operational assistance; and advertising and promotional programs, all of which may be changed, improved, and further developed by us (the 'System').

The System is identified by means of certain trade names, service marks, trademarks, slogans, logos, emblems, and indicia of origin, including, but not limited to, the mark "Stork Vision®".

You will be competing with other businesses that offer Prenatal Ultrasound Imaging Center services. The market for such services is highly developed in some areas.

The regulations specific to the operation of a Stork Vision® Center are as follows:

You will need to obtain the proper Prenatal Ultrasound Imaging Center license from the proper licensing agencies. We are not aware of any licensing requirements at this time. You will need to ascertain and comply with the specific licensing requirements in your state, if applicable.

You must comply with all local, state and federal laws in the operation of your Business, including laws generally applicable to businesses, and laws specifically relating to ultrasound imaging. These special laws include: (1) requirement that ultrasound centers be under the supervision of a licensed medical practitioner; (2) that ultrasound imaging be prescribed to customers by licensed medical care providers; and (3) that ultrasound equipment be purchased by only qualified purchasers (including ultrasound centers under the supervision of a licensed medical practitioner). We require that you engage the services of a Medical Director using a contract approved by us (see *Exhibit H* for Medical Director Agreement). There could be special laws in your state affecting the Franchised Business of which we are not yet aware. We strongly recommend that you consult an attorney in your state to find out about any applicable laws in your state before you sign a franchise agreement with us.

We are not aware of any local, state or federal laws that require ultrasound equipment to be operated by registered sonographers. However, this is a requirement of our System.

We are not aware of any local, state or federal laws that require ultrasound equipment to be periodically inspected. However, we require that all ultrasound equipment receive a preventative maintenance (PM) inspection at least annually to ensure that the equipment is operating safely according to its specifications.

We began selling Stork Vision® franchises in May 2010. From May 2007 to May 2010, Stork Vision® franchises were sold by our predecessor, Stork Vision International, LLC. We accepted assignment of all existing franchise agreements and related agreements from Stork Vision International, LLC and assumed all the obligations of Stork Vision International, LLC under these franchise agreements in an Assignment and Assumption Agreement dated May 6, 2010. Stork Vision International, LLC is a Texas limited liability company that was organized on December 21, 2006, which did business as "Stork Vision." Its last principal business address was 1101 Bear Creek Pkwy, Suite 3123, Keller, TX 76248.

Prior to Stork Vision International, LLC offering franchises, there were 8 Stork Vision® Centers. The first center was opened in 2004 in North Richland Hills, Texas, by Renee Caldwell and her partner. They were co-owners of that location as well as a second in Frisco, Texas. The other 6 Centers all operated under a Management and Licensing Agreement (MLA) with Stork Vision, LLC. In May 2007, Stork Vision International, LLC offered all 8 centers the opportunity to convert to a franchise. Five of the then current owners elected to become franchisees and were the initial 5 franchises located in Texas. The remaining 3 centers elected to continue operating under the terms of their MLA.

We have not offered franchises in other lines of business in the past.

We do not engage in any business other than the offer of franchises.

We do not have a parent company. We do not have any affiliates that offer (or have ever offered) franchises in any line of business or that provide any items or services to our franchisees. Our affiliate, RCCSMG, LLC owns and operates a Stork Vision store in Schaumburg, Illinois. Our affiliate, SVDallas, LLC owns and operates a Stork Vision store in Dallas, Texas.

Item 2

BUSINESS EXPERIENCE

President, Secretary, and Treasurer: Renee Caldwell

From April 2010 to present, Ms. Caldwell has served as the President of SVSI in Colleyville, Texas (since March 2013) or Keller, Texas (April 2010 to March 2013). From December 2006 until December 2011, Ms. Caldwell has served as the President and Treasurer of Stork Vision International, LLC located in Keller, Texas. From January 2006 to December 2010, Ms. Caldwell has served as the President and Treasurer of Stork V II, LLC in Keller, Texas. From December 2006 till August 2011, Ms. Caldwell served as the President and Treasurer of Stork Vision NRH, LLC in Keller, TX. From October 2003 until August 2011, Ms. Caldwell served as the President and Treasurer of Stork Vision, LLC in Keller, Texas.

Franchise Brokers: None

Item 3

LITIGATION

No litigation is required to be disclosed in this Item.

Item 4

BANKRUPTCY

No bankruptcy information is required to be disclosed in this Item.

Item 5

INITIAL FEES

You are required to pay an initial franchise fee of $35,000 for a Single Unit Franchise Agreement in a lump sum when the Franchise Agreement is signed. Each Business is operated

pursuant to a separate Franchise Agreement, and this fee must be paid to us in a lump sum when each Franchise Agreement is signed.

The Initial Franchise Fee is deemed fully earned and nonrefundable upon payment, except that, if we and you are unable to agree on a site location, you have the right to terminate the Franchise Agreement and we will refund the initial franchise fee, without interest, less a termination fee of $1500.

Item 6

OTHER FEES

Type of Fee	Amount	Due Date	Remarks
Royalty[1]	$500 monthly or 5% of monthly Gross Sales[3] of the Business, whichever is greater	Payable within 3 business days following the end of each month and shall be paid to us	Continuing Royalty Fee paid to us without counter-claim or set off
National Advertising Fund[1]	$300 monthly or 3% of monthly Gross Sales[3] of the Business, whichever is greater	Payable within 3 business days following the end of each month and shall be paid to us.	Continuing National Advertising Fund Fee
Late Fee[1]	$30 per late payment	As incurred	Payable to us for each late payment of a Royalty or Advertising Fund Fee
Interest Fee[1, 2]	1.5 % per month on the overdue or underpaid amount until paid	As incurred	Applies to overdue or underpaid Royalty and Advertising Fund Fees
Data Late Fee	$25 weekly	As incurred	Payable to us only if customer data is not received by Monday of the following week
Transfer Fee[1]	35% of the then current initial Single Unit Franchise Fee per unit	At the time that Transferee executes the Franchise Agreement in effect for the transfer or sale of existing units	Payable to us when the Franchise Agreement or a material portion of the assets in the business or any interest in you is transferred
New Owner Finder's Fee[1]	$10,000	At the time of the Transfer Sale of the Franchise to a new owner	Payable to us, but only if we first identified the new buyer
Relocation Fee[1]	$500	As incurred	Payable to us upon application for relocation of your franchise to a new address
Renewal Fee[1]	$3,500	At the time your Franchise Agreement is renewed or extended	Payable to us upon renewal or extension of your Franchise Agreement
Insurance Procurement Fee	Amount of insurance premium plus our reasonable expenses	As incurred	Payable if we purchase insurance for you because of your failure to do so

Type of Fee	Amount	Due Date	Remarks
Audit Expenses[1]	Cost of Audit Fees	10 days after receipt of audit report	Payable only if under payment is greater than 2% of reported amounts
Costs and Attorney's Fees[1]	Will vary under circumstances	As incurred	Payable if incurred by us in obtaining injunctive relief for the enforcement of any item of the Franchise Agreement, or in connection with your default and/or termination
Indemnification[1]	Will vary under circumstances	As incurred	You have to reimburse us if we are held liable for any claims arising from your business
Termination Fee[1]	$1,500	At time of early termination by you	Payable to us if we and you can not agree on a site location
Early Termination Fee[1]	Varies based on unexpired term of your Franchise Agreement and average monthly fee payments.	Upon early termination of franchise or cessation of Business operations.	Payable only if we terminate for cause or if you terminate without cause or discontinue operation of the Business before the term expires

[1] All Fees are uniformly imposed by us for current franchise offerings and payable to us. All fees are non-refundable. Our previous form franchise agreements may have had different terms.

[2] Interest begins from the date of underpayment.

[3] The term "Gross Sales" includes all revenue (using cash basis accounting) from the sale (and refund) of all products and performance of services in, at, upon, about, through or from the Franchised Business, whether for cash or credit and regardless of collection in the case of credit, and income of every kind and nature related to the Franchised Business including insurance proceeds and/or condemnation awards for loss of sales, profits, or business. "Gross Sales" shall not include: 1) revenues from any sales taxes or other add on taxes collected from customers by Franchisee for transmittal to the appropriate taxing authority; and 2) the retail value of any complimentary services or trade-outs up to a maximum of 2 percent of "Gross Sales" in the aggregate. The sale and delivery of products and services away from the Business is by written approval of Franchisor only. Should Franchisor approve such sales in writing, these sales will be included in computing "Gross Sales".

[4] We do not have the right to form marketing cooperatives. See Item 11.

Item 7

ESTIMATED INITIAL INVESTMENT

YOUR ESTIMATED INITIAL INVESTMENT					
Type of Expenditure	**Amount or Range LOW**	**Amount or Range HIGH**	**Method of Payment**	**When Due**	**To Whom Paid**
Initial Franchise Fee (1)	$35,000 for a single Unit (Note 1)	$35,000 for a single Unit	Lump Sum	Upon signing of the Franchise Agreement	Us
Real Estate and Improvements (2)	$500 (Note 2)	$2,000	As incurred – sometimes included in rent payments	As Agreed	Various Suppliers
Ultrasound Imaging Equipment (3)	$300 (Note 3)	$45,000	As incurred – typically when lease is executed	As Agreed	Various Suppliers
Other Equipment & Software (4)	$1,500 (Note 4)	$2,500	As incurred	As Agreed	Approved Suppliers
Furnishings (5)	$2,500 (Note 5)	$3,500	As incurred	As Agreed	Approved Suppliers
Additional Funds – 3 Months (6)	$4,000 (Note 6)	$6,000	As incurred	As Agreed	Approved Suppliers
Signage (7)	$250 (Note 7)	$1,500	As incurred	As Agreed	Various Suppliers
Initial Retail Inventory (8)	$1,300 (Note 8)	$1,500	As incurred	As Agreed	Various Suppliers
Pre-Opening Advertising (9)	$1,000 (Note 9)	$2,000	As incurred	As Agreed	Approved Suppliers
Grand Opening (10)	$0 (Note 10)	$500	As incurred	As Agreed	Approved Suppliers
Marketing & Sales Collateral (11)	$1,000 (Note 11)	$2,000	As incurred	As Agreed	Approved Suppliers
Initial Operating Supplies (12)	$300 (Note 12)	$350	As incurred	As Agreed	Various Suppliers
Office Supplies(13)	$200 (Note 13)	$250	As incurred	As Agreed	Various Suppliers
Other Deposits & Pre-Paid Expenses (14)	$1,000 (Note 14)	$2,000	As incurred	As Agreed	Various Suppliers
Business Licenses (15)	$50 (Note 15)	$200	As -incurred	As Agreed	Various Suppliers
Insurance (16)	$700 (Note 16)	$1,400	As -incurred	As Agreed	Various Suppliers
Training-related Travel Expenses (17)	$0 (Note 17)	$1,500	As incurred	As Agreed	Various Suppliers

YOUR ESTIMATED INITIAL INVESTMENT					
Type of Expenditure	**Amount or Range LOW**	**Amount or Range HIGH**	**Method of Payment**	**When Due**	**To Whom Paid**
Medical Director Licensing Fee (18)	$0 (Note 18)	$2,000	As incurred	As agreed, but prior to Opening Day	Medical Director
Medical Director Fee (19)	$0	$300	As incurred	As agreed, typically monthly	Medical Director
Miscellaneous Expenses (20)	$250 (Note 19)	$500	As Incurred	As Agreed	Various Suppliers
TOTAL ESTIMATED INITIAL INVESTMENT (21)	**$49,850 (Note 21)**	**$110,000 (Note 21)**	As incurred or Lump Sum	As Agreed	

Explanatory Notes:

None of the fees and costs payable to us are refundable, unless otherwise described in this Item or in Item 5. Fees and costs payable to others are generally not refundable unless you negotiate this right with them.

(1) Franchise Fee. The initial Franchise Fee is $35,000 per Unit.

(2) Real Estate and Improvements. There is no requirement to purchase real estate in connection with ownership of your business. A suitable Unit, as approved by us, is normally rented and its size should be a minimum 600 sq. ft. Usually the location will need remodeling both inside and outside and must be brought up to current standards. These costs will vary, depending on whether the real estate was a previous similar operation or not. State or Federal Impact fees could cause extra costs in developing a new location. The location must be accepted by us, in writing.

(3) Ultrasound Imaging Equipment. This line item is for the ultrasound equipment, DVD player, DVD burner, black and white printer, and TV Monitor. You may purchase or lease this equipment. If you purchase this equipment, the estimated range of costs is $30,000 for used equipment to $45,000 for new equipment. If you lease new equipment, the estimated initial payment is $0, with estimated monthly lease payments of $99.00 a month for the first year and $859.16 per month for the following 60 months. The low estimate in the table assumes leasing of the equipment, and 3 months of lease payment. The high estimate in the table is for purchase of new equipment.

(4) Other Equipment and Software. This line item includes computer, accounting software, printer/fax machine, and phones.

(5) Furnishings. This line item is for the couches, desk, desk chair, coffee table, exam table, exam chair, shelving unit. This line item includes all miscellaneous décor items.

(6) Additional Funds. This line item reflects 3 months of additional funds to cover the following costs: rent, equipment lease, medical director fees, and utilities.

(7) Signage. This line item includes exterior and interior signage.

(8) Initial Retail Inventory. This line item refers to the purchase of initial retail inventory including onesies, luvies, burp cloths, picture frames, baby bracelets, necklaces, diaper bags, and other novelty items related to babies and expectant mothers.

(9) Pre-Opening Advertising. Pre-Opening Advertising is a brand awareness campaign for new locations that runs for 2 months prior to the Center opening its doors. This is the time between signing the Franchise Agreement and opening for business. Advertising can include direct mailing, print advertising, and internet marketing.

(10) Grand Opening. This line item refers to the cost of invitations, food, and beverages for your Grand Opening. In many cases, these costs are paid by local business and/or marketing partners.

(11) Marketing and Sales Collateral. Marketing and Sales Collateral refers to printed materials such as business cards, brochures, CD jacket covers and Direct Mailing Coupons.

(12) Initial Operating Supplies. This line item refers directly to the items necessary to perform an ultrasound such as gel, CDs, DVDs, ultrasound film and hand towels.

(13) Office Supplies. This line item refers to all the office supplies necessary to run the business.

(14) Other Deposits & Prepaid Expenses. This line item includes deposits for rent, utilities, telephone and other equipment.

(15) Business Licenses. This line item includes any necessary business licenses that may be required by government authorities

(16) Insurance. Insurance costs may vary in different locations. The estimate is for the initial amounts paid in the first 90 days which may include a full year of liability insurance coverage, including hired/non owned automobile coverage. If you have any employees, you must maintain adequate workers' compensation insurance. The requirements and rates may vary.

(17) Training-related Travel Expenses. This line item refers to hotel, airfare, and meals during training provided by us.

(18) Medical Director Licensing Fee. This line item includes the initial cost of licensing your Medical Director in your state. If you elect to use an existing Stork Vision® Medical Director already licensed in your state or if you find your own Medical Director who is licensed in your state, you will not incur this cost.

(19) Medical Director Fee. If you or your owner is the Medical Director for your center, you will not incur this fee. Otherwise, you will need to retain a Medical Director to review all sonograms. The high estimate is for a monthly fee of $300 for the first 3 months of operation.

(20) Miscellaneous Expenses. This line item refers to other expenses that may be required.

(21) Total Estimated Initial Investment. You should review these figures carefully with a business advisor before making any decision to purchase the franchise. We do not offer financing directly or indirectly for any part of the initial investment. The availability and terms of financing will depend on factors such as the availability of financing generally, your creditworthiness, collateral you may have, and lending policies of financial institutions. The estimate does not include any finance charge, interest or debt service obligation or your living expenses. You will also need sufficient capital to pay for your living expenses for at least 12 months. We relied on our experience since 2010 and the experience of our predecessor, Stork Vision International, LLC from 2007 to 2010 in estimating your needs for additional funds.

Item 8

RESTRICTIONS ON SOURCES OF PRODUCTS AND SERVICES

You are required to adhere to the standards and specifications established by us with respect to office procedures, installation procedures, advertising materials, supplies, equipment, fixtures, furnishings and other items used in the operation of the Business.

You must also purchase all computers, equipment, and related furniture, fixture and equipment in accordance with our approved standards. Our officers do not own any interest in any approved supplier. Neither we nor any of our affiliates are approved supplier of any items or services. In 2023, we received revenues of $0 from our franchisees as a result of direct purchases by our franchisees.

The ultrasound equipment you purchase, or lease must be new or no more than 1 year old, and may be obtained from any supplier you choose. If you purchase ultrasound equipment from our approved supplier, we may receive cooperative advertising funds from the supplier. We expect to receive approximately $0 to $5,000 per ultrasound equipment package purchased by our franchisees, depending on whether the franchisee trades in existing equipment, and on whether the equipment purchased is new or used. Our preferred vendor typically provides lower overall prices and longer warranties than our franchisees can obtain elsewhere. Otherwise, we do not receive any revenues, rebates or other material consideration from suppliers as a result of purchases by our franchisees. In 2023, we received revenues of $0 from suppliers as a result of purchases by our franchisees. In 2023, no affiliates received any revenues from suppliers as a result of purchases by our franchisees.

A list of approved products and suppliers from whom other products may be purchased is published in our Operations Manual or in policy and procedures statements or provided to you by

other written communication, and said list may be amended by us. If you desire to purchase any construction and decorating materials, fixtures, equipment, furniture, lighting fixtures, signs or supplies or other goods or services which are not approved by us or are from an unapproved supplier, you must first submit a written request to us for approval. We may require submission of sufficient specifications, photographs, drawings and/or other information or samples to determine whether such items or such suppliers meet our specifications and standards. We will advise you within five business days whether such items or suppliers are approved.

It is estimated that required purchases and leases are between 30% and 40% of the cost to establish a franchise and 75% of the total operating costs for goods and services after establishing a franchise.

In addition, you are required to adhere to the standards and specifications established by us with respect to office procedures, advertising materials, supplies, equipment, fixtures, furnishings and other items used in the operation of the Business. You may purchase these items from any approved supplier.

We may attempt to negotiate purchase arrangements from approved suppliers for the benefit of our franchisees, based upon the combined buying power of our franchise network. These arrangements, if obtained, may result in lower prices for the items being purchased. In order for our franchisees to obtain volume discounts, you may be required to purchase items from suppliers with whom we have negotiated purchase arrangements.

We may negotiate vendor partnerships and programs that benefit all Franchisees. You must participate in all vendor programs as required by SVSI. If a vendor program requires an exclusive relationship between SVSI, its Franchisees and the vendor, you may not participate in programs with other competing vendors.

You must obtain permission from SVSI before you engage in any vendor partnership other than in those established by SVSI.

All customer data collected by you becomes the property of SVSI and can be requested at any time. You will be required to send customer data to us on a weekly basis.

If you will occupy premises of a Stork Vision® Center under a lease, you must submit the proposed lease to us for approval before it is signed.

All marketing and promotion by you in any manner or medium must be conducted in a professional and dignified manner and must conform to our specified standards and requirements. You must submit to us (by email or fax), for our prior approval (except with respect to prices to be charged), samples of all advertising or promotional plans and materials that you desire to use and that have not been prepared or previously approved by us. Your request for approval must be on forms that we designate and must be submitted at least 30 days prior to the start of any such advertising. We will approve or disapprove your request within 30 days after we receive it. You may not use any marketing or promotional materials that we have disapproved.

The Franchise Agreement requires you to furnish to us copies of all insurance policies required by the Franchise Agreement, or such other evidence of insurance coverage and payment of premiums as we request or permit. Required insurance coverage is as follows:

(1) Commercial General Liability Insurance including coverage for products & completed operations, personal and advertising injury liability, hired and non-owned vehicle liability insurance. The minimum coverage required is $1,000,000 per occurrence and $2,000,000 aggregate per location.

(2) Premises Medical Expense. The minimum coverage required is $5,000 per person/per location.

(3) All–risk Business Contents Insurance which will provide coverage for a minimum of fire and theft. We recommend that this insurance be written at replacement cost value covering the building/leased space improvements, furniture, fixtures, equipment and inventory and that coverage be written at a value of 100% of the replacement cost of the building (if applicable) and 100% of the replacement cost of the business contents.

(4) Business Income and Extra Expense (generally included in a BOP).

(5) Employer's Liability and Worker's Compensation Insurance as required by law.

(6) Bodily Injury and Property Damage Liability Insurance: All company owned vehicles, vehicles identified with any Names and Marks, and vehicles used in connection with the operation of the business must carry Bodily Injury and Property Damage Liability insurance. The minimum coverage required is $1,000,000 per person and $1,000,000 per accident for bodily injury liability and $100,000 for property damage liability.

There are no purchasing or distribution cooperatives.

We consider a variety of factors when determining whether to renew a franchise and whether to grant additional franchises. Among the factors we consider is compliance with the requirements described above regarding use of designated or approved suppliers, items and services.

Item 9

FRANCHISEE'S OBLIGATIONS

This table lists your principal obligations under the franchise 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.

FRANCHISEE'S OBLIGATIONS		
Obligation	**Franchise Agreement Section**	**Disclosure Document Item**
(a) Site Selection and Acquisition/Lease	Sections XII.U and XX.B.	Items 7 and 11
(b) Pre-Opening Purchases/Leases	Section VIII	Item 7
(c) Site Development and other Pre-Opening Requirements	Sections VIII, XII.G, and XX.C	Items 7 and 11
(d) Initial and Ongoing training	Section XX.A	Item 11
(e) Opening	Section X.D	Item 7
(f) Fees	Sections IX and X	Items 5, 6, and 7
(g) Compliance with Standards and Policies (Operations Manual)	Sections XII.A	Item 11
(h) Trademarks and Proprietary Information	Sections XV and XVI	Items 13 and 14
(i) Restrictions on Products/Services Offered	Section XII.I	Items 8, 11, and 16
(j) Warranty and Customer Service Requirements	Section XII.A	Items 8, 16
(k) Territorial Development and Sales quotas	Section VI	Item 12
(l) On-going Product/services Purchases	Sections XII.I and XII.Y	Item 8
(m) Maintenance Appearance and Remodeling Requirements	Section XII.E	Item 11
(n) Insurance	Section XIII	Items 7 and 8
(o) Advertising	Sections X.B, X.C, and X.D	Items 6, 7 and 11
(p) Indemnification	Section XVIII	Item 6
(q) Owner's Participation/ Management/Staffing	Sections XII.F, XII.K, XII.W, and XII.X	Items 11 and 15
(r) Records/reports	Section XIV	Item 11

FRANCHISEE'S OBLIGATIONS		
Obligation	**Franchise Agreement Section**	**Disclosure Document Item**
(s) Inspections/Audits	Sections XII.S and XIV.B	Item 6
(t) Transfer	Section XXII	Item 17
(u) Renewal	Section VII.B	Item 17
(v) Post-termination Obligations	Section XXIV	Item 17
(w) Non-Competition Covenants	Section XIX	Item 17
(x) Dispute Resolution	Section XXV.C	Item 17
(y) Ownership of Customer Data	Section XII.Z	Item 8

Item 10

FINANCING

Neither we, nor our affiliate currently offers, directly or indirectly, any financing arrangements to you. Neither do we guarantee your note, lease, or any other obligation.

Item 11

FRANCHISOR'S ASSISTANCE, ADVERTISING, COMPUTER SYSTEMS AND TRAINING

Except as listed below, we need not provide any assistance to you under the Franchise Agreement.

Before you open your Business, we will:

(1) Not unreasonably withhold our acceptance of a site that meets our requirements. You select the site of your business within the exclusive territory provided in the Franchise Agreement. We must accept the site if we determine it meets or exceeds our standards, but our acceptance does not ensure that your business will be profitable at the approved location. The factors that we consider in acceptance of the site include population density, traffic patterns, neighborhood, and physical characteristics of the premises such as size and layout. We evaluate each proposed site and accept or do not accept each one on a case-by-case basis within 30 days. If we and you are unable to agree on a site location, you may

terminate the Franchise Agreement and receive a refund of the initial franchise fee less a Termination Fee of $1500 (Franchise Agreement, Sections XX.B and XXIII.E).

(2) Enter the accepted site on your franchise agreement. However, the acceptance of a location and entering it on your Franchise Agreement by us is conditioned upon our determination, in our reasonable judgment, that:

(i) The site which you have submitted for the Business is within your allotted Territory and is a suitable site based upon criteria we establish and

(ii) You and your owners are in compliance with the Franchise Agreement.

(3) Approve the lease for the Business premises if it meets our approval criteria (Franchise Agreement, Section XX.B).

(4) Furnish mandatory specifications and layouts to you for the Business at the accepted location (Franchise Agreement, Section XX.C).

(5) Provide you with specifications for all equipment, design, signs, furnishings, and fixtures (Franchise Agreement, Section XX.C).

(6) Offer training programs designed to assist you in the operation of the Business. We offer Pre-Opening, General Operations, and Sonography Protocol Training for you as an owner. We also offer Sonography Protocol Training for 1 of your sonographers who will then be responsible for training any other sonographers. We may require that you (or if you are a corporation or partnership, a managing partner or shareholder) and any manager(s) and assistant manager(s) complete supplemental and refresher training programs during the term of the Franchise Agreement (Franchise Agreement, Sections X.X and XX.A).

(7) Provide you with specifications and standards, and provide general guidance. We may advise you of operating problems of your Stork Vision® Center disclosed by reports submitted to or inspections made by us. We may furnish to you such guidance and assistance in connection with the operation of your Stork Vision® Center as we deem appropriate. Such guidance and advice may include methods and operating procedures utilized by us; additional products and services authorized for sale by us; selection, purchasing and installation of products, materials and supplies; formulating and implementing advertising and promotional programs; establishment and operation of administrative, bookkeeping, accounting, inventory control, sales and general operating procedures for the proper operation of a Stork Vision® Center; and selection and suggested pricing of products and services. Additional guidance and assistance may be made available to you at your written request and in our sole discretion at fees and charges established by us (Franchise Agreement, Section XX).

(8) Loan to you during the term of the Franchise Agreement 1 copy of a confidential Operations Manual, which may include 1 or more manuals and other written materials

(collectively, 'the Operations Manual') for the operation of a Stork Vision® Center, containing mandatory and suggested specifications, standards, and operating procedures required by us and information relative to your other obligations under the Franchise Agreement. We have the right to add to, and otherwise modify, the Operations Manual to reflect changes in authorized products and services, as well as changes in specifications, standards and operating procedures of a Stork Vision® Center. You must keep the Operations Manual confidential and current, and may not copy any part of the Operations Manual. The table of contents of the Operations Manual as of our last fiscal year end is attached to this disclosure document as *Exhibit C* (Franchise Agreement, Section XX.E).

(9) Approve or disapprove samples of all local advertising and promotional materials not prepared or previously approved by us which are submitted by you (Franchise Agreement, Sections X.C and XX.H).

(10) Deliver to you the opening inventory lists (Franchise Agreement, Section XII.I).

(11) Develop Franchisee specific web pages to be included in the Stork Vision® Website (Franchise Agreement, Section XX.I).

During your operation of the Business, we may:

(1) Provide to you and your personnel, Stork Vision® Continuing Education meetings at locations designated by us (Franchise Agreement, Section XX.A.).

(2) Provide to you periodic advice, consultation, and assistance that we deem necessary and helpful in the managing of the Business (Franchise Agreement, Section XX.A).

Advertising Fund

We maintain and administer a National Advertising Fund (the "Fund") for such advertising or public relations programs as we, in our sole discretion, may deem appropriate to promote the Stork Vision® concept. We direct all such programs, and will have sole discretion over the creative concepts, materials, and endorsements and media used in such programs, and the placement or allocation of such programs. We reserve the right to determine in our sole discretion the composition of all geographic territories and market areas for the implementation and development of such programs (Franchise Agreement, Section X).

You will be required to contribute monthly the greater of $300 or three percent (3%) of monthly Gross Sales. All amounts due shall be payable within 15 days of the end of each monthly accounting period in which the Gross Sales were made, for as long as the Fund remains in operation. Businesses owned by us or our affiliates are not required to participate in the Fund in the same manner as all of our franchisees. You are not required to participate in any other advertising fund.

The term "Gross Sales" means all revenue (using cash basis accounting) from the sale (and refund) of all products and performance of services in, at, upon, about, through or from the Franchised Business, whether for cash or credit and regardless of collection in the case of credit, and income of every kind and nature related to the Franchised Business including insurance proceeds and/or condemnation awards for loss of sales, profits, or business. "Gross Sales" shall not include: 1) revenues from any sales taxes or other add on taxes collected from customers by Franchisee for transmittal to the appropriate taxing authority; and 2) the retail value of any complimentary services or trade-outs up to a maximum of 2 percent of "Gross Sales" in the aggregate. The sale and delivery of products and services away from the Business is by written approval of Franchisor only. Should Franchisor approve such sales in writing, these sales will be included in computing Gross Sales.

The Fund will be accounted for separately from our other funds and will not be used to defray any of our general operating expenses, except for such reasonable salaries, administrative costs, travel expenses and overhead as we may incur in activities related to the administration of the Fund and its programs, including conducting market research, preparing advertising, promotion and marketing materials and collecting and accounting for contributions to the Fund. The media in which advertisements may be disseminated include print ads, electronic ads, direct mailers, Facebook, You Tube, Twitter, radio, videos and television and may be conducted on a regional or national basis. We also negotiate joint marketing arrangements with vendors and may use the Fund to pay for related expenses. We may spend, on behalf of the Fund, in any fiscal year an amount greater or less than the aggregate contribution of all Stork Vision® franchisees in that year, and the Fund may borrow from us or others to cover deficits or invest any surplus for future use. All interest earned on monies contributed to the Fund will be used to pay advertising costs before other assets of the Fund are expended. Any contributions remaining in the Fund at the end of the fiscal year will be carried forward to the next fiscal year. Fund contributions are not used to solicit new franchise sales. There is no advertising council composed of franchisees. In 202,3 Fund expenses were in the following percentages in the following uses 65% production, 15% media placement, 18% administrative expenses, and 2% other. The source of the advertising is our in-house marketing staff. You may obtain an accounting of the Fund by written request to us.

Neither we nor the Fund undertake any obligation to ensure that expenditures by the Fund in or affecting any geographic area are proportionate or equivalent to contributions to the Fund by Businesses operating in such geographic area or that you or your Business will benefit directly or in proportion to your contribution to the Fund. Neither we nor the Fund shall be liable to you with respect to the maintenance, direction, or administration of the Fund, including without limitation, with respect to contributions, expenditures, investments or borrowings, except for acts constituting willful misconduct.

The funds collected by the Fund and any earnings thereon, are not and shall not be an asset of us or any franchisee. All Stork Vision® units owned by us or our affiliates may not contribute to the Fund in the same proportion as all Franchisees.

You are required to expend, in the two months prior to opening your Business, a minimum of $1,000 for Pre-Opening advertising. Otherwise, you are free to undertake additional advertising

at your own expense, but all of your advertising programs, including materials used, must be approved by us in advance of their use (Franchise Agreement, Section X.D).

These advertising requirements are uniform to all persons currently acquiring a franchise and are not refundable. The advertising fees collected by us are not collected on behalf of any third parties, except to the extent such fees are imposed on behalf of third party advertising agencies, media sources and other sources of advertising selected in accordance with the Franchise Agreement.

We do not have the right to require you to participate in any local or regional advertising cooperative.

Opening

We estimate that there will be an interval of time of 60 to 90 days between the execution of the Franchise Agreement and the opening of your Stork Vision® Center. The factors that may affect this length of time include obtaining a satisfactory site, constructing, remodeling and decorating the site, and obtaining financing arrangements (Franchise Agreement, Sections XX.A and XX.B).

Computer System

You are required to purchase and use a computer system to satisfy accounting and record reporting requirements. At a minimum, your computer system must have a flat screen monitor, a processor speed of 2.0 GHz (2.4 GHz recommended), 1 GB of memory (2 GB recommended), 150 GB hard drive, a DVD read/write combination drive, 2 USB 2.0 ports, a video camera and speaker system suitable for use with Skype, and the Microsoft Windows Vista, Windows 7, or newer operating system. Due to incompatibility with Stork Vision's systems, MAC computers are not acceptable. Franchisee shall use QuickBooks Pro accounting software (version must be less than two years old) to record and maintain all accounting records. Franchise shall use an appropriate version of QuickBooks Payroll to maintain employee payroll records. You must also have a version of Microsoft Word and Microsoft Excel (version 2015 or later). The estimated cost for purchasing the computer system is approximately $1,000. You must maintain your computer system in good working order. However, we do not require you to purchase any support or maintenance contracts for your computer system. Neither we nor any third party will have any obligation to provide ongoing maintenance, repairs, upgrades or updates to your computer system (unless you purchase any support or maintenance contracts). You must update or upgrade your computer system during the term of the franchise as we may require. There are no contractual limitations on the frequency or cost of any upgrades or updates we may require. We estimate the annual cost of your computer system maintenance, upgrades and updates ranges from $50 to $100. We do not have independent access to any information on your computer system, unless we conduct an inspection or audit. During an inspection or audit we may access all information on your computer system.

Training

Before the opening of your Stork Vision® Center, you must complete our "Training Program" consisting of Pre-Opening, Operations, and Sonography Protocol Training. In addition, if you are not a sonographer, your Sonographer must also complete Sonography Protocol Training. Pre-Opening Training is conducted telephonically or via Skype. The remainder of the Training Program is conducted at our Corporate Training Facility in Ft. Worth, Texas, at other designated training facilities, or via Skype. The Training Program is free of charge to you and your sonographer, except that you are responsible for costs associated with attending the program such as travel, room, and board (Franchise Agreement, Sections XII.V and XX.A). At least 1 of your sonographers must have attended and completed the Sonographer Protocol Training or have been trained by another of your sonographers that had attended the Sonographer Protocol Training. Sonographer Protocol Training for additional sonographers is available from us at a fee of $700 ($350/day for 2 days). (Franchise Agreement, Sections XII.X).

All training must be completed to our satisfaction.

As of our most recent fiscal year end, we provided the following training broken into three distinct phases. Phase I (Pre-Opening) is conducted telephonically or via Skype beginning with the awarding of the franchise. Phase I is oriented toward site selection and new business start-up procedures. Phase I consists of approximately 48 hours training and is tailored for each new owner's specific needs. Phase II (Operations) and Phase III (Sonographer Protocol) encompass the formal classroom part of the Training Program and are conducted at our Corporate Training Facility in Arlington and Frisco, Texas or at other approved training facilities. Phases II and III can be scheduled separately or consecutively. This training schedule is fully detailed in the Operations Manual and may change periodically.

Subject	**Hours of Classroom Training**	**Location**
Location Development: Assistance in Site Selection, Site Approval, Lease Improvements, Indoor and Outdoor Signage, Lease Approval, and Insurance Coverage	15	By telephone or via Skype
Setup Time Line; Business Guidelines; Ordering Equipment, Inventory, Furnishings, and Supplies through preferred vendors	15	By telephone or via Skype
Preopening Advertising; Ordering Market Collateral; Website Set-Up; Facebook Set-Up and Training; Google, Places and Reviews Set-Up and Training; Vagaro Set-Up and Training	15	By telephone or via Skype
Customer Record Program Set-Up and Training	3	By telephone or via Skype
Total hours	48	

Subject	Hours of Classroom Training	Location
Front Desk Procedures, Interfacing with Doctors, Offices, Appointments Scheduling, Record Keeping, Product Packaging, Office Administration, Hiring Employees, Customer Satisfaction, General Management Training	7	By telephone or via Skype
Marketing (including: Vendor Partners, Local Partners, Direct Mailers, Print Advertising, Grand Opening)	7	By telephone or via Skype
Bookkeeping, Accounting Reports, Computer Operations, Sonographer's Responsibilities, Equipment Maintenance, Archiving Customer Records, Medical Director, Agreement and Interfacing, Compliance Visits, Social Media.	7	By telephone or via Skype
Total hours	21	

Phase III Training – Sonographer Protocol/ Owner Training			
Subject	**Hours of Classroom Training**	**Hours of On-The-Job Training**	**Location**
Owner Review of In-Store Operations, Customer Forms, Data, Appointments, Opening, Closing Paperwork, Online Appointments, Dashboards, Royalty Reports	4	4	Fort Worth, Texas
Sonographer Training (with a phantom baby), Customer Service (includes working with customers under the supervision of company trainer)	8	8	Fort Worth, Texas
Sonographer training, Customer Service (includes working with customers under the supervision of company trainer)	8	8	Fort Worth, Texas
Total hours	20	20	

Our corporate trainers are Renee Caldwell, LeAnne Phillips, Bridget Losa, and Kristina Rust.

Trainer Qualifications:

Ms. Caldwell is a co-founder of the Stork Vision concept. She has operated several Stork Vision stores and has overseen all franchisee training.

Ms. Phillips has owned the Stork Vision Ft. Worth franchise since 2014. She also serves as our Director of InStore Operations.

Ms. Losa is a Certified Public Accountant with over 20 years of experience with both national and local accounting firms. She has provided assistance to business owners in all aspects of financial operations. She has provided accounting services including training and assistance with QuickBooks to the Stork Vision companies since 2005.

Ms. Rust brings over 20 years of marketing experience to the team. She has provided training to store owners on Facebook, YouTube, Google, and Pinterest to achieve a strong visible social media presence.

Item 12

TERRITORY

You must operate your Business at the specific location or locations identified in the Franchise Agreement. You may not conduct business at any other site or sites other than the accepted Business site or sites which have been entered in your Franchise Agreement or made part of by an addendum attached to the Agreement (including by use of the internet, mail order catalog, telemarketing, etc.). You may not relocate the Business without our written consent which we will not unreasonably withhold or delay. You may apply to relocate your Business after paying a relocation fee of $500.

You will receive an exclusive territory. We will not, during the term of the Franchise Agreement, locate nor license another to locate another Stork Vision® Center within the geographical area identified in the Franchise Agreement (the "Territory"). Your Territory will be described by county or other boundaries. Generally, your Territory will have a population between 500,000 and 1 million, based on recent US Census data.

Your Territory will not be altered even if there is a population increase or decrease. It will also not be affected by your sales volume, market penetration or other contingency. You have no options, rights of first refusal or similar rights to acquire additional franchises.

The accepted location, if not chosen prior to the awarding of your franchise, will be attached and made a part of your Franchise Agreement. Certain locations, such as Malls and Downtown Locations will have smaller exclusive territories which will be determined on a site specific basis. The site of your Stork Vision® Center within the exclusive Territory must be accepted by us, and relocation within the Territory of your Stork Vision® Center also requires our permission and acceptance of the new site. We cannot establish either a company-owned Stork Vision® Center or another Stork Vision® franchise within the Territory, and you may not use other channels of distribution, such as the Internet, catalog sales, telemarketing or other direct marketing, to make sales outside your Territory. You may not intentionally solicit customers within the territory of another franchisee or company-owned unit. Otherwise, there are no restrictions on soliciting or accepting orders from customers outside your Territory. We will not provide any compensation to you on account of any orders solicited or accepted in your Territory which fall within any of the rights we retain for ourselves and affiliates.

We and our affiliate have not established, and do not presently intend to establish, other competing franchises or company-owned businesses selling or leasing similar products or services under a trade name or trademark different from Stork Vision® Marks.

Item 13

TRADEMARKS

Under the Franchise Agreement, we grant you the nonexclusive right to use the Mark in connection with the operation of your Business. Our primary trademark is "Stork Vision®". We have asserted the right to use and to license others to use the Mark and any other trade name, trademarks, service marks and logos currently used or that may later be used in the operation of the Business. You must use the Mark only for the operation of your Stork Vision® facility and in the manner authorized by us.

As of the date of this disclosure document, the following Marks for use with the System have been registered on the Principal Register in the United States Patent and Trademark Office for the relevant uses.

Mark	Registration Number	Registration Date
Stork Vision (design plus words)	5,689,557	March 5, 2019
Stork Vision (word mark)	3,687,114	September 22, 2009

We own the rights to use to use certain trade names, trademarks, logos, service marks and other property in connection with the operation of the business. We sublicense the use of the Marks to our franchisees throughout the United States.

We have filed or will file all required affidavits when due. There are no presently effective determinations of the United States Patent and Trademark Office, the Trademark Trial And Appeal Board, the trademark administrator of any state or any court, nor any pending interference, opposition or cancellation proceeding or material litigation involving the Mark.

There are no other agreements currently in effect that significantly limit our rights to use or license others to use the trademarks and service marks in any manner material to the franchise.

You must notify us immediately in writing of any apparent infringement of or challenge to your use of any Mark, or claim by any person of any rights in any Mark or any similar trade name, trademark or service mark of which you become aware. We have the sole discretion to take such action as we deem appropriate and the right to exclusively control any litigation, U.S. Patent and Trademark Office proceeding or other administrative proceeding. We are not obligated by the Franchise Agreement or other agreement to participate in your defense or to indemnify you if you are a party to any administrative or judicial proceeding involving the Mark.

You may not, without our written consent, in our sole discretion, commence or prosecute, or seek leave to intervene in, any litigation or other proceeding, including any arbitration proceeding, in which you purport to enforce any right or recover any element of damage arising from the use or infringement of the Mark or unfair competition resulting therefrom.

If it becomes advisable at any time, in our sole discretion, to modify or discontinue use of any Mark, and/or use one or more additional or substitute trademarks or service marks, you must

comply with our directions in this regard within a reasonable time after notice thereof by us. You, in connection with the use of a new or modified Mark, may be required, at your own expense, to remove existing signs from your Stork Vision® facility, and to purchase and install new signs. We have no liability to you in this regard.

There are no infringing uses actually known to us at the time of this agreement that could materially affect your use of the Mark. We are aware of 1 company operating in Florida under the name "A Stork's View" that is potentially infringing on the use of our Mark. We are also aware of 1 company operating in Connecticut under the name "A Stork's Studio" that is potentially infringing on the use of our Mark. We have taken appropriate action to protect our Mark in both Florida and Connecticut.

All your usage of the Mark granted under the Franchise Agreement is nonexclusive, and we retain the right, among others: (a) to use the Mark in connection with selling products and services; (b) to grant other licenses for the Mark, in addition to those licenses already granted to existing franchisees; (c) to develop and establish other systems using the same or similar Mark, or any other proprietary marks, and to grant licenses or franchises in those systems without providing any rights to you.

All your usage of the Mark and any goodwill you establish are to our exclusive benefit and you retain no right or rights in the Mark on the termination or expiration of the Franchise Agreement. You may not use the Mark as a part of any corporate or trade name, nor may you use any trade name, trademark, service mark, emblem or logo other than the Mark, as we may designate. You must prominently display the Mark on such items and in the manner we designate. You must obtain such fictitious or assumed name registrations as we require or under applicable law. You must identify yourself as the owner of your Business by placing your name on the Business and on all checks, invoices, receipts, contracts and other documents that bear any of the Mark, and on all printed materials your name must be followed by the phrase "A Stork Vision® Franchisee" or such other phrase as we may direct.

Item 14

PATENTS, COPYRIGHTS AND PROPRIETARY INFORMATION

We claim copyright protection of our Operations Manual and related materials, and advertisement and promotional materials including our websites, although such materials may not have been registered with the United States Copyright Office. These materials are considered proprietary and confidential and are considered our property and may be used by you only as provided in the Franchise Agreement. We reserve the right to register any of our copyrighted materials at any time we deem appropriate.

There currently are no effective determinations of the Copyright Office or any court regarding any of the copyrighted materials. There are no agreements in effect that significantly limit our right to use or license the copyrighted materials. There are no infringing uses actually known to us which could materially affect your use of the copyrighted materials in any state. We are not required by any agreement to protect or defend any patent, trademark, or copyright.

We possess certain confidential information including the methods, techniques, formats, specifications, procedures, information systems, and knowledge of the System and experience in the operation and franchising of Stork Vision® Centers (the Confidential Information). We will disclose certain of the Confidential Information to you during the training programs, seminars and conventions: in the Operations Manual; and in guidance furnished to you during the term of the Franchise Agreement.

The Franchise Agreement provides that you will not acquire any interest in the Confidential Information other than the right to utilize it in the development and operation of Stork Vision® Center during the term of the Franchise Agreement, and that the use or duplication of the Confidential Information in any other business would constitute unfair competition. You also agree that the Confidential Information is proprietary to us and is disclosed to you solely on the condition that you (1) will not use the Confidential Information in any other business or capacity; (2) will maintain the absolute confidentiality of the Confidential Information during and after the term of the Franchise Agreement; (3) will not make unauthorized copies of any portion of the Confidential Information disclosed in written form; and (4) will adopt and implement all reasonable procedures required by us to prevent unauthorized use or disclosure of the Confidential Information, including without limitation, restrictions on disclosure to employees of the Business and the use of nondisclosure and non-competition clauses in employment agreements with such persons.

There are no patents or pending patent applications that are material to the franchise.

Item 15

OBLIGATION TO PARTICIPATE IN THE ACTUAL OPERATION OF THE FRANCHISE BUSINESS

The Franchise Agreement provides that your Stork Vision® Center must at all times be under your direct, day-to-day, full time supervision (or if you are incorporated or are a partnership, then the supervision of a managing shareholder or partner of the corporation or partnership, approved by us) or the supervision of a manager of your Stork Vision® Center who is approved by us. This person must have successfully completed the training program, and must work at least 40 hours per week on the Stork Vision® Center premises.

You or your manager (or your managing partner or shareholder) must use his or her full-time best efforts in the operation of your Stork Vision® Center at least 40 hours per week. Your Stork Vision® Center must be open, in normal operation, and available for customer appointments during normal regular business hours for a minimum of 30 hours per week, 5 days per week, 50 weeks per year, except for certain specified holidays or unless otherwise authorized in writing by Franchisor (subject to local ordinances or lease restrictions, if any). Such minimum hours and days of operation may be changed as we may specify in the Operations Manual. You have the flexibility to set your regular business hours, subject to these restrictions.

If you are an entity, such as a corporation, limited liability company or limited partnership, each owner must personally guarantee your obligations under the Franchise Agreement, agree to be personally bound by, and personally liable for the breach of, every provision of the Franchise Agreement, agree to be bound by the confidentiality provisions and noncompetition provisions of the Franchise Agreement, and agree to certain restrictions on their ownership interests. The required Owners Agreement is attached to the Franchise Agreement as *Exhibit B.*

Item 16

RESTRICTIONS ON WHAT THE FRANCHISEE MAY SELL

You are required to offer for sale only Stork Vision® approved products and services specified by us in the Operations Manual and any updates to be incorporated in the Operations Manual. You may not offer for sale any products or services not specifically approved by us in writing and you may not use Stork Vision® premises for any other purpose than the operation of your Stork Vision® Center and the sale of products approved by us. We have the right to change the types of authorized goods and services, and there are no limits on our right to make these changes.

You may advertise to sell Stork Vision® products and services only to customers located within your Territory. You may advertise to customers outside of your Territory provided that you do not advertise to customers in the Territory of another Franchisee and that you obtain our prior permission. Except as noted in this Item 16, we place no restrictions upon your ability to serve customers provided you do so from the location of the Business in accordance with our standards (see Item 12).

You may not install or permit jukeboxes, games of chance, video games, newspaper racks, children's rides, telephone booths, and cigarette, gum, candy, or other vending machines in or at the Business without our express written consent.

Item 17

RENEWAL, TERMINATION, TRANSFER AND DISPUTE RESOLUTION

This table lists certain important provisions of the franchise and related agreements. You should read these provisions in the agreements attached to this disclosure document.

THE FRANCHISE RELATIONSHIP		
Provision	**Franchise Agreement Section**	**Summary**
a. Length of the franchise term	Section VII.A	7 years
b. Renewal or 1 extension of the term	Section VII.B	7 years renewal if you meet certain requirements.

THE FRANCHISE RELATIONSHIP		
Provision	**Franchise Agreement Section**	**Summary**
c. Requirements for you to renew or extend	Section VII.B	Provide written notice to renew; be in full compliance with current agreement; remodel as required; sign current form of Franchise Agreement; secure approved location; sign general release. The new agreement may have materially different terms than those contained in your original contract.
d. Termination by you	Section XXIII.E	If we have materially failed to comply with terms of Franchise Agreement after 30 days' notice or if we and you cannot agree on a site location.
e. Termination by us without cause	None	
f. Termination by us with cause	Section XXIII.B	We can terminate if you breach a material provision of the Franchise Agreement.
g. "Cause" defined – curable defaults	Sections XXIII.D	Cure violation of health, safety or sanitation laws within 72 hours of notice; pay past due advertising and royalty fees within 5 days of notice; cure all other defaults within 5 days of notice. (subject to state law)
h. "Cause" defined – non-curable defaults	Section XXIII.C	Abandonment of business, surrender of control; misrepresentation or omission in application; felony conviction; unauthorized assignment; improper assignment upon death or disability; loss of possession of business; unauthorized use of confidential information; failure to pay taxes or liens; dishonest or unethical conduct; assignment for benefit of creditors; bankruptcy; repeated violations.

THE FRANCHISE RELATIONSHIP		
Provision	**Franchise Agreement Section**	**Summary**
i. Your obligations on termination / nonrenewal	Section XXIV	Cease operating franchised business; cease use of confidential information and Marks; deliver property containing the Marks; cancel assumed or similar name registrations; pay outstanding amounts and damages; deliver manuals; assign phone numbers; comply with covenants; pay early termination fee if applicable; pay our attorneys' fees.
j. Assignment of contract by us	Section XXII.B	No restriction on our right to assign.
k. "Transfer" by you-definition	Section XXII.A	Includes transfer of the Franchise Agreement, Business Assets by you.
l. Our approval of transfer by you	Section XXII.A	We have the right to approve all transfers by you.
m. Conditions of our approval of transfer	Section XXII.A	Full compliance; transferee qualifies; all amounts due are paid in full; completion of training by transferee; transfer fee paid; transferee agrees to be bound by all terms of Franchise Agreement; you execute and deliver other required documents including a release.
n. Our right of first refusal to acquire your business	Section XXII.D	We have to right to match any offers.
o. Our option to purchase your business upon termination or nonrenewal	Section XXIV.F	Purchase for fair market value determined by appraisal if parties are unable to agree.
p. Your death or disability	Section XXII.C	Franchise must be assigned to approved buyer within 6 months.
q. Non-competition covenants during the term of the Franchise	Section XIX.B	No Involvement in any competitive business anywhere.
r. Non-competition covenants after the franchise is terminated.	Section XIX.B	No participation or interest in competing business for 3 years.
s. Modification of the agreement	Section XXV.J	No modification generally but Operations Manual subject to change.

THE FRANCHISE RELATIONSHIP		
Provision	**Franchise Agreement Section**	**Summary**
t. Integration / merger clause	Section XXV.J	Only terms of Franchise Agreement and FDD are binding (subject to state law).
u. Dispute resolution by arbitration	Section XXV.C	Arbitration and Mediation in Tarrant County, Texas (subject to state law).
v. Choice of forum	Section XXV.G	Litigation in Tarrant County, Texas (subject to state law).
w. Choice of law	Section XXV.G	Texas laws apply (unless prohibited by laws of state where Business is located).

Other state specific information is included in *Exhibit G*, State Addenda. This information may apply to you if you reside in or operate your business in one of the states listed in *Exhibit G*.

Item 18

PUBLIC FIGURES

We currently do not use any public figure to promote our Franchise.

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.

Your financial performance depends on a variety of factors including but not limited to the prices you will be able to charge for a scan so as to be competitive in your market and the number of scans you perform. You must perform your own independent research to determine what any future financial performance might be.

To assist you assessing possible outcomes for your particular franchise, we provide the following historical information for franchised stores in each of 4 market scenarios: a large urban market; a suburban city; a small city ; and a small rural town . We have also rated the competition

for each market as High (6 or more competitors), Average (3 to 5 competitors), or Low (1 or 2 competitors.

Actual Average Monthly Number of Scans for 2023 Calendar Year			
Store Category	**Competition**	**Average Number of Monthly Scans (Top Store)**	**Average Number of Monthly Scans (Bottom Store)**
Large urban market	High	186	138
Suburban city	Average	201	107
Small city	Average	154	68
Small rural town	Low	82	54

Some franchised stores have performed this many scans. Your individual results may differ. There is no assurance that you will perform as many scans.

This data represents actual historic financial performance representations regarding these particular franchised Stork Vision® stores. This data is not indicative of all stores. You may be able to use this data, however, as a guide in determining the possible number of monthly scans in your particular market.

Using the same classification system, during the same time period:

- we had a total of 2 franchised stores in large urban markets, of which 1 (or 50%) had fewer average scans per month than the top store.
- we had a total of 6 franchised stores in suburban city markets, of which 5 (or 83%) had fewer average scans per month than the top store.
- we had a total of -- 3 franchised stores in small city markets, of which 2 (or 66%) had fewer average scans per month than the top store.
- we had a total of - 3 franchised stores in rural markets, of which 2 (or 66%) had fewer average scans per month than the top store.

Commented [RC1]: I couldn't redline the 4...should be 3 franchised stores in small city and rural markets

Scan pricing will mostly likely be a function of the competition - more competitors will drive the price lower. You must determine what the potential pricing is in your market. Combining your forecast for pricing and for potential number of monthly scans, you can then develop a forecast of financial performance.

Written substantiation for the financial performance representation will be made available to the prospective franchisee upon reasonable request.

Other than as described in this Item 19, 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 our president, Renee Caldwell, 5712 Colleyville Blvd., Suite 202 Colleyville, Texas 76034, the Federal Trade Commission, and the appropriate state regulatory agencies.

Item 20

OUTLETS AND FRANCHISEE INFORMATION

Table No. 1

SYSTEMWIDE OUTLET SUMMARY
FOR YEARS 2021-2023

COLUMN 1 OUTLET TYPE	COLUMN 2 YEAR	COLUMN 3 OUTLETS AT THE START OF THE YEAR	COLUMN 4 OUTLETS AT THE END OF THE YEAR	COLUMN 5 NET CHANGE
Franchised	2021	20	20	0
	2022	20	16	-4
	2023	16	14	-2
Company-Owned	2021	0	0	0
	2022	0	0	0
	2023	0	2	+2
Total Outlets	2021	20	20	0
	2022	20	16	-4
	2023	16	16	0

Table No. 2

TRANSFERS OF OUTLETS FROM FRANCHISEES
TO NEW OWNERS (OTHER THAN THE FRANCHISOR)
FOR YEARS 2021-2023

COLUMN 1 STATE	COLUMN 2 YEAR	COLUMN 3 NUMBER OF TRANSFERS
TX	2021	2
	2022	1
	2023	2
Total Outlets	2021	2
	2022	1
	2023	2

Table No. 3

STATUS OF FRANCHISED OUTLETS
FOR YEARS 2021-2023

COL. 1 STATE	COL. 2 YEAR	COL. 3 OUTLETS AT START OF YEAR	COL. 4 OUTLETS OPENED	COL. 5 TERMINATIONS	COL. 6 NON-RENEWALS	COL. 7 REACQUIRED BY FRANCHISOR	COL. 8 CEASED OPERATIONS OTHER REASONS	COL. 9 OUTLETS AT END OF THE YEAR
GA	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
IL	2021	1	0	0	0	0	0	1
	2022	1	0	1	0	0	0	0
	2023	0	0	0	0	0	0	0
IA	2021	0	0	0	0	0	0	0
	2022	0	1	0	0	0	1	0
	2023	0	0	0	0	0	0	0
KY	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
NE	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
TX	2021	13	1	1	0	0	0	13
	2022	13	0	3	0	0	0	10
	2023	10	0	1	1	0	0	8
UT	2021	1	0	0	0	0	0	1
	2022	1	0	0	0	0	0	1
	2023	1	0	0	0	0	0	1
WI	2021	2	0	0	0	0	0	2
	2022	2	0	0	0	0	0	2
	2023	2	0	2	0	0	0	0
Totals	2021	20	1	1	0	0	0	20
	2022	20	1	4	0	0	1	16
	2023	16	0	— 3	1	0	0	12

Table No. 4
STATUS OF COMPANY-OWNED OUTLETS
FOR YEARS 2021-2023

COL. 1 STATE	COL. 2 YEAR	COL. 3 OUTLETS AT START OF THE YEAR	COL. 4 OUTLETS OPENED	COL. 5 OUTLETS REACQUIRED FROM FRANCHISEE	COL. 6 OUTLETS CLOSED	COL. 7 OUTLETS SOLD TO FRANCHISEE	COL 8 OUTLETS AT END OF THE YEAR
IL	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	1	0	0	0	1
TX	2021	0	0	0	0	0	0

Table No. 4 STATUS OF COMPANY-OWNED OUTLETS FOR YEARS 2021-2023							
COL. 1 **STATE**	**COL. 2** **YEAR**	**COL. 3** **OUTLETS AT START OF THE YEAR**	**COL. 4** **OUTLETS OPENED**	**COL. 5** **OUTLETS REACQUIRED FROM FRANCHISEE**	**COL. 6** **OUTLETS CLOSED**	**COL. 7** **OUTLETS SOLD TO FRANCHISEE**	**COL 8** **OUTLETS AT END OF THE YEAR**
	2022	0	0	0	0	0	0
	2023	0	1	0	0	0	1
Totals	2021	0	0	0	0	0	0
	2022	0	0	0	0	0	0
	2023	0	2	0	0	0	2

The stores described in this table are owned and operated by our affiliates, RCCSMG, LLC in Illinois, and SVDallas, LLC in Texas.

Commented [RC2]: Add another Table titled Affiliate Stores… STATE = TX, IL 2023. Col 3 = 0 Col 4 = 2 Col 4-7 = 0 Col 8 = 2

Table No. 5 PROJECTED OPENINGS AS OF DECEMBER 31, 2022			
COLUMN 1 **STATE**	**COLUMN 2** **FRANCHISE AGREEMENTS SIGNED BUT OUTLET NOT OPENED**	**COLUMN 3** **PROJECTED NEW FRANCHISED OUTLETS IN THE NEXT FISCAL YEAR**	**COLUMN 4** **PROJECTED NEW COMPANY-OWNED IN THE NEXT FISCAL YEAR**
Illinois	0	1	1
North Carolina	0	1	0
South Carolina	0	1	0
Total	0	3	1

Our fiscal year-end is December 31.

A list of the names of all franchisees and the addresses and telephone numbers of their Businesses are listed as *Exhibit D* to this disclosure document. A list of the name and last known home address and telephone number of every Franchisee who has had their franchise terminated, cancelled, not renewed, or otherwise voluntarily or involuntarily ceased to do business under the Franchise Agreement during our last fiscal year or who has not communicated with us within 10 weeks of our application date is attached as *Exhibit E*.

If you buy this franchise, your contact information may be disclosed to other buyers when you leave the franchise system.

No current or former franchisee has signed any confidentiality clauses with us that restricts the current or former franchisee from discussing his or her personal experience as a franchisee in our franchise system with any prospective franchisee.

There are no trademark-specific franchisee organizations associated with our franchise system.

Item 21

FINANCIAL STATEMENTS

Our audited financials as of December 31, 2023, December 31, 2022, and December 31, 2021, are attached to this disclosure document as *Exhibit F*.

Item 22

CONTRACTS

The following agreements are attached as exhibits to this disclosure document:

Franchise Agreement - ***Exhibit B***

Owners Agreement – ***Exhibit B to the Franchise Agreement***

Medical Director Agreement – ***Exhibit H***

Item 23

RECEIPTS

Two copies of an acknowledgment of your receipt of this disclosure document are included as *Exhibit J*. Please complete both copies of the acknowledgment and return our copy to us. You should retain the other copy for your files.

EXHIBIT A

List of State Agencies / Agents for Service of Process

STATE	STATE ADMINISTRATORS	AGENTS FOR SERVICE OF PROCESS
California	Commissioner Department of Financial Protection and Innovation One Sansome Street, Suite 600 San Francisco, California 94104 (415) 972-8559	Commissioner Department of Financial Protection and Innovation One Sansome Street, Suite 600 San Francisco, California 94104 (415) 972-8559
Hawaii	Commissioner of Securities Department of Commerce and Consumer Affairs 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 548-2021	Director of Department of Commerce and Consumer Affairs 335 Merchant Street, Room 203 Honolulu, Hawaii 96813 (808) 548-2021
Illinois	Illinois Attorney General Franchise Bureau 500 South Second Street Springfield, Illinois 62706 (217) 782-4465	Illinois Attorney General 500 South Second Street Springfield, Illinois (217) 782-4465
Indiana	Indiana Secretary of State Franchise Section 302 West Washington, Room E-111 Indianapolis, Indiana 46204 (317) 232-6681	Indiana Secretary of State 201 State House Indianapolis, Indiana 46204 (317) 232-6681
Maryland	Office of the Attorney General Securities Division 200 St. Paul Place Baltimore, Maryland 21202-2020 (410) 576-6360	Maryland Securities Commissioner 200 St. Paul Place Baltimore, Maryland 21202-2020 (410) 576-7044
Michigan	Consumer Protection Division Franchise Section P.O. Box 30213 Lansing, Michigan 48909 (517) 373-7117	Michigan Department of Commerce, Corporations and Securities Bureau 6546 Mercantile Way Lansing, Michigan 48910 (517) 373-7117
Minnesota	Commissioner of Commerce Department of Commerce 85 7th Place East, Suite 280 St. Paul, Minnesota 55101 (651) 539-1500	Commissioner of Commerce Department of Commerce 85 7th Place East, Suite 280 St. Paul, Minnesota 55101 (651) 539-1500

STATE	STATE ADMINISTRATORS	AGENTS FOR SERVICE OF PROCESS
New York	NYS Department of Law Investor Protection Bureau 28 Liberty St, 21st Fl. New York, New York 10005 (212) 416-8285	Secretary of State State of New York 162 Washington Avenue Albany, New York 12231
North Dakota	Securities Commissioner 600 East Boulevard Avenue State Capitol– 5th Floor – Dept 414 Bismarck, North Dakota 58505 (701) 224-4712	Securities Commissioner 600 East Boulevard Avenue State Capitol– 5th Floor – Dept 414 Bismarck, North Dakota 58505 (701) 224-4712
Rhode Island	Department of Business Regulation 1511 Pontiac Ave. Bldg 69-1 John O. Pastore Complex Cranston, Rhode Island 02920 (401) 277-3048	Department of Business Regulation 1511 Pontiac Ave, Bldg 69-1 John O. Pastore Complex Cranston, Rhode Island 02920 (401) 277-3048
South Dakota	Director of Division of Securities 124 S. Euclid, Suite 104 Pierre, South Dakota 57501 (605) 773-4823	Director of Division of Securities 124 S. Euclid, Suite 104 Pierre, South Dakota 57501 (605) 773-4823
Virginia	Director, Securities and Retail Franchising Division State Corporation Commission 1300 East Main Street Richmond, Virginia 23219 (804) 371-9051	Clerk of the State Corporation Commission 1300 East Main Street 1st Floor Richmond, Virginia 23219 (804) 371-9733
Washington	Department of Financial Institutions Securities Division 150 Israel Road SW Tumwater, Washington 98501 (360) 902-8760	Department of Financial Institutions Securities Division 150 Israel Road SW Tumwater, Washington 98501 (360) 902-8760
Wisconsin	Office of the Commissioner of Securities 101 East Wilson Street, Fourth Floor Madison, Wisconsin 53702 (608) 266-8559	Commissioner of Securities 101 East Wilson Street Madison, Wisconsin 53702 (608) 266-8559

EXHIBIT B

FRANCHISE AGREEMENT

Stork Vision®

Stork Vision Systems, Inc

5712 Colleyville Blvd.
Suite 202
Colleyville, Texas 76034
Phone 972.880.8290 • Fax 800.886.1408

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EXHIBIT A STATE ADDENDA
EXHIBIT B OWNERS AGREEMENT

Stork Vision Systems, Inc
FRANCHISE AGREEMENT

PARTIES

THIS AGREEMENT is made by and between Stork Vision Systems, Inc, a Texas corporation, hereinafter known as Stork Vision Systems, Inc or "Franchisor" or "SVSI" (also referred to as "we", "us", and "our") and the persons signing as Franchisee or Guarantors and referenced to herein individually or collectively as "Franchisee" (also referred to as "you" and "your"), to evidence the agreement and understanding between the parties as follows:

RECITALS

WHEREAS, Franchisor has developed, operates and has the right to license a system or business program, including expertise for conducting and operating a business under the mark "Stork Vision©"; and

WHEREAS, Franchisor owns the rights to use certain trade names, trademarks, logos, service marks and other property in connection with the operation of business and has developed expertise (including confidential information) and a unique, distinctive and comprehensive system (the "System") for the establishment and operation of a franchised business offering prenatal imaging services; and

WHEREAS, Franchisor has devised a uniform system for the establishment and operation of Stork Vision® Centers, including a distinctive exterior and interior design including décor and color scheme; uniform standards, specifications, and procedures for operations; procedures for quality control; training and ongoing operational assistance; advertising and promotional programs; and other related benefits for use of Franchisee under the Names and Marks, all of which may be changed, improved, and further developed by SVSI from time to time; and

WHEREAS, Franchisor identifies its System by means of certain trade names, service marks, trademarks, logos, emblems, and other indicia of origin, including but not limited to the mark "Stork Vision®" and such other trade names, service marks, trademarks and trade dress as are now designated (and may hereafter be designated by Franchisor in writing) for use in connection with its System (the "Names and Marks"); and

WHEREAS, Franchisor continues to develop, use, and control the use of such Names and Marks to identify for the public the source of services and products marketed there under and under its System, and to represent the System's high standards of consistent quality, appearance, and service; and

WHEREAS, Franchisor has established substantial goodwill and business value in its Names and Marks, expertise and System; and

WHEREAS, Franchisee desires to obtain a franchise from Franchisor for the right to use the "Names and Marks" and the expertise for operating a Stork Vision® Center and to obtain the benefits and knowledge of Franchisor's System including, but without limitation, business design, operating methods, advertising, sales techniques and materials, signs, personnel management, control systems, bookkeeping and accounting methods, and in general a style, method and procedure of business operation utilizing the Names and Marks as a Franchisee of Franchisor (the business to be operated under this Franchise Agreement using the System and the Names and Marks is hereinafter referred to as the "Business"); and

WHEREAS, Franchisee recognizes the benefits to be derived from being identified with and licensed by Franchisor, and Franchisee understands and acknowledges the importance of Franchisor's high standards of safety, quality, cleanliness, appearance, and service and the necessity of operating the Business in conformity with Franchisor's standards and specifications.

NOW, THEREFORE, in consideration of the foregoing recitals and other good and valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged, the parties hereto, intending to be legally bound, do hereby agree as follows:

I. FRANCHISEE'S ACKNOWLEDGEMENT OF BUSINESS RISK AND ABSENCE OF GUARANTEE

Franchisee (and each partner or shareholder if Franchisee is a partnership or corporation) hereby represents that he or she has conducted an independent investigation of the Franchisor's business and System and recognizes that the business venture contemplated by this Agreement involves business risks and that its success will depend upon Franchisee's abilities as an independent businessperson. Franchisor expressly disclaims the making of, and Franchisee

acknowledges that it has not received any warranty or guarantee, express or implied, as to the potential volume, profits or success of the business contemplated by this Agreement.

II. **FRANCHISEE'S ACKNOWLEDGEMENTS CONCERNING RECEIPT AND THOROUGH EVALUATION OF AGREEMENT**

Franchisee acknowledges having received, read, and understood this Agreement, including the Franchise Disclosure Document and attachments thereto. Franchisee further acknowledges that Franchisor has accorded Franchisee ample time and opportunity to consult with independent legal counsel and other advisors of its own choosing concerning the potential benefits and risks of entering into this Agreement. Franchisee further acknowledges that it has received the Franchisor's Franchise Disclosure Document required by the Trade Regulation Rule of the Federal Trade Commission at least fourteen (14) calendar days prior to the date on which this Agreement was executed and at least fourteen (14) calendar days prior to the payment of any consideration for this Agreement.

Franchisee acknowledges that it has read and understands this Agreement, the Attachments hereto, and any agreements relating thereto, and that Franchisee has been advised by a representative of Franchisor to consult with an attorney or advisor of Franchisee's own choosing about the potential benefits and risks of entering into this Agreement prior to its execution.

Franchisee acknowledges that any statements, oral or written, by Franchisor or its agents preceding the execution of this Agreement were for informational purposes only and do not constitute any representation or warranty by Franchisor. The only representations, warranties and obligations of Franchisor are those specifically set forth in the Franchise Disclosure Document and this Agreement. Franchisee must not rely on, and the parties do not intend to be bound by, any statement or representation not contained therein.

Franchisee acknowledges that Franchisor will not provide or designate locations for Franchisee, will not provide financial assistance to Franchisee, and has made no representation that it will buy back from Franchisee any products, supplies or equipment purchased by Franchisee in connection with the Business.

III. **ACTUAL, AVERAGE, PROJECTED OR FORECASTED FRANCHISE SALES, PROFITS OR EARNINGS**

Earnings claims located in the Franchise Disclosure Document are the only statement of sales, profits or earnings that the Franchisee should rely upon.

Franchisee, and each party executing this document hereto, acknowledges that Stork Vision Systems, Inc, itself or through any officer, director, employee or agent, has not made, and Franchisee has not received or relied upon, any oral or written, visual, express or implied information, representations, assurances, warranties, guarantees, inducements, promises or agreements concerning the actual, average, projected or forecasted franchise sales, revenues, profits, earnings or likelihood of success that Franchisee might expect to achieve from operating the Business, except as set forth in the Franchise Disclosure Document reviewed by Franchisee or its representatives.

IV. **INDEPENDENT CONTRACTOR**

A. Franchisee is an Independent Contractor

During the term of this Agreement, and any renewals or extensions hereof, Franchisee shall hold itself out to the public as an independent contractor operating its business pursuant to a franchise from the Franchisor. Franchisee agrees to take such affirmative action as may be necessary, including, without limitation, exhibiting multiple public notices of that fact, the content and display of which Franchisor shall have the right to specify. For example, such notices shall be provided on letterhead, business cards, bank account names, bank checks, and signs at the place of business.

B. Franchisor Is Not In A Fiduciary Relationship With Franchisee

It is understood and agreed by the parties hereto that this Agreement does not establish a fiduciary relationship between them, and that nothing in this Agreement is intended to constitute either party an agent, legal representative, subsidiary, joint venture, partner, employee, or servant of the other for any purpose whatsoever.

It is understood and agreed that nothing in this Agreement authorizes Franchisee, and Franchisee shall have no authority, to make any contract, agreement, warranty, or representation on behalf of

SVSI, or to incur any debt or other obligation in the name of SVSI; and that SVSI shall in no event assume liability for, or be deemed liable hereunder or there under as a result of any such action; nor shall SVSI be liable by reason of any act or omission of Franchisee in its conduct of the Business or for any claim or judgment arising there from against Franchisee or SVSI.

V. **FRANCHISE GRANT**

Franchisor hereby grants to Franchisee, upon the terms and conditions herein contained and subject to the License Agreement, the right, license, and privilege, and Franchisee hereby accepts a franchise under the terms and conditions set forth herein for the right, to operate a Business at the Location set forth in Section VI. (the "Accepted Location"), with the right to use solely in connection therewith the Franchisor's Names and Marks, its advertising and merchandising methods, and Franchisor's System, as they may be changed, improved and further developed only at the Accepted Location as set forth in Section VI and provided the Franchisee shall adhere to the terms and conditions hereof. It is understood and agreed that, except as expressly provided herein, this franchise is non-exclusive and includes no right of Franchisee to subfranchise.

VI. **EXCLUSIVE AREA OR TERRITORY**

The Franchise Location shall be within the State of _____ in the county (counties) of _____.

Your exclusive area or territory ("Territory") is defined as follows:

The accepted location must be located within the exclusive area or territory.

The exact accepted location is:

_____
(If accepted location is not selected prior to the signing of this agreement, by the parties, then it shall be entered at a later date, under the terms of this agreement.)

Franchisee shall not relocate the Business without the express prior written consent of Franchisor. During the term of this Agreement, Franchisor shall not establish, nor license another party

or entity to establish, a Stork Vision® Center within the exclusive area or territory defined above.

VII. **TERM AND RENEWAL OF AGREEMENT**

A. Term

The Franchise herein granted shall be for a term of seven years (7) years from the date of execution and acceptance (the "Effective Date") of this Franchise Agreement (the "Agreement") by Franchisor and subject to earlier termination as herein provided.

B. Renewal

Franchisee may, at its option, renew this Franchise for one (1) additional period of seven (7) years, if Franchisor is still offering franchises at that time, and further subject to the following conditions, all of which must be met prior to renewal:

1. Franchisee shall give the Franchisor written notice of its election to renew not less than six (6) months prior to the end of the then current term;

2. Franchisee must not be in default under any provision of the Agreement, any amendment hereof or successor hereto, or any other agreement between Franchisor and Franchisee, and Franchisee shall have complied with all the terms and conditions of all such agreements during the terms thereof;

3. Franchisee shall complete to Franchisor's satisfaction such maintenance and renovation of the Business as Franchisor may reasonably require in writing;

4. Franchisee shall have satisfied all monetary obligations owed by Franchisee to Franchisor and its affiliate, and shall have timely met these obligations throughout the previous term;

5. Franchisee shall execute, before the renewal term, the Franchisor's then-current form of Agreement, which agreement shall supersede this Agreement in all respects, and the terms of which may differ from the terms of this Agreement. Franchisor shall charge Franchisee a renewal fee of three thousand five hundred dollars ($3,500).

6. Franchisee shall comply with Franchisor's then current qualification and training requirements; and

7. Franchisee must execute a general release, in a form prescribed by Franchisor, of any and all claims against Franchisor and its affiliate, and their respective officers, directions, agents and employees, if such release is not in conflict with any local, state or federal laws.

VIII. **FRANCHISEE'S INITIAL INVESTMENT**

A. Initial Franchise Fee

By executing this Agreement, Franchisee agrees to become a Franchisee and pay an initial franchise fee in the amount of thirty-five thousand dollars ($35,000) for a single Stork Vision® Franchise, the "Initial Franchise Fee," which is due upon execution of this Agreement and receipt of which is hereby acknowledged by Stork Vision®. The Initial Franchise Fee shall be paid in a lump sum in U.S. funds and shall be deemed fully earned and nonrefundable in consideration of administrative and other expenses incurred by Franchisor in granting this franchise and for Franchisor's lost or deferred opportunity to franchise others, except as described in Section XX.B.

B. Time Limit for Approving Franchisee

Franchisor, within thirty (30) days of payment of the Initial Franchise Fee provided in Section VIII.A above, will approve or disapprove the Franchisee's application for a franchise. If Franchisee is disapproved, the Initial Franchise Fee will be refunded in full.

IX. **FRANCHISEE'S OTHER START-UP COSTS**

The Franchisee's total initial investment will vary depending upon the size of the Business, its geographical location, leasehold improvements required, and other factors.

Franchisee hereby certifies that he or she has reviewed the estimated start-up costs as detailed in the Franchise Disclosure Document and has sufficient cash resources available to meet said expenses. These other start-up costs are in addition to the initial franchise fee.

X. **OTHER FEES**

In addition to the Initial Franchise Fee described in Item IX above, the following recurring or isolated payments are required to be made by the Franchisee.

A. Royalty Fees

The Franchisee pays to SVSI a monthly Royalty Fee equal to the greater of $500 or five percent (5%) of total monthly Gross Sales of the Franchised Business.

As used in this Agreement, "Gross Sales" shall include all revenue (using cash basis accounting) from the sale (and refund) of all products and performance of services in, at, upon, about, through or from the Franchised Business, whether for cash or credit and regardless of collection in the case of credit, and income of every kind and nature related to the Franchised Business including insurance proceeds and/or condemnation awards for loss of sales, profits, or business. "Gross Sales" shall not include: 1) revenues from any sales taxes or other add on taxes collected from customers by Franchisee for transmittal to the appropriate taxing authority; and 2) the retail value of any complimentary services or trade-outs up to a maximum of 2 percent of "Gross Sales" in the aggregate. The sale and delivery of products and services away from the Business is by written approval of Franchisor only. Should Franchisor approve such sales in writing, these sales will be included in computing "Gross Sales".

The Royalty Fee is uniform as to all persons currently acquiring a Franchise, nonrefundable, and is not collected on behalf of nor paid to any third party. The Royalty Fee shall be payable monthly by the Franchisee and actually received by the Franchisor within three (3) business days from the end of each month.

Any payment or report not actually received by Franchisor on or before the specified date shall be deemed overdue. If any payment is overdue, in addition to the right to exercise all rights and remedies available to Franchisor under this Agreement, Franchisee shall pay Franchisor, in addition to the overdue amount, interest on such amount from the date it was due until paid at the lesser of the rate of eighteen percent (18%) per annum and the maximum rate allowed by the laws of the State in which Franchisee's business is located or any successor or substitute law (hereinafter the "Default Rate"), and a late fee in the amount of $30, until paid in full.

B. National Advertising Fees

We maintain and administer a National Advertising Fund (the "Fund") for such advertising or public relations programs as we, in our sole discretion, may deem appropriate to promote Stork Vision® centers, products, and services. We will direct all such programs, and will have sole discretion over the creative concepts, materials, and endorsements and media used in such programs, and the placement or allocation of such programs. We reserve the right to determine in our sole discretion the composition of all geographic territories and market areas for the implementation and development of such programs.

Franchisee shall be required to contribute monthly to the Fund an amount equal to the greater of $300 or three percent (3%) of monthly Gross Sales. The National Advertising Fee shall be payable monthly by the Franchisee and actually received by the Franchisor within three (3) business days from the end of each month.

C. Local Advertising Plan and Expenditures

1. Local Advertising Plan

Franchisee agrees to create a local advertising and marketing plan by which Franchisee shall place local advertising in any media it desires, provided that such advertising conforms to the standards and requirements of Franchisor as set forth in Franchisor's Operations Manual or otherwise designated by Franchisor. Franchisee shall not advertise the Business in connection with any other business, except with Franchisor's prior written approval. Franchisee shall obtain Franchisor's prior approval of all unapproved advertising and promotional plans and materials that Franchisee desires to use thirty (30) days before the start of any such plans. Franchisee shall submit such unapproved plans and materials to Franchisor by email or fax on forms that we may designate. Franchisee shall not use such plans or materials until they have been approved by Franchisor and shall promptly discontinue use of any advertising or promotional plans and material upon the request of Franchisor. We will approve or disapprove any plans or materials submitted by Franchisee within thirty (30) days after we receive them.

2. Local Advertising Expenditures

During the term of this Agreement, Franchisee shall spend a minimum of four percent (4%) of the Gross Sales of the

Business on local advertising and promotion; provided, however, that Franchisor shall have the right to approve or disapprove any advertising proposed for use by Franchisee.

D. Pre-Opening Advertising Expenditures

Franchisee shall expend, prior to the beginning of the third month of operation of Franchisee's Business, a minimum of One Thousand Dollars ($1,000) for advertising and promotional items, which advertising and promotional items must be used or employed prior to commencement, or during the first two months of operation of the Franchisee's Business. Franchisor may advise Franchisee regarding the preparation and placement of such advertising and promotional items.

XI. FINANCING ARRANGEMENTS

Franchisee hereby acknowledges that financing is the responsibility of the Franchisee. The Franchisor does not finance or guarantee the obligations of the Franchisee. The Franchise Fee is due and payable upon execution of this Agreement and as set forth in Section IX.C of this Agreement.

There are no waivers of defense by the Franchisee in either the Franchise Agreement or other documents evidencing obligations to the Franchisor.

XII. GENERAL OBLIGATIONS OF FRANCHISEE

A. Follow Operations Manual and Directives of Franchisor

Franchisee agrees that use of Franchisor’s System and adherence to the Operations Manual (the "Operations Manual"), and to Franchisor's standardized design and specifications for decor of the Business and uniformity of equipment, layouts, signs, and other incidents of the Business, are essential to the image and goodwill thereof. Franchisee shall cooperate and assist Franchisor with any customer or marketing research program which Franchisor may institute from time to time. Franchisee's cooperation and assistance shall include, but not be limited to, the distribution, display and collection of customer comment cards, questionnaires, and similar items. In order to further protect the System and the goodwill associated therewith, Franchisee shall:

1. Operate the Business and use the Operations Manual solely in the manner prescribed by Franchisor.

2. Comply with such requirements respecting any service mark, trade name, trademark, or copyright protection and fictitious name registrations as Franchisor may direct.

3. Operate the Business so as to conform to the specifications and standards of Franchisor in effect from time to time.

4. Use only such supplies, equipment, and products so as to conform to Franchisor's specifications in effect from time to time.

5. Sell from the Business all products specified by Franchisor and not sell or offer for sale any other products of any kind or character without first obtaining the express approval of Franchisor, which shall be at the full discretion of the Franchisor who shall have the sole right of decision in regards to all products to be sold in the Franchise Business. Franchisor shall have the right to not approve any product for any reason whatsoever or for no reason whatsoever.

6. Discontinue selling or offering for sale or using any products Franchisor may, in its absolute discretion, delete from its standards and specifications for any reason whatsoever or for no reason whatsoever.

7. Maintain in sufficient supply, and use at all times, only such products, materials, supplies as have been specified and approved by us. Operate the Business so as to conform to our standards of cleanliness and health and sanitation, and methods of service, and refrain from deviating therefrom by using non-conforming items or methods without our prior written consent.

8. Purchase such equipment, supplies, or products as may be required by us, for the appropriate handling and selling of any services and products that become approved for offering in the System.

9. Require clean uniforms conforming to such specifications as to color, design, etc. as Franchisor may designate, from time to time, to be worn by all of Franchisee's employees at all times while in attendance at the Business, and to cause all employees

to present a clean, neat appearance and render competent and courteous service to customers, as may be further detailed in the Operations Manual.

10. Not install or permit to be installed on or about the Business premises, without our prior written consent, any fixtures, furnishings, signs, equipment, or other improvements not previously approved as meeting our standards and specifications.

11. Employ a sufficient number of employees and maintain sufficient inventories as necessary to operate the Business at its maximum capacity as prescribed or approved by us, and comply with all applicable Laws with respect to such employees.

12. Not employ or partner with any former Stork Vision franchisee or any former owner or operator of a Stork Vision franchise without our prior written consent.

13. Not engage in any trade practice or other activity or sell any product or literature which we determine to be harmful to the goodwill or to reflect unfavorably on the reputation of Franchisee or SVSI, the Business, or the products sold thereat; or which constitutes deceptive or unfair competition, or otherwise is in violation of any applicable laws. The above limitations are closely related to the business image, purpose and marketing strategy of the System, and therefore any change there from would fundamentally change the nature of the business.

B. Operate Franchised Business Only

Franchisee shall use the System and the Names and Marks provided to Franchisee by Franchisor for the operation of the Business and shall not use them in connection with any other line of business or any other activity. Neither Franchisee, nor any of its employees, may conduct any business at the Business other than that authorized pursuant to this Agreement, without the prior written approval of Franchisor. Neither Franchisee, nor any of its employees, may conduct any activity at the Business or in connection therewith which is illegal or which could result in damage to the Names and/or Marks or the reputation and goodwill of Franchisor.

C. Comply With Laws

Franchisee shall comply with all federal, state, and local laws and regulations, and shall obtain and at all times maintain any

and all permits, certificates, or licenses necessary for full and proper operation of the Business franchised under this Agreement. Franchisor's standards may exceed any and all of the requirements of said laws.

D. Maintain Confidentiality of Proprietary Information

Neither Franchisee nor any of its partners, officers, directors, agents, or employees shall, except as required in the performance of the duties contemplated by this Agreement, disclose or use at any time, whether during the terms of this Agreement or thereafter, any information disclosed to or known by Franchisee or any such person as a result of this Agreement. Such information, includes, but shall not be limited to, information conceived, originated, discovered, or developed by Franchisee or by any employee of Franchisee which is not generally known in the trade or industry about Franchisor's products, services, or licenses, including information relating to discoveries, ideas, manufacturing, purchasing, accounting, engineering, marketing, merchandising or selling.

E. Maintain and Renovate Business

Franchisee shall at all times maintain the Business in a clean, orderly condition and in first class repair and condition in accordance with all maintenance and operating standards set forth in the Operations Manual. Franchisee shall make, at Franchisee's expense, all additions, repairs, replacements improvements and alterations that may be determined by Franchisor to be necessary so that the facilities which are viewed by the public will conform to the System's image, as may be prescribed by Franchisor. Franchisee shall undertake and complete such additions, repairs, replacements, improvements and alterations within the time and under the terms and conditions which may be reasonably specified by Franchisor.

At Franchisor's request, which shall not be more often than once every three (3) years, Franchisee shall refurbish the Business at its expense, to conform to the building design, trade dress, color schemes, and presentation of trademarks and service marks consistent with the Stork Vision® designated image, including, without limitation, remodeling, redecoration, and modifications to existing improvements.

During the term of this Agreement, the Accepted Location shall be used exclusively for the purpose of operating a franchised Stork Vision® Center. In the event the building shall be damaged or destroyed by fire or other casualty, or be required to be repaired or reconstructed by any governmental authority, Franchisee shall commence the required repair or reconstruction of the building within ninety (90) days from the date of such casualty or notice of such governmental requirement (or such lesser period as shall be designated by such governmental requirement) and shall complete all required repair or reconstruction as soon as possible thereafter, in continuity, but in no event later than one hundred eighty (180) days from the date of such casualty or requirement of such governmental notice. The minimum acceptable appearance for the restored building will be that which existed just prior to the casualty; however, every effort should be made to have the restored building include the then-current image, design and specifications of a new entry Stork Vision® Center. If the building is substantially destroyed by fire or other casualty, Franchisee may, with Franchisor's agreement and upon payment of an amount equal to twenty five percent (25%) of all insurance proceeds as a consequence of such casualty to the Franchisor as a royalty, terminate this Agreement in lieu of Franchisee's reconstructing the building.

If a leased building is damaged or destroyed by fire or other casualty, and the building cannot be repaired within 180 days from the date of such casualty, and if the Franchisee can terminate their lease under such conditions, the Franchisee must relocate the Business with no Relocation Fee within the same 180 day period, subject to the normal relocation requirements. If repairs or reconstruction of a leased premises cannot be made within said 180 days and Franchisee cannot terminate their lease, Franchisee may, with Franchisor's agreement and upon payment of an amount equal to twenty five percent (25%) of all insurance proceeds as a consequence of such casualty to the Franchisor as a royalty, terminate this Agreement in lieu of Franchisee's reconstructing the building.

F. Maintain Competent Staff

Franchisor will create and make available to Franchisee training programs and other selected training materials as Franchisor deems appropriate. Franchisee shall maintain a fully trained competent staff capable of rendering courteous quality service and preserving good customer relations, all in a manner in keeping with the standards set by Franchisor. Franchisee will provide Franchisor

with the name of each of Franchisee's employees throughout the term of this Agreement, and will provide updated information each time there is a change in employee information.

G. Open Business Within Time Limit

Within fifteen (15) days after execution of this Agreement, Franchisee must sign a lease for a Business location. Franchisee shall have obtained Franchisor's approval to open and shall have opened the Business and commenced operations within sixty (60) days after execution of this Agreement unless one or more extensions have been granted by Franchisor in accordance with this Section XII.G. Time is of the essence. Prior to opening, Franchisee shall complete to Franchisor's satisfaction all preparations of the Business, in accordance with specifications set forth in the Operations Manual, and as required by local governmental agencies, including the installation of fixtures, furnishings, and equipment and the acquisition of supplies and inventory.

Franchisee shall complete the construction of the Business in accordance with the provisions and requirements of this Section XII (the "Construction") and shall open the Franchise for business within two (2) months of the date of execution of this Franchise Agreement (the "Opening Date"); provided, however, that Franchisee shall have the right to substitute a different site, if such different site is acceptable to Franchisor, within fifteen (15) days of execution of this Agreement. Franchisor may grant Franchisee one thirty (30) day extension past the two (2) months allotted within which to open the Business.

Provided that the Franchisee has made full and complete application for all building permits, licenses, and all other permits required to open a Stork Vision® Center within 60 days of the execution date of this agreement, Franchisor may agree to grant up to three (3) thirty (30) day extensions to obtain all necessary permits if the delay was due to causes beyond the reasonable control of Franchisee, which agreement of Franchisor will not be unreasonably withheld. Franchisee must submit documentation of the status of the application(s) ten (10) days prior to the date of each thirty (30) day extension requested. Upon the grant of such extension(s) by Franchisor the Opening Date will be commensurately extended.

Should the Franchisee be unable to obtain all necessary permits and licenses during the stated period and extension time

period or periods as a result of causes beyond the reasonable control of Franchisee (unless the requirement for the issuance of such permits and licenses is waived in writing by Franchisor), this Agreement shall be deemed terminated upon written notice from either Franchisee or Franchisor to the other, without the necessity of further action by either party or further documentation. Upon such termination, the Franchisor shall retain one hundred percent (100%) of the Franchise Fee.

H. Operate Business in Strict Conformity to Requirements

Franchisee shall operate the Business in strict conformity with such standards, techniques, and procedures as Franchisor may from time to time prescribe in the Operations Manual, or otherwise in writing, and shall not deviate there from without Franchisor's prior written consent. Franchisee further agrees to offer its customers all products and services which Franchisor may prescribe, to offer its customers only those products and services which meet Franchisor's standards of quality and which Franchisor has approved in writing to be offered in connection with the Business's operations, and to discontinue offering any products or services which Franchisor may, in its sole discretion, disapprove in writing at any time.

I. Use Approved Supplies and Products

1. To ensure the consistent high quality and uniformity of services and products offered by Stork Vision® Centers, Franchisee shall purchase all equipment, resale inventory, and other supplies, products, and materials used in the operation of a Stork Vision® Center as Franchisor may specify, solely from suppliers who demonstrate to Franchisor's continuing satisfaction an ability to meet Franchisor's standards and specifications. In approving any supplier, Franchisor may consider factors such as the supplier's financial strength, quality control, and capacity to supply Franchisee's needs promptly and reliably. All suppliers must be approved in writing by Franchisor and not thereafter disapproved. If Franchisee desires to purchase an item from an unapproved supplier, Franchisee shall first submit a sample item to Franchisor along with a written request for such approval. The cost of acquiring the sample item and submitting it to Franchisor shall be paid by Franchisee or supplier, and Franchisor shall not be liable for damage to or for the return of any sample.

2. Franchisor reserves the right to require Franchisee to purchase designated proprietary items and products, and products bearing the Names and Marks, as specified in the Operations Manual from time to time, from Franchisor or its related or affiliated entities or from sources designated or approved by Franchisor, to the extent permitted by law.

J. Use Approved Equipment

In operating the Business, Franchisee shall install equipment, signs, furnishings, supplies and fixtures in accordance with the standards and specifications recommended by Franchisor or that will continue to be recommended by Franchisor. In addition, Franchisee shall schedule at least annually a preventative maintenance (PM) inspection of all ultrasound equipment to ensure that the equipment is operating safely according to its specifications. Franchisee shall maintain proof of such inspections and make said proof available to Franchisor upon request.

K. Full-Time Manager Required

Franchisee agrees to employ a competent, conscientious fully trained, full-time Manager who will work for the Business at least forty (40) hours per week. Franchisee will provide Franchisor with the name of each of Franchisee's Managers throughout the term of this Agreement, and will provide updated information each time there is a change in Manager information.

L. Use Approved Signs

Franchisee shall purchase or lease, subject to local building codes and regulations, such signs that provide maximum displays of the Names and Marks of Franchisor. Upon renewal of this Agreement, Franchisee shall be totally responsible for obtaining and equipping the Business with the signage that is approved for use by Franchisor at the time of the renewal of this Agreement. The color, size, design and location of said signs shall be as specified and/or approved by Franchisor. Franchisee shall not place additional signs, posters or other décor items in, on or about the Accepted Location without the prior written consent of Franchisor.

M. Use Approved Uniforms

Franchisee may require its employees to wear uniforms while working at the Business and such uniforms shall be of such design and

color as Franchisor may prescribe, as set forth in the Operations Manual.

N. Maintain Regular Business Hours

Franchisee shall keep the Business open, in normal operation, and available for customer appointments during regular business hours for a minimum of thirty (30) hours per week, five (5) days per week, fifty (50) weeks per year, except the Business may be closed (without our prior authorization) on Christmas Eve Day, Christmas, New Years Day, Easter, Fourth of July, Thanksgiving, Labor Day, and Memorial Day, unless otherwise authorized in writing by Franchisor (subject to local ordinances or lease restrictions, if any). Such minimum hours and days of operation may be changed as SVSI may specify in the Operations Manual. Franchisees have the flexibility to set their own regular hours as they see fit, subject to the other restrictions of this paragraph and the Operations Manual. If Franchisee operates the Business in a mall or similar facility, then Franchisee shall keep the Business open when the mall or similar facility is open to the general public, unless a waiver of hours is granted by the mall.

O. Maintain Uniform Operating Standards

Franchisee understands and acknowledges that every detail of the design and operation of the Business is important to Franchisee, Franchisor, and other franchisees in order to develop and maintain uniform operating standards, to increase the demand for the products and services sold by the Business under the System, and to protect Franchisor's reputation and goodwill.

P. No Vending Machines Without Franchisor Approval

Jukeboxes, games of chance, video games, newspaper racks, children's rides, telephone booths, and cigarette, gum, candy, or other vending machines may not be installed in or at the Business without the express written consent of the Franchisor and only then in such manner as prescribed by Franchisor for all of its Franchisees.

Q. Telephone Number of Business

Franchisee understands and agrees that the telephone number(s) for the Business constitute a part of the System and are subject to the restrictions of this Agreement. Accordingly, Franchisee shall not change the telephone number(s) for the Business without

prior notice and written approval by Franchisor. Franchisee shall advertise and publicize the telephone number(s) for the Business in the manner prescribed by Franchisor.

R. Disclose Discoveries and Ideas to Franchisor

Franchisee shall promptly disclose to Franchisor all discoveries, inventions or ideas, whether patent able or not, relating to Franchisor's business, which are conceived or made by Franchisee or any partner, officer, director, agent, or employee of Franchisee solely or jointly with others, during the term of this Agreement, whether or not Franchisor's facilities, materials, or personnel are utilized in the conception or making of such discoveries or ideas. Franchisee hereby acknowledges and agrees that all such discoveries, inventions or ideas are the exclusive property of Franchisor, and that Franchisor shall have no obligation to Franchisee with respect thereto. The purpose of this clause is to ensure that ideas for improvements to the System that may be generated by franchisees within the System will be distributed to the other franchisees as a benefit of belonging to the System.

S. Permit Franchisor to Enter Business

Franchisee shall permit Franchisor and its agents or representatives to enter the Business at any reasonable time for the purpose of conducting inspections, shall cooperate fully with Franchisor's representatives in such inspections by rendering such assistance as they may reasonably request, and, upon notice from Franchisor or its agents, and without limiting Franchisor's other rights under this Agreement, shall take such steps as may be deemed necessary to immediately correct any deficiencies detected during such inspections. In the event Franchisee fails or refuses to correct immediately any deficiency detected during such inspection, Franchisor shall have the right to make or cause to be made such changes as may be required, at the expense of Franchisee, which expense Franchisee agrees to pay upon demand. The foregoing shall be in addition to any other remedies Franchisor may have pursuant to this Agreement.

T. Additional Requirements for Corporate Franchisee

If Franchisee is or becomes a corporation, limited or limited partnership, or other organization or entity, the following requirements shall apply:

1. Franchisee shall confine its activities to the establishment and operation of the Business.

2. Franchisee's Certificate or Articles of Incorporation and Bylaws (or comparable governing documents) shall at all times provide that its activities are confined exclusively to operation of the Business and that the issuance, redemption, purchase for cancellation and transfer of voting stock, or other ownership interest therein, is restricted by the terms of this Agreement. Franchisee shall furnish SVSI promptly upon request copies of Franchisee's Articles of Incorporation, Bylaws, and other governing documents, and any other documents SVSI may reasonably request, and any amendments thereto.

3. Franchisee shall maintain a current list of all owners of record and beneficial owners of any class of voting stock of Franchisee and shall furnish such list to Franchisor upon request.

4. Franchisee shall maintain stop transfer instructions against the transfer on its record of any equity securities (voting or otherwise) except in accordance with the provisions of Article XXII. All securities issued by Franchisee shall bear the following legend, which shall be printed legibly and conspicuously on each stock certificate or other evidence of ownership interest:

> THE TRANSFER OF THESE SECURITIES IS SUBJECT TO THE TERMS AND CONDITIONS OF A FRANCHISE AGREEMENT WITH STORK VISION SYSTEMS, INC DATED _____. REFERENCE IS MADE TO SAID AGREEMENT AND TO THE RESTRICTIVE PROVISIONS OF THE ARTICLES AND BYLAWS OF THIS CORPORATION.

5. All owners of Franchisee shall jointly and severally guarantee Franchisee's performance hereunder and shall bind themselves to the terms of this Agreement by signing the Owners Agreement attached as Exhibit B, provided, however, that the requirements of this Section XII.T shall not apply to any corporation registered under the Securities Exchange Act of 1934 (hereinafter known as a "Publicly-Held Corporation").

6. If Franchisee is or becomes a partnership, Franchisee shall furnish Franchisor promptly upon request a copy of its partnership agreement and any other documents Franchisor may reasonably request, and any amendments thereto.

7. Franchisee shall maintain a current list of all general and limited partners and all owners of record and all beneficial owners of any class of voting stock of Franchisee and shall furnish the list to Franchisor promptly upon request.

U. Site Selection

Franchisee assumes all costs, liability, expense, and responsibility for locating, obtaining, and developing a site for the Business to be established under the Franchise Agreement and for constructing and equipping the Business at such site. Franchisee shall not make any binding commitment to a prospective vendor or lessor of real estate with respect to the Accepted Location for the Business unless such Accepted Location is accepted in accordance with the procedure herein set forth.

If you will occupy premises of a Stork Vision® Center under a lease, you must submit the proposed lease to us for approval before it is signed. The term of the proposed lease and all renewal options must be for a total of seven (7) years to include a minimum three-year lease with a four-year renewal option.

FRANCHISEE ACKNOWLEDGES THAT STORK VISION SYSTEMS, INC'S ACCEPTANCE OF A PROSPECTIVE SITE AND THE RENDERING OF ASSISTANCE IN THE SELECTION OF A SITE DOES NOT CONSTITUTE A REPRESENTATION, PROMISE, WARRANTY, OR GUARANTEE BY STORK VISION SYSTEMS, INC THAT A STORK VISION® CENTER OPERATED AT THAT SITE WILL BE PROFITABLE OR OTHERWISE SUCCESSFUL.

Before commencing the Construction of the Business, Franchisee, at its expense, shall comply, to Franchisor's satisfaction, with all of the following requirements:

1. Franchisee shall use a qualified general contractor or construction supervisor to oversee the Construction of the Business and completion of all improvements.

2. Franchisee shall obtain all licenses, permits and certifications required for lawful construction and operation of the Business including, without limitation, building, zoning, access, parking, driveway access, sign permits and licenses.

3. Franchisee shall obtain all health, life safety, and other permits and licenses required for operation of the Business prior to the Opening Date.

4. Franchisee shall cause such Construction to be performed only in accordance with the plans and specifications, approved by Franchisor, and no changes will be made to said approved plans and specifications, or the design thereof, or any of the materials used therein, or to interior and exterior colors thereof, without the express written consent of Franchisor.

5. If you desire to purchase any construction and decorating materials, fixtures, equipment, furniture, lighting fixtures, signs or supplies or other goods or services which are not approved by us or from an unapproved supplier, you must first submit a written request to us for approval.

Franchisee shall cooperate reasonably with Franchisor to ensure that the various actions occur which are necessary to obtain acceptance by Franchisor of the Business location. In particular, Franchisee shall furnish any pertinent information as may be reasonably requested by Franchisor regarding Franchisee's business and finances.

After the opening of the Business, Franchisee may relocate to a new site subject to the approval of the Franchisor. Franchisor will approve or disapprove the new site using the same criteria as that used for approval of the initial site. Franchisee will pay the Franchisor a Relocation Fee of $500 at the time the application for the new site approval is submitted. This Relocation Fee is non-refundable regardless of whether or not the application for relocation is approved or whether or not the Franchisee actually relocates the Business.

V. Training

Within 30 days of franchise award (or other date as mutually agreed to by both Franchisor and Franchisee), Franchisee shall schedule and participate in Pre-Opening Training to be conducted via multiple telephone calls or via Skype for a period of approximately forty-eight (48) hours, normally over several calendar days. Franchisor will assign a corporate trainer who will coordinate training times with the Franchisee. The cost of these telephone calls will be paid by Franchisor.

Prior to Franchisee's opening of the Business to the public, Franchisee and up to one (1) management personnel of Franchisee (or, if Franchisee is a corporation or partnership, a principal of

Franchisee) shall complete to Franchisor's satisfaction the Operations and Sonographer Protocol portions of the Training Program offered by Franchisor. In addition, the Center sonographer (if not an owner) shall also attend the Sonographer Protocol portion of the Training Program. At Franchisor's option, key personnel subsequently employed by Franchisee shall also complete to Franchisor's satisfaction, the Training Program. Franchisor may, at its discretion, make available additional training programs, seminars, as well as refresher courses to Franchisee and/or Franchisee's designated individual(s) from time to time. Franchisor shall provide instructors and training materials for all required training programs; and Franchisee or its employees shall be responsible for all other expenses incurred by Franchisee or its employees in connection with any training programs, including, without limitation, the cost of transportation, lodging, meals, and wages. Satisfactory completion of all mandatory training sessions is required. Failure to do so shall result in a breach of this Agreement.

W. Medical Director Required

Prior to Franchisee's opening for business, Franchisee shall engage the services of a Medical Director using the then standard Medical Director Agreement approved by Franchisor. Franchisee shall provide a copy of the signed agreement to Franchisor before opening for business. The Medical Director must be a practicing Obstetrician/Gynecologist or Radiologist. Franchisee shall not operate the business without approved Medical Director oversight.

Franchisee must pay the initial cost of licensing the Medical Director in the Franchisee's state, if applicable. This cost does not apply if Franchisee elects to use an existing Stork Vision® Medical Director already licensed in Franchisee's state or if Franchisee finds its own Medical Director already licensed in Franchisee's state.

X. Sonographer Qualifications

Franchisee shall ensure that all sonographers engaged by the Franchisee are registry eligible with the American Registry for Diagnostic Medical Sonography® (ARDMS®). At least one of the Franchisee's sonographers shall have attended and completed the Sonographer Protocol training at Franchisor's Headquarters or have been trained by another of the Franchisee's sonographers that had attended said Sonographer Protocol training. Sonographer Protocol

Training can be made available to additional Center Sonographers at a cost of $700 ($350/day for two days).

Y. Vendor Purchase Arrangements

We may attempt to negotiate purchase arrangements from approved suppliers for the benefit of our franchisees, based upon the combined buying power of our franchise network. These arrangements, if obtained, may result in lower prices for the items being purchased. In order for our franchisees to obtain volume discounts, you may be required to purchase items from suppliers with whom we have negotiated purchase arrangements.

We may negotiate vendor programs that benefit all Franchisees. You must participate in all vendor programs as required by SVSI. If a vendor program requires an exclusive relationship between SVSI, its Franchisees and the vendor, you may not participate in programs with other competing vendors.

You must obtain permission from SVSI before you engage in any vendor purchase arrangements (including with any photographer) other than those established by SVSI.

Z. Customer Data

You must collect from your customers all customer data that SVSI requires. All customer data that you collect becomes the property of SVSI. You must provide weekly reports to SVSI of your customer data by Monday of each week, in the form and format SVSI requires. You must provide SVSI any other customer data that SVSI requests within the time period SVSI reasonably requests. If you fail to provide any weekly customer data report by the date it is due, you agree to pay SVSI a late fee of $25 per week for each weekly report that you failed to submit to SVSI on time. The late fee is payable upon demand by SVSI.

AA. Miscellaneous

Franchisee shall give SVSI advance written notice of Franchisee's intent to institute legal action against SVSI, specifying the basis for such proposed action, and shall grant SVSI thirty (30) days from receipt of said notice to cure the alleged act upon which such legal action is to be based.

XIII. **SPECIFIC OBLIGATIONS OF FRANCHISEE RELATING TO**

INSURANCE

A. Overall Coverage Required

Franchisee shall procure, prior to opening the Business, and shall maintain in full force and effect during the term of this Agreement at Franchisee's expense, an insurance policy or policies protecting Franchisor, and the officers, directors, partners, and employees of both Franchisor and Franchisee against any loss, liability, personal injury, death, property damage, or expense whatsoever arising or occurring upon or in connection with operating the Business. Stork Vision Systems, Inc shall be named as an additional insured ("Additional Insured") on all such policies with such policies being primary coverage.

Prior to the opening of the Business and thereafter at least twenty (20) days prior to the expiration of any such policy or policies, Franchisee shall deliver to Franchisor certificates of insurance evidencing the proper coverage with limits not less than those required hereunder. All certificates shall expressly provide that not less than thirty (30) days prior written notice shall be given to SVSI in the event of material alteration to, termination, non-renewal, or cancellation of, the coverages evidenced by such certificates or cancellation of any of the Additional Insureds as an additional insured.

You will keep all insurance policies in force for the mutual benefit of the Parties. You agree to defend, indemnify, and save us harmless from and against all liability, injury, loss, cost and expense of any type (including lawyers' fees), and damages that arise in or in connection with your operation of the prenatal fetal photo imaging center, regardless of cause or any fault or negligence (including sole or concurrent negligence). You acknowledge that we may modify or increase the insurance requirements during the term of this Agreement due to changes in experience, and you agree to comply with the new requirements.

B. Insurance Carrier Must be Approved by Franchisor

Such policy or policies shall be written by an insurance company with an A.M. Best rating of A-minus or better and satisfactory to Franchisor in accordance with standards and specifications set forth in the Operations Manuals or otherwise in writing. The insurance company shall also be an admitted carrier in the state where the franchise is located. Such policy or policies may be part of a

Business Owners Package (BOP) and shall include, at a minimum (except as additional coverages and higher policy limits may be specified by Franchisor), the following initial minimum coverages:

1. Commercial General Liability Insurance including coverage for products & completed operations, personal and advertising injury liability, hired and non-owned vehicle liability insurance. The minimum coverage required is $1,000,000 per occurrence and $2,000,000 aggregate per location.

2. Premises Medical Expense. The minimum coverage required is $5,000 per person/per location.

3. All-risk Business Contents Insurance which will provide coverage for a minimum of fire and theft. We recommend that this insurance be written at replacement cost value covering the building/leased space improvements, furniture, fixtures, equipment and inventory and that coverage be written at a value of 100% of the replacement cost of the building (if applicable) and 100% of the replacement cost of the business contents.

4. Business Income and Extra Expense (generally included in a BOP)

5. Employer's Liability and Worker's Compensation Insurance as required by law.

6. Bodily Injury and Property Damage Liability Insurance: All company owned vehicles, vehicles identified with any Names and Marks, and vehicles used in connection with the operation of the business must carry Bodily Injury and Property Damage Liability insurance. The minimum coverage required is $1,000,000 per person and $1,000,000 per accident for bodily injury liability and $100,000 for property damage liability.

C. No Limitations on Coverage

Franchisee's obligations to obtain and maintain the foregoing insurance policies in the amounts specified shall not be limited in any way by reason of any insurance which may be maintained by Franchisor, nor shall Franchisee's performance of that obligation relieve it of liability under the indemnity provisions set forth in Section XVIII of this Agreement. Franchisee may maintain such additional insurance as it may consider advisable.

D. Franchisee Must Provide Evidence of Coverage to Franchisor

Upon obtaining the insurance required by this Agreement and on each policy renewal date thereafter, Franchisee shall promptly submit evidence of satisfactory insurance and proof of payment to Franchisor, together with, upon request, copies of all policies and policy amendments and endorsements. The evidence of insurance shall include a statement by the insurer that the policy or policies will not be cancelled or materially altered without giving at least thirty (30) days' prior written notice to Franchisor.

E. Franchisor May Procure Insurance Coverage

Should Franchisee, for any reason, fail to procure or maintain the insurance required by this Agreement, or as described in the Operations Manual or otherwise in writing, Franchisor shall have the right and authority (but no obligation) to procure such insurance and to charge same to Franchisee, which charges, together with a reasonable fee for Franchisor's expenses in so acting, shall be payable by Franchisee immediately upon notice from Franchisor.

XIV. SPECIFIC OBLIGATIONS OF FRANCHISEE RELATING TO ACCOUNTING AND RECORDS

A. Bookkeeping, Accounting, and Records

Franchisee shall maintain during the term of this Agreement, and shall preserve for a minimum of three (3) years, full, complete, accurate records of sales, closeout sheets, payroll, and accounts payable in accordance with the standard accounting system described by Franchisor in the Operations Manual or otherwise specified in writing. You are required to purchase an initial computer suite to satisfy accounting and record reporting requirements. At a minimum, your computer must have a flat screen monitor, a processor speed of 2.0 GHz (2.4 GHz recommended), 1 GB of memory (2 GB recommended), 150 GB hard drive, a DVD read/write combination drive, 2 USB 2.0 ports, a video camera and speaker system suitable for use with Skype, and the Microsoft Windows Vista, Windows 7, or newer operating system. Franchisee shall use QuickBooks Pro accounting software (version must be less than two years old) to record and maintain all accounting records. Franchise shall use an appropriate version of QuickBooks Payroll to maintain employee payroll records. You must also have a version of Microsoft Word and Microsoft Excel (version 2007 or later). You must update this software, as we may require, to ensure

compatibility amongst all franchisees. Franchisor will have the right at any time to access Franchisee's information, upload and download data, troubleshoot and perform diagnostic checks, and retrieve whatever data and information Franchisor wants from Franchisee's computer system and communication system. Franchisee will cooperate with Franchisor completely in any of these tasks. This information will become Franchisor's property.

B. Franchisor's Right to Audit

Franchisor or its designated agents shall have the right, at all reasonable times, to examine and copy, at Franchisor's expense, the books, records, and tax returns of Franchisee and the Business. Franchisor shall also have the right, at any time, to have an independent audit made of the books of the Business. If an inspection should reveal that any payments to Franchisor have been understated in any report to Franchisor, then Franchisee shall immediately pay to Franchisor the amount understated upon demand, in addition to interest on such amount from the date such amount was due until paid, at the Default Rate, calculated on a daily basis. If an inspection discloses an understatement in any payment to Franchisor of two percent (2%) or more, Franchisee shall, in addition, reimburse Franchisor for any and all costs and expenses relating to the inspection (including, without limitation, travel, lodging and wage expenses and reasonable accounting and legal costs), and, at Franchisor's discretion, submit audited financial statements prepared, at Franchisee's expense, by an independent certified public accountant satisfactory to Franchisor. If an inspection discloses an understatement in any payment to Franchisor of four percent (4%) or more, such act or omission shall constitute grounds for immediate termination of this Agreement, as set forth in Section XXIII. hereof. The foregoing remedies shall be in addition to any other remedies Franchisor may have pursuant to this Agreement and as provided at law and in equity.

C. Reporting of Gross Sales

Franchisee shall submit to Franchisor during the term of this Agreement, after the opening of the Business a sales report, on a calendar month accounting period basis in the form prescribed by Franchisor, accurately reflecting all Gross Sales during each preceding one month accounting period, and such other data or information as Franchisor may require, said report to be received by Franchisor within fifteen (15) days after the end of the reporting period covered by the report.

D. Submission of Financial Statements

At Franchisor's request, Franchisee shall, at its expense, submit to Franchisor a financial statement, which may be unaudited, for the time period specified by Franchisor, including both an income statement and balance sheet. These financial reports shall be the standard reports generated by the QuickBooks accounting software. Franchisee will submit other forms, records, reports, information, and data as Franchisor may reasonably designate, in the form, and at the times and the places reasonably required by Franchisor, upon request, and as specified from time to time in the Operations Manual or otherwise in writing.

E. Disclosure of Financial Statements

Franchisee hereby grants permission to Franchisor to release to Franchisee's landlord, lenders or prospective landlords or lenders, any financial and operational information relating to Franchisee and/or the Business; however, Franchisor has no obligation to do so.

F. Daily Accounting & Sales Reporting

Franchisee shall follow and adhere to the daily accounting and sales reporting procedures as required by Franchisor.

XV. SPECIFIC OBLIGATIONS OF FRANCHISEE RELATING TO USES OF NAMES AND MARKS

A. Names and Marks are Owned by Franchisor

Franchisor warrants with respect to the proprietary Names and Marks that:

1. Franchisor owns the rights to use the Names and Marks to establish Stork Vision® Centers in the United States.

2. Franchisor is taking and will take such steps as are reasonably necessary to preserve and protect the ownership and validity of such Names and Marks; and

3. Franchisor will use and permit Franchisee and other franchisees to use the Names and Marks with the System and standards attendant thereto, which underlie the goodwill associated with and symbolized by the Names and Marks.

B. Franchisee is Licensed to Use Names and Marks

With respect to Franchisee's franchised use of the Names and Marks pursuant to this Agreement, Franchisee agrees that:

1. Franchisee shall use only the Names and Marks as are approved in writing by Franchisor for Franchisee's use, and shall use them only in the manner authorized and permitted by Franchisor and that in any use whatsoever of the Names and Marks of Franchisor that the Names and Marks are identified as being registered to or owned by Franchisor;

2. Franchisee shall use the Names and Marks only in connection with the operation of the Business and in advertising for the Business conducted at or from the Accepted Location;

3. Franchisee shall use and display, as Franchisor may require in the operation of the Business, a notice in the form approved by Franchisor indicating that Franchisee is a "Franchised Operator" under the System and that the Names and Marks are used by Franchisee under such Franchise;

4. Unless otherwise authorized or required by Franchisor, Franchisee shall operate and advertise the Business under the Name and Mark "Stork Vision”;

5. Franchisee's right to use the Names and Marks is limited to such usages as are authorized under this Agreement, and any unauthorized use thereof shall constitute an infringement of Franchisor's rights;

6. Franchisee shall not use the Names and Marks to incur any obligations or indebtedness on behalf of Franchisor;

7. Franchisee shall not use the Names and Marks or any part thereof as part of its corporate or other legal name;

8. Franchisee shall comply with Franchisor's instructions in filing and maintaining the requisite trade name or fictitious name registration, and shall execute any documents deemed necessary by Franchisor or its counsel to obtain protection for the Names and Marks or to maintain their continued validity and enforceability; and

9. In the event any litigation involving the Names and Marks is instituted or threatened against Franchisee, Franchisee shall promptly notify Franchisor and shall cooperate fully with Franchisor in defending such litigation.

10. During the term of this Agreement and any renewal hereof, Franchisee shall identify itself as the owner of the Business in conjunction with any use of the Names and Marks, including, but not limited to, on invoices, order forms, receipts, and contracts, as well as at such conspicuous locations on the premises of the Business as Franchisor may designate in writing. The form and content of such identification shall comply with standards set forth in the Operations Manual.

C. Franchisee Will Not Challenge Franchisor's Rights In Its Names and Marks

Franchisee expressly understands and acknowledges that:

1. As between the parties hereto, Franchisor is the owner of all right, title, and interest in and to the Names and Marks and the goodwill associated with and symbolized by them.

2. The Names and Marks are valid and serve to identify the System and those who are franchised under the System.

3. Franchisee shall not directly or indirectly contest the validity or the ownership of the Names and Marks.

4. Franchisee's use of the Names and Marks pursuant to this Agreement does not give Franchisee any ownership interest or other interest in or to the Names and Marks, except the non-exclusive Franchise granted herein.

5. Any goodwill arising from Franchisee's use of the Names and Marks in its Business under the System shall inure solely and exclusively to Franchisor's benefit, and upon expiration or termination of this Agreement and the Franchise herein granted, no monetary amount shall be assigned as attributable to any goodwill associated with Franchisee's use of the System or the Names and Marks.

6. Franchisor reserves the right to substitute different Names and Marks for use in identifying the System, the Business and other franchised businesses operating there under.

7. Franchisee shall not register or attempt to register the Names and Marks in Franchisee's name or that of any other firm, person or corporation.

8. The right and license of the Names and Marks granted hereunder to Franchisee is nonexclusive, and Franchisor thus has and retains the rights, among others:

a. To use the Names and itself in connection with selling products and services;

b. To grant other licenses for the Names and Marks, in addition to those licenses already granted to existing franchisees; and

c. To develop and establish other systems using similar Names and Marks, or any other proprietary marks, and to grant licenses or franchises thereto at any location(s) whatsoever without providing any rights therein to Franchisee.

9. Franchisor has the unrestricted right to engage, directly or indirectly, through its or their employees, representatives, licensees, assigns, agents and others, at wholesale, retail and otherwise, in the production, distribution and sale of products bearing the Names and Marks licensed hereunder or other names or marks, including without limitation, products included as part of the System. Franchisee shall not under any circumstances engage in any wholesale trade or sale of System products for resale.

XVI. SPECIFIC OBLIGATIONS OF THE FRANCHISEE RELATING TO CONFIDENTIALITY OF PROPRIETARY INFORMATION

A. Franchisee Will Learn Proprietary Matters

Franchisee acknowledges that he or she will obtain knowledge of proprietary matters, techniques and business procedures of Franchisor that are necessary and essential to the operation of the Business, without which information Franchisee could not effectively and efficiently operate such business, including, without limitation, knowledge regarding the System, the layout of the Business, and the Operations Manual. Franchisee further acknowledges that such proprietary information was not known to Franchisee prior to execution of this Agreement and that the methods of Franchisor are unique and novel to the System. As used herein, "Proprietary Information" shall mean confidential information concerning:

1. Persons, corporations, or other entities which are, have been, or become Franchisees of the System and any investors therein;

2. Persons, corporations, or other entities which are, have been, or become customers of the Business;

3. The terms of and negotiations relating to past or current Franchise Agreements with respect to the System;

4. The operating procedures of the System, including without limitation: distinctive management, bookkeeping and accounting systems and procedures; advertising, promotional and marketing methods; personnel hiring and training procedures; the manufacturers, suppliers and uses of equipment; and lists of vendors and suppliers;

5. The economic and financial characteristics of the System and Franchisees, including without limitation: pricing policies and schedules; profitability, earnings and losses; and capital and debt structures;

6. The services and products offered to customers of Businesses, including, without limitation, the scope of services performed and services refused; and

7. All documentation of the information listed in Sections XVI.A.1 through XVI.A.7 hereof, including, without limitation, the Operations Manual. During the term of this Agreement and for a period of five (5) years following the expiration or termination of this Agreement, Franchisee agrees not to divulge, directly or indirectly, any Proprietary Information, without the prior written consent of Franchisor. Nothing contained herein shall be construed so as to require Franchisor to divulge any secret processes, formulas, or the like.

B. Franchisee's Employees Will Not Disclose Proprietary Information

The Franchisee may disclose Proprietary Information only to such of its employees, agents and representatives as must have access to it in order to operate the Business. Franchisee shall obtain from each such employee, representative or agent, an agreement that such person shall not during the course of his employment, representation,

or agency with Franchisee, or for a period of five (5) years thereafter, use, divulge, disclose or communicate, directly or indirectly, in any form or manner, to any person, firm or corporation, any of the Proprietary Information of Franchisor.

C. Injunctive Relief is Available to Franchisor

Franchisee acknowledges that any failure to comply with the requirements of this Section XVI will cause Franchisor irreparable injury, and Franchisor shall be entitled to obtain specific performance of, or an injunction against any violation of, such requirements. Franchisee waives any requirements for the posting of any bond(s) relating thereto. Franchisee agrees to pay all court costs and reasonable attorneys' fees incurred by Franchisor in obtaining specific performance of, or an injunction against, violation of requirements of this Section XVI. The foregoing remedies shall be in addition to any other legal or equitable remedies which Franchisor may have.

D. Franchisor's Patent Rights and Copyrights

Franchisor does not own rights in or to any patents that are material to the Franchise. However, Franchisor intends to obtain copyright protection for the Operations Manual and certain marketing, sales, and operations literature. Furthermore, Franchisor claims rights to certain trade secrets and confidential information as discussed above.

XVII. SPECIFIC OBLIGATIONS OF FRANCHISEE RELATING TO TAXES, PERMITS AND LAWSUITS

A. Franchisee Must Notify Franchisor of Lawsuits

Franchisee shall notify Franchisor in writing within five (5) days of notice of the commencement of any action, suit, or proceeding against Franchisee, and of the issuance of any inquiry, subpoena, order, writ, injunction, award or decree of any court, agency, or other governmental instrumentality, which arises out of, concerns, or may affect the operation or financial condition of the Business, including, without limitation, any criminal action or proceedings brought by Franchisee against its employees, customers, or other persons.

B. Franchisee Must Comply With Laws

Franchisee shall, at Franchisee's expense, comply with all federal, state and local laws, rules, regulations and ordinances and shall timely obtain and shall keep in force as required throughout the term of this Agreement all permits, certificates and licenses necessary for the full and proper conduct of the Business, including, without limitation, any required permits, licenses to do business, fictitious name registrations, sales tax permits, and fire clearances.

C. Franchisee Must Pay Taxes Promptly

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

D. Franchisee May Contest Tax Assessments

In the event of any bona fide dispute as to any liability for taxes assessed or other indebtedness, Franchisee may contest the validity or the amount of the tax or indebtedness in accordance with procedures of the taxing authority or applicable law. However, in no event shall Franchisee permit a tax sale or seizure by levy of execution or similar writ or warrant, or attachment by a creditor to occur against the premises of the Business, or any improvements thereon.

XVIII. SPECIFIC OBLIGATION OF FRANCHISEE RELATING TO INDEMNIFICATION

Franchisee understands and agrees that 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. Franchisee further understands and agrees that Franchisor shall in no event assume liability for, or be deemed liable hereunder as a result of, any such action, or by reason of any act or omission of Franchisee in its conduct of the Business or any claim or judgment arising there from against Franchisee. Franchisee shall indemnify and hold Franchisor and Franchisor's officers, directors, shareholders and employees harmless against any

and all claims arising directly or indirectly from, as a result of, or in connection with, Franchisee's operation of the Business, as well as the cost, including attorney's fees, of defending against same.

XIX. **MISCELLANEOUS COVENANTS OF FRANCHISEE**

A. Covenants are Independent

The parties agree that each covenant herein shall be construed to be independent of any other covenant or provision of this Agreement. If all or any portion of the covenants in this Agreement is held to be unenforceable or unreasonable by a court or agency having competent jurisdiction in any 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 resultant covenant were separately stated in and made a part of this Agreement. Franchisee understands and acknowledges that Franchisor will have the right, in its sole discretion, to unilaterally reduce the scope of all or part of any covenant in this Section XIX (before or after any dispute arises), without Franchisee's consent, effective immediately upon receipt by Franchisee of written notice of any modification; and Franchisee agrees that it will comply immediately with any covenant as so modified. The time periods provided in this Section XIX will be extended for any period of non-compliance with the obligations in this Section XIX.

B. Franchisee Will Not Compete Against Franchisor

Franchisee specifically acknowledges that, pursuant to this Agreement, Franchisee will receive valuable specialized training and confidential information, including, without limitation, information regarding the operational, sales, promotional and marketing methods and techniques of Franchisor and the System, and that Franchisor has legitimate business interests in protecting the System. Franchisee covenants that, during the term of this Agreement, except as otherwise approved in writing by Franchisor, Franchisee shall not, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with, any person, persons, or legal entity, employ or seek to employ any person who is at that time employed by Franchisor or by any other franchisee or affiliate of Franchisor, or otherwise directly or indirectly induce such person to leave his or her employment.

Franchisee covenants that, except as otherwise approved in writing by Franchisor, Franchisee shall not, during the term of this

Agreement and for a continuous uninterrupted period commencing upon the expiration, termination or transfer of this Agreement or the franchise, regardless of cause, and continuing for three (3) years thereafter, either directly or indirectly for itself, or through, on behalf of, or in conjunction with, any person, persons, or legal entity, own, invest in, maintain, operate, engage in, manage, finance, be employed or contracted by, control, or have any interest in any business that offers, sells or provides the same or similar items or services as offered by the Business, including prenatal imaging services (non-diagnostic, diagnostic, in-office or mobile), gender blood draws, and/or OB sonograms or ultrasounds of any type (including 2D, 3D, and 4D) within a fifty (50) mile radius of the business location designated hereunder, or within a fifty (50) mile radius of any other Stork Vision® Center in existence or planned as of the time of termination or expiration of this Agreement. However, this section will not prevent employment in a clinical setting, such as a hospital or physician's office.

C. Exception to Covenant Not to Compete

Section XIX.B hereof shall not apply to ownership by Franchisee of less than a five percent (5%) beneficial interest in the outstanding equity securities of any Publicly-Held Corporation.

D. Franchisee Will Not Divert Business

During the term of this Agreement and for a period of three (3) years following the expiration or termination of this Agreement, Franchisee covenants that it will not, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any person, persons, or legal entity:

1. Divert or attempt to divert business or customers of the Business with which or with whom Franchisee has had contact during the term of this Agreement to any competitor by direct or indirect inducement or otherwise; or

2. Do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Names and Marks or the System or both; or

3. Induce, directly or indirectly, any person who is at that time employed by Franchisor or by any other Franchisee of Franchisor, to leave his or her employment. The provisions of this

Section XIX.D shall apply only in the geographical area lying within the exclusive territory of the Business.

E. Franchisor Is Entitled to Injunctive Relief

Franchisee acknowledges that any failure to comply with the requirements of this Section XIX will cause Franchisor irreparable injury for which no adequate remedy at law may be available, and Franchisee hereby accordingly consents to the issuance by a court of competent jurisdiction of an injunction prohibiting any conduct by Franchisee in violation of the terms of this Section XIX and waives any requirement for the posting of any bond(s) relating thereto. Franchisor may further avail itself of any legal or equitable rights and remedies which it may have under the Agreement or otherwise.

F. Covenants Are Enforceable Independent of Claims

Franchisee expressly agrees that the existence of any claim it may have against Franchisor, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by Franchisor of the covenants of this Section XIX. Franchisee further agrees that Franchisor shall be entitled to set off any amounts owed by Franchisor to Franchisee against any loss or damage to Franchisor resulting from Franchisee's breach of this Section XIX.

G. No Right of Set-Off

Franchisee expressly agrees that the existence of any claims it may have against Franchisor, whether or not arising from this Agreement, shall not constitute a defense to the enforcement by Franchisor of the covenants in this Section XIX. Franchisee agrees to pay all damages, costs and expenses (including reasonable attorney's fees) incurred by Franchisor in connection with the enforcement of this Section XIX.

XX. OBLIGATIONS OF THE FRANCHISOR: SUPERVISION, ASSISTANCE OR SERVICES

The Franchisor shall provide the Franchisee with the following assistance and services:

A. Training and Support

We provide a training program (the "Training Program") broken into three distinct phases.

a. Phase I (Pre-Opening) is conducted telephonically with the Franchisee beginning with the awarding of the franchise. Phase I is oriented toward site selection and new business start-up procedures. Phase I consists of a minimum of 8 hours training and is tailored for each new owner's specific needs.

b. Phase II (Operations) and Phase III (Sonographer Protocol) encompass the formal classroom part of the Training Program and are conducted at our Home Office. Franchisor shall provide the corporate trainers for the following topic areas: Operations, Marketing, Sonographer Protocol, and Accounting.

Phases II and III can be scheduled separately or consecutively and begin approximately thirty (30) days or more before the opening of the Business. The exact days will be mutually selected by Franchisor and Franchisee. Franchisee shall attend Phases II and III of the training program at no charge to the Franchisee. The Center Sonographer (if not otherwise an owner) shall also attend Phase III at no charge to the Franchisee. Franchisee shall be responsible for any travel, lodging, meal or other costs for the attendee(s) of the training program at the Franchisor's Home Office

3. Franchisor shall provide such continuing advisory assistance to Franchisee in the operation, advertising, and promotion of the Business as Franchisor deems advisable. Franchisor shall also provide refresher training programs for Franchisee and Franchisee's employees as Franchisor deems appropriate.

4. The Franchisor may conduct additional seminars or other training programs for the benefit of the Franchisee, and Franchisee (and/or Franchisee's employees) may attend any such seminar or program. Franchisor may charge a reasonable fee for such seminar or program if it is deemed appropriate. Any and all traveling, living, and other expenses incurred by anyone attending training shall be paid by Franchisee.

5. Franchisee may make reasonable request for training in addition to that specified above, and Franchisor shall provide such training, at Franchisee's expense, including without limitation, any travel, lodging, meals and other related costs.

6. Franchisee shall complete and/or shall cause its employees to complete, to Franchisor's satisfaction, such other

additional training as Franchisor may reasonably require from time to time.

7. Franchisor may provide Franchisee, from time to time, as Franchisor deems appropriate, such merchandising, marketing and other data and advice as may from time to time be developed by Franchisor and deemed by Franchisor to be helpful in the managing and operation of the Business.

8. Franchisor may provide such periodic individual or group advice, consultation and assistance, rendered by personal visit or telephone, or by newsletter or bulletins made available from time to time to all Stork Vision® franchisees, as Franchisor may deem necessary or appropriate.

9. Franchisor may provide such bulletins, brochures, manuals and reports, if any, as may from time to time be published by or on behalf of Franchisor regarding its plans, policies, developments and activities. In addition, Franchisor may provide such communication concerning new developments, techniques and management improvements which Franchisor deems relevant to the operation of the Business.

10. Franchisor shall provide the requirements for a standardized system for accounting and inventory control.

11. Franchisor shall seek to maintain the high standards of quality, appearance, and service of the System, and to that end shall conduct, as it deems advisable, inspections of the Business franchised hereunder, and evaluations of the products sold and services rendered therein.

12. Franchisor is obligated to take any appropriate action to preserve the Names and Marks against unauthorized operations which infringe on such Names and Marks.

13. All obligations of Franchisor under this Agreement shall benefit only the Franchisee, and no other party is entitled to rely on, enforce, benefit from or obtain relief for breach of such obligations, either directly or by subrogation.

B. Site Selection

The Franchisee has the responsibility for selecting a site. The Franchisor shall then review and within 30 days accept or not accept the Franchisee's site selection and lease agreement, based on

an analysis of local competing businesses, population density and other demographics, visibility and accessibility, traffic patterns, the neighborhood, suitability of the premises to be leased and other factors more fully described in the Franchisor's Operations Manual. The suitability of a site is determined on a case-by-case basis. Franchisor's acceptance of a site does not constitute a guarantee by Franchisor that the Business will be profitable at that site. If we and you are unable to agree on a site location, you may terminate this Franchise Agreement and receive a refund of the initial franchise fee less a Termination Fee of $1500.

C. Business-Layout and Design

Provided that Franchisee leases an existing building, the Franchisor will assist the Franchisee with the layout and design of the Business including location of walls, counters and the location of equipment. The costs of leasehold improvements, signs, furniture and fixtures for finishing out a Business are the responsibility of the Franchisee.

D. Post-Training Assistance

In addition to the assistance rendered to the Franchisee prior to opening, the Franchisor will provide continuing consultation and advice regarding business, financial, operational, technical, pricing, legal, sales and advertising matters; products; management of supplies; styles and type of service; operation of the Business; and development of personnel policies. The Franchisor will provide such assistance by telephone or, if the situation warrants, through on-site assistance of appropriate Franchisor personnel.

E. Operations Manual

In order to protect the reputation and goodwill of SVSI and to maintain high standards of operation under Stork Vision® Proprietary Marks, Franchisee shall conduct its business in accordance with this Agreement and various training and other manuals and DVDs, described herein collectively as the "Operations Manual" (one copy of which Franchisee shall acknowledge in writing upon receipt has been received on loan from Franchisor for the term of this Agreement), other written directives which Franchisor may issue to Franchisee from time to time whether or not such directives are made part of the Operations Manual, and any other manuals, DVDs, and materials created or approved for use in the operation of the Business by Franchisor,

from time to time.

Franchisee shall at all times treat the Operations Manual, any written directives of Franchisor, any business plans and specifications, and any other manuals created for or approved for use in the operation of the Business, and any supplements thereto, and the information contained therein, in trust and as confidential information, and shall use all reasonable efforts to maintain such information as secret and confidential. Franchisee shall not at any time copy, duplicate, record, or otherwise reproduce the foregoing materials, in whole or in part, nor otherwise make the same available to any unauthorized person.

The Operations Manual, written directives, other manuals and materials, and any other confidential communications provided or approved by Franchisor, shall at all times remain the sole property of SVSI and shall at all times be kept and maintained in a secure place on the Business premises.

Franchisor may revise the contents of the Operations Manual and the contents of any other manuals and materials created or approved for use in the operation of the Business, and Franchisee expressly agrees that each new or changed standard shall be deemed effective upon receipt by Franchisee or as specified in such standard.

Franchisee shall at all times ensure that its copy of the Operations Manual is kept current and up-to-date; and, in the event of any dispute as to the contents of the Operations Manual, the master copy of the Operations Manual maintained by Franchisor at SVSI headquarters shall be controlling.

Any suggestions Franchisee may have concerning the improvement of products, equipment, uniforms, business facilities, service format, and advertising are encouraged and shall be considered by Franchisor when adopting or modifying the standards, specifications and procedures for the System.

F. Selecting Suppliers

Franchisor shall provide Franchisee a list of approved suppliers of necessary supplies.

G. Recommended Price Schedules

Franchisor shall advise Franchisee from time to time, concerning such suggested retail prices. Franchisor and Franchisee agree that any list or schedule of prices furnished to Franchisee by Franchisor is a recommended retail price list. Nothing contained herein shall be deemed a representation by Franchisor that the use of the Franchisor's suggested prices will in fact optimize profits.

H. Advertising and Promotion

The Franchisor shall develop and provide creative materials for local and regional advertising and make such advertising materials available to its Franchisees for publication or distribution in the Franchisee's market area at Franchisee's own expense. The Franchisor shall provide specific guidelines for advertising initiated by individual Franchisees and shall reserve the right to disapprove any advertising which, in the Franchisor's opinion, is not in accordance with these guidelines. However, no approval shall be unreasonably withheld or denied. Immediately upon notification to do so, Franchisee shall discontinue any advertising that would, in the Franchisor's opinion, be detrimental.

I. Webhosting

Franchisor shall provide and maintain a Stork Vision® consumer website. In addition to hosting general information about Stork Vision and the Business, the website will have one or more allocated pages for each Franchisee where the Franchisee can display its store specific information. Franchisor shall have sole discretion in determining the design and content elements of all pages in the website including Franchisee specific pages.

XXI. **VARYING STANDARDS**

Because complete and detailed uniformity under many varying conditions may not be possible or practical, Franchisor specifically reserves the right and privilege, at its sole and absolute discretion and as it may deem in the best interests of all concerned in any specific instance, to vary standards for any franchisee based upon the peculiarities of a particular site or circumstance, density of population, business potential, population or trade area, existing business practices, or any other condition which Franchisor deems to be of importance to the successful operation of such Franchisee's business. Franchisee shall not have any right to complain about a variation from standard specifications and practices granted to any

other Franchisee and shall not be entitled to require Franchisor to grant to Franchisee a like or similar variation.

XXII. **SALE OF FRANCHISE**

A. Assignment by Franchisee

This Agreement restricts the Franchisee's right to assign the Agreement to a third party. Neither this Agreement, nor any of the Franchisee's rights or privileges, shall be assigned, transferred, shared, redeemed or divided by operation of law or otherwise, in any manner, without the prior written consent of Franchisor, which consent will not be withheld or delayed unreasonably. In granting any such consent, the Franchisor may impose reasonable conditions, including, without limitation, the following:

1. Franchisee must be in full compliance with the terms of this Franchise Agreement, including being paid in full on all fees due and payable to us or our affiliate;

2. The proposed assignee (or its partners, managers, directors, officers, or controlling shareholders, if it is a corporation or partnership) must meet the then-applicable standards of Franchisor;

3. The proposed assignee must not operate a franchise, license or other business offering services similar to those offered by the Business;

4. The assignee must execute and agree to be bound by the then current form of this Agreement, which form may contain provisions which materially alter the rights or obligations of Franchisee under this Agreement;

5. Franchisor shall not charge such assignee an Initial Franchise Fee for the Franchise, but will charge a transfer fee of thirty five percent (35%) of the then current initial single unit franchise fee charged by Franchisor, such fee to be paid by Franchisee or assignee. If Franchisor determines that training is required, assignee will attend training at Franchisor's Home Office as required under the then current Franchise Agreement. Franchisor shall have the right to require Franchisee and its owners to execute a general release of Franchisor in a form satisfactory to Franchisor's counsel as a condition to its approval of assignment or other transfer of the Franchise;

6. If the proposed assignee or transferee was first identified by the Franchisor through its normal franchise marketing efforts, then the Franchisee shall pay to the Franchisor a Finder's Fee in the amount of $10,000 at the time the transfer is executed;

7. Franchisee shall have substantially complied with all of the terms and provisions of this Agreement, any amendment hereof or successor hereto, or any other agreements between the Franchisee and SVSI, its subsidiaries or affiliates and, at the time of transfer, shall not be in default thereof;

8. The transferor shall have executed a general release under seal, in a form satisfactory to Franchisor, of any and all claims against Franchisor and its officers, directors, shareholders, and employees, in their corporate and individual capacities, including, without limitation, claims arising under federal, state, and local laws, rules, and ordinances;

9. The transferee (and, if the transferee is other than an individual, such principals and/or owners of a beneficial interest in the transferee as Franchisor may request) shall enter into a written assumption agreement, in a form satisfactory to Franchisor, assuming and agreeing to discharge all of Franchisee's obligations under this Agreement and/or any new franchise agreement, as hereinafter provided;

10. The transferee shall demonstrate to Franchisor's satisfaction that the transferee meets Franchisor's educational, managerial, and business standards; possesses a good moral character, business reputation, and credit rating; has the aptitude and ability to conduct the Business (as may be evidenced by prior related business experience or otherwise); and has adequate financial resources and capital to operate the Business.

11. The transferee (and, if the transferee is other than an individual, such principals and/or owners of a beneficial interest in the transferee as Franchisor may request) shall execute, for a term ending on the expiration date of this Agreement and with such renewal term, if any, as may be provided by this Agreement, the standard form franchise agreement then being offered to new System franchisees and such other ancillary agreements as Franchisor may require for the Business, which agreements shall supersede this Agreement in all respects and the terms of which agreements may differ from the terms of this Agreement, including, without limitation, a

higher percentage royalty rate, advertising contribution, and service charge for goods; provided, however, that the transferee shall not be required to pay an initial franchise fee;

12. The transferee, at its expense, shall upgrade the Business to conform to the then-current standards and specifications of the new entry System and shall complete the upgrading and other requirements within the time specified by Franchisor;

13. Franchisee shall remain liable for all of the obligations to Franchisor in connection with the Business prior to the effective date of the transfer and shall execute any and all instruments reasonably requested by Franchisor to evidence such liability;

14. Franchisee shall agree to remain obligated under the covenants against competition of this Agreement as if this Agreement had been terminated on the date of the transfer;

15. At the transferee's expense, the transferee and, if applicable, the transferee's designated individual manager shall complete any training programs then in effect for franchisees upon such terms and conditions as Franchisor may reasonably require; and

16. The transferee shall agree to a sublease or to a transfer and assignment, and assumption of the lease of the Business site from the original franchisee and shall obtain the landlord’s approval if required prior to any transfer or sublease, if applicable.

B. Assignment by Franchisor

Franchisor has an unrestricted right to transfer or assign all or part of its rights or obligations under this Agreement to any assignee or other legal successor to the interests of Franchisor.

C. Transfer Upon Death or Mental Incapacity

Upon the death or mental incapacity of any person with an interest in the Business, the executor, administrator, or personal representative of that person must transfer his interest to a third party approved by Franchisor within six (6) months after death or mental incapacity. These transfers, including, without limitation, transfers by devise or inheritance, will be subject to the same restrictions and conditions as any inter vivos transfer. However, in the case of a transfer by devise or inheritance, if the heirs or

beneficiaries of any deceased person are unable to meet the conditions of this Agreement, the personal representative of the deceased Franchisee shall have a reasonable time to dispose of the deceased's interest in the Business, which disposition will be subject to all the terms and conditions for transfer contained in this Agreement. If the interest is not disposed of within a reasonable time, Franchisor may terminate this Agreement.

Pending assignment, upon the death of the Principal, or in the event of any temporary or permanent mental or physical disability of the Principal, a manager shall be employed for the operation of the Business who has successfully completed Franchisor's training courses to operate the Business for the account of Franchisee. If after the death or disability of the Principal, the Business is not being managed by such trained manager, Franchisor is authorized to appoint a manager to maintain the operation of the Business until an approved assignee will be able to assume the management and operation of the Business, but in no event for a period exceeding one (1) year without the approval of the personal representative of the Principal; such manager shall be deemed an employee of the Franchisee, and such manager shall provide monthly reports regarding the Business to Franchisee, or its representative, and Franchisor. Additionally, the Franchisor will periodically assess the continued need for an appointed manager and discuss the status of such assessment with the Franchisee or its representative. All funds from the operation of the Business during the period of management by such appointed or approved manager shall be kept in a separate fund and all expenses of the Business, including compensation of such manager, other costs and travel and living expenses of such appointed or approved manager (the "Management Expenses"), shall be charged to such fund. As compensation for the management services provided, in addition to the Fees due hereunder, Franchisor shall charge such fund the full amount of the direct expenses incurred by SVSI during such period of management for and on behalf of Franchisee, provided that Franchisor shall only have a duty to utilize reasonable efforts and shall not be liable to Franchisee, the Principal or personal representative of the Principal, the Entity or any person or entity having an interest therein for any debts, losses or obligations incurred by the Business, or to any creditor of Franchisee or the Principal during any period in which it is managed by a Franchisor-appointed or approved manager.

D. Sale of Franchised Business

If the Franchisee (or its owners) desires to sell the Business, or part or all of the ownership of the Business, then

Franchisor will reasonably assist Franchisee (or its owners) in connection therewith. If Franchisee (or its owners) shall obtain a bona fide written offer to purchase the Business, or such ownership, such offer shall be submitted promptly to Franchisor. For a period of thirty (30) days from the date of Franchisor's receipt of such offer, Franchisor shall have the right, exercisable by written notice to Franchisee (or its owners), to purchase the Business, or such ownership, for the price and on the same terms and conditions contained in such offer, provided that Franchisor may substitute cash for any form of payment proposed in such offer. If Franchisor does not exercise its right of first refusal, the bona fide written offer may be accepted by Franchisee or its owners, subject to the prior written approval of Franchisor. To enable Franchisor to determine whether it will exercise its option, Franchisee and the seller shall provide such information and documentation, including financial statements, as Franchisor may require. In the event that Franchisor elects to purchase said interest, closing on such purchase must occur within ninety (90) days from the date of notice to the seller of the election to purchase said Interest by Franchisor. Failure of Franchisor to exercise the option afforded by this Section XXII.D shall not constitute a waiver of any other provision of this Agreement, including all of the requirements of this Section XXII, with respect to a proposed transfer of any Interest. Any subsequent change in the terms of any offer prior to closing shall constitute a new offer subject to the same rights of first refusal by Franchisor as in the case of an initial offer.

XXIII. **TERMINATION OF FRANCHISE**

A. Impact of Statutes Upon Franchise Agreement

Termination or modification of a lease or contract upon the bankruptcy of one of the parties may be unenforceable under the Bankruptcy Act of 1978, Title II, U.S. Code, as amended.

B. By Franchisor

Franchisee acknowledges that the strict performance of all the terms of this Agreement is necessary not only for protection of Franchisor, but also the protection of Franchisee and other franchisees of Franchisor. As a result, Franchisee therefore acknowledges and agrees that strict and exact performance by Franchisee of each of the covenants and conditions contained herein is a condition precedent to the continuation of this Agreement. If Franchisee shall breach any material provision of this Agreement, then

Franchisor shall notify Franchisee in writing of such breach, specifying its nature and giving Franchisee five (5) days, or such longer period as applicable law may require, in which to remedy same. If Franchisee shall fail to remedy such breach, then Franchisor can terminate this Agreement and the Franchise effective five (5) days, or such longer period as applicable law may require, after delivery of notice of termination to Franchisee.

C. Termination of Franchise Without Cure

Notwithstanding the foregoing, Franchisee shall be deemed to be in breach and Franchisor, at its option, may terminate this Agreement and all rights granted under it, without affording Franchisee any opportunity to cure the breach, effective immediately upon Franchisor notifying Franchisee in writing of such breach, if any of the following conditions exist:

1. Franchisee abandons, surrenders, or transfers control of the operation of the Business or fails to continuously and actively operate the Business, unless precluded from doing so by damage to the premises of the Business due to war, act of God, civil disturbance, natural disaster, labor dispute or other events beyond Franchisee's reasonable control.

2. Franchisee consistently fails or refuses to submit when due any financial statement, tax return or schedule, or to pay when due the Royalty Fees, or any other payments due Franchisor or its affiliate.

3. Franchisee operates the Business in a manner that violates any federal, state, or local law, rule, regulation or ordinance.

4. Franchisee has made a material misrepresentation or omission on the application for the Franchise.

5. Franchisee transfers, assigns, or subfranchises this Agreement without having the prior written consent of Franchisor, as set forth herein.

6. Franchisee discloses or divulges the contents of the Operations Manual or any other Proprietary Information provided to Franchisee by Franchisor.

7. Franchisee repeatedly fails to substantially comply with any of the requirements imposed by this Agreement, whether or not cured after notice.

8. Franchisee commits a breach of this Agreement or engages in any other activity which has a material adverse effect on Franchisor or the Names and Marks.

9. Franchisee fails or refuses to comply with any provision of this Agreement or any other agreement between Franchisor and Franchisee relating to the Business or the Franchise, and does not correct such failure or refusal within thirty (30) days after written notice of such failure or refusal to comply is delivered to Franchisee.

10. Franchisee is convicted of a felony or has pleaded nolo contendere to a felony.

11. Franchisee engages in dishonest or unethical conduct.

12. Franchisee fails to discharge any valid lien placed against the property of the business.

13. Franchisee makes an assignment for the benefit of creditors or an admission of the Franchisee's inability to pay its obligations as they become due.

14. Franchisee files a voluntary petition in bankruptcy or any pleading seeking any reorganization, arrangement, disposition, adjustment, liquidation, dissolution or similar release under any law, or admitting or failing to contest the material allegations of any such pleading filed against him, or is adjudicated bankrupt or insolvent, or a receiver is appointed for a substantial part of the assets of the Franchisee or the Business, or the claims of creditors of Franchisee or the Business are abated or subject to a moratorium under any laws.

15. Franchisee becomes insolvent or makes a general assignment for the benefit of creditors.

16. A bill in equity or other proceeding for the appointment of a receiver of Franchisee or other custodian for Franchisee's business or assets is filed and consented to by Franchisee.

17. A receiver or other custodian (permanent or temporary) of the Business, Franchisee, or Franchisee's assets or property, or any part thereof, is appointed by any court of competent jurisdiction or by private instrument or otherwise.

18. Proceedings for a composition with creditors under any state or federal law should be instituted by or against Franchisee.

19. A final judgment remains unsatisfied or of record for thirty (30) days or longer (unless supersedeas bond is filed); or if Franchisee is dissolved or is wound up.

20. Execution is levied against Franchisee's business or property or against any ownership interest in Franchisee.

21. Any real or personal property of Franchisee's Business shall be sold after levy thereupon by any sheriff, marshal, or constable.

22. In violation of the terms of Sections XII, XVI, and/or XX hereof, Franchisee, its principals, representatives, agents or employees disclose or divulge the contents of the Operations Manual or other confidential information provided to Franchisee by Franchisor, or if Franchisee maintains false books or records, or submits any false reports to Franchisor.

23. Any inspection of Franchisee's records discloses an understatement of payments due Franchisor of four percent (4%) or more.

D. Termination of Franchise With Cure

Notwithstanding the foregoing, Franchisee shall cure violations of health, safety, or sanitation laws within seventy two (72) hours notice, and shall pay past due advertising and royalty fees upon five (5) days notice. Any default not specifically listed herein shall be cured within five (5) days of notice.

E. By Franchisee

If Franchisee is in compliance with this Agreement and Franchisor breaches this Agreement and fails to cure such breach within thirty (30) days after written notice thereof is delivered to

Franchisor, then Franchisee may terminate this Agreement and the franchise effective thirty (30) days after delivery to Franchisor of notice thereof.

If Franchisor and Franchisee can not agree on a site location, Franchisee may terminate this agreement effective thirty (30) days after delivery to Franchisor of notice thereof and receive a refund of the initial franchisee fee less a termination fee of $1500, such refund to be paid within 30 days of said effective date.

Any termination of this Agreement and the franchise by Franchisee, without complying with the foregoing requirements, or for any reason other than breach of this Agreement by Franchisor and Franchisor's failure to cure such breach within thirty (30) days after receipt of written notice thereof, shall be deemed a termination by Franchisee without cause.

XXIV. **FRANCHISEE'S OBLIGATIONS UPON TERMINATION OR EXPIRATION**

A. Franchisee Shall Cease Using Names and Marks

Franchisee further agrees that, upon termination or expiration of this Agreement, Franchisee shall immediately and permanently cease to use, by advertising, or any manner whatsoever, any confidential methods, procedures, descriptions of products, and techniques associated with Franchisor and the Names and Marks and any proprietary marks and distinctive forms, slogans, symbols, signs, logos or devices associated with the System. In particular, Franchisee shall cease to use, without limitation, all signs, advertising materials, stationery, forms, and any other articles which display the Names and Marks. Franchisee shall comply with the covenant not to compete and the agreement to maintain the confidentiality of proprietary information.

B. Franchisee Shall Cease Operating Business

Franchisee shall immediately cease to operate the Business under this Agreement, and shall not thereafter, directly or indirectly, represent itself to the public or hold itself out as a present or former Franchisee of Franchisor.

C. Franchisee May Not Adopt Confusingly Similar Names and Marks

Franchisee agrees, in the event it continues to operate or subsequently begins to operate any other business, not to use any reproduction, counterfeit, copy or colorable imitation of the Names and Marks, either in connection with such other business or in the promotion thereof, which is likely to cause confusion, mistake or deception, or which is likely to dilute Franchisor's exclusive rights in and to the Names and Marks, and further agrees not to utilize any designation of origin or description or representation which falsely suggests or represents an association or connection with Franchisor or a former association or connection with Franchisor.

D. Franchisee Shall Cancel Assumed Names and Transfer Phone Numbers and Social Media Accounts

Franchisee further agrees that upon termination or expiration of this Agreement, it will take such action that may be required to cancel all assumed names or equivalent registrations relating to its use of any Names or Marks and to notify the telephone company and listing agencies of the termination or expiration of Franchisee's right to use any telephone number in any classified ad and any other telephone directory listings associated with the Names and Marks or with the Business and to authorize transfer of same to Franchisor. Franchisee acknowledges that as between Franchisor and Franchisee, Franchisor has the sole rights to and interest in all telephone number and directory listings associated with any Names or Marks of the Business. Franchisee further authorizes Franchisor, and hereby appoints Franchisor as its attorney in fact, to direct the telephone company and all listing agencies to transfer same to Franchisor, should Franchisee fail or refuse to do so, and the telephone company and all listing agencies may accept such direction in this Agreement as conclusive evidence of the exclusive rights of Franchisor in such telephone numbers and directory listings and its authority to direct their transfer. All social media accounts must be transferred to SVS.

E. Franchisee Must Return Manual and Other Materials

Franchisee further agrees that upon termination or expiration of this Agreement, it will immediately return to Franchisor all copies of the Operations Manual, training aids, and any other materials which have been loaned to it by Franchisor. Franchisee further agrees to turn over to Franchisor any other manuals, computer programs, software, customer lists, records, files, instructions, correspondence and brochures, and any and all other confidential and proprietary materials relating to the operation of the Business in

Franchisee's possession, custody, or control, and all copies thereof (all of which are acknowledged to be Franchisor's property), and only Franchisee's copy of this Agreement and any correspondence between the parties, and any other document copies which Franchisee reasonably needs for compliance with any provision of law may be retained by Franchisee.

F. Franchisor May Purchase Inventory and Equipment

Franchisor shall have the right (but not the duty), to be exercised by notice of intent to do so within thirty (30) days after termination or expiration, to purchase any or all inventory, equipment, supplies, signs, advertising materials and items bearing Franchisor's Names and Marks, at fair market value (less the amount of any outstanding liens or encumbrances). If the parties cannot agree on a fair market value within a reasonable time, the fair market shall be determined by three (3) appraisers chosen in the following manner. Franchisee shall select one (1) and Franchisor shall select one (1), and the two (2) appraisers so chosen shall select a third appraiser. The decision of the majority of the appraisers so chosen shall be conclusive. The cost of the third appraiser shall be shared equally by the parties. If Franchisor elects to exercise any option to purchase as herein provided, it shall have the right to set off all amounts due from Franchisee, and the cost for the appraisal, if any, against any payment therefore.

G. Franchisee Must Pay Monies Owed to Franchisor

Franchisee shall pay to Franchisor, on or before the effective date of termination or expiration of this Agreement, such unpaid Royalty Fees, National Advertising Fund contributions, payments for inventory, equipment or merchandise, or any other sums owed to Franchisor by Franchisee through the effective date of termination or expiration. Franchisee shall also pay to Franchisor all damages, costs, and expenses, including reasonable attorney's fees, incurred by Franchisor in obtaining injunctive or other relief for the enforcement of any provisions of Section XIX.

H. Liquidated Damages

If, before the expiration of the term of this Agreement, this Agreement is terminated by Franchisee without cause or if this Agreement is terminated by Franchisor for cause or if Franchisee ceases operation of the Business, then Franchisee shall pay to Franchisor an early termination fee in lump sum equal to (1) the

average monthly Royalty Fees and National Advertising Fees paid or payable under this Agreement during the last 12-months of operation of the Business, multiplied by (2) the lesser of 24 months or the remaining number of months of the term of this Agreement. If, at the time of termination or cessation, the Business has not been in full operation for the entire 12-month period for calculation of the average monthly fees, then the average monthly fees will be the minimum monthly Royalty Fees and National Advertising Fees provided in this Agreement. If Franchisor cannot determine the exact payment due on account of Franchisee's failure to submit reports of Gross Revenues as required under this Agreement, then, for purposes of computing the amount due under this Section, Franchisor may reasonably estimate the Gross Revenues based on reports submitted by Franchisee for any period of time available prior to termination or cessation of operations. The parties acknowledge and agree that actual damages caused by early termination or cessation would be difficult or impossible to estimate in advance because they depend on a multitude of unknown variables, and that the amount of the early termination fee is a reasonable estimate of the probable loss to the Franchisor arising from early termination or cessation. The payment provided for in this Section represents Franchisor's liquidated damages, and is not a penalty. Additionally, Franchisee will pay to Franchisor the reasonable attorneys' fees and expenses incurred by Franchisor as a result of Franchisee's default, including fees and expenses incurred in connection with notices of default and/or termination, and with preparing any Mutual Termination Agreement and related documents.

XXV. **ENFORCEMENT**

A. Franchisee May Not Withhold Payments Due Franchisor

Franchisee agrees that he or she will not withhold payments of any Royalty Fees or any other amounts of money owed to Franchisor for any reason, on grounds of alleged nonperformance by Franchisor of any obligation hereunder. All such claims by Franchisee shall, if not otherwise resolved by Franchisor and Franchisee, be submitted to arbitration as provided in this Agreement.

B. Severability and Substitution of Valid Provisions

All provisions of this Agreement are severable, and this Agreement shall be interpreted and enforced as if all completely invalid or unenforceable provisions were not contained herein, and any partially valid and enforceable provisions shall be enforced to

the extent valid and enforceable. If any applicable law or rule requires a greater prior notice of the termination of this Agreement than is required hereunder, or requires the taking of some other action not required hereunder, the prior notice or other action required by such law or rule shall be substituted for the notice or other requirements hereof.

C. Arbitration

Except insofar as Franchisor elects to enforce this Agreement by judicial process, injunction, or specific performance (as hereinabove provided), all disputes and claims relating to any provision hereof, any specification, standard or operating procedure, or any other obligation of Franchisee prescribed by Franchisor, or any obligation of Franchisor, or the breach thereof (including, without limitation, any specification, standard or operating procedure or any other obligation of Franchisee or Franchisor, which is illegal or otherwise unenforceable or voidable under any law, ordinance, or ruling) shall be settled by mandatory binding arbitration in Tarrant County, Texas, in accordance with the U.S. Arbitration Act, if applicable, and the Rules of the American Arbitration Association (in accordance with the rules relating to the arbitration of disputes arising from franchise and license agreements, if any, or otherwise in accordance with the general rules of commercial arbitration), provided that at the option of Franchisor or Franchisee the arbitrator shall be selected from a list of retired federal or state judges supplied by the American Arbitration Association (if obtainable, or otherwise in accordance with the customary procedures for selecting an arbitrator). The arbitrator shall allow discovery in accordance with the Federal Rules of Civil Procedure and may apply the sanctions relating to noncompliance with discovery orders therein provided. The arbitrator shall issue a written opinion explaining the reasons for his or her decision and award and the arbitrator shall have the right to award or include in the award the specific performance of this Agreement. Judgment upon the award of the arbitrator will be entered in any court having competent jurisdiction thereof or of the Franchisor or Franchisee. During the pendency of any arbitration proceeding hereunder, Franchisee and Franchisor shall fully perform their respective obligations pursuant to the terms and conditions of this Agreement.

D. Rights of Parties Are Cumulative

The rights of Franchisor and Franchisee are cumulative, and the exercise or enforcement by Franchisor or Franchisee of any right

or remedy shall not preclude the exercise or enforcement by Franchisor or Franchisee of any other right or remedy hereunder which Franchisor or Franchisee is entitled by law to enforce by the provisions of this Agreement or of the Operations Manual.

E. Judicial Enforcement, Injunction and Specific Performance

Franchisor shall have the right to enforce by judicial process its right to terminate this Agreement for the causes enumerated in Section XXIII of this Agreement, to collect any amounts owed to Franchisor for any unpaid Royalty Fees, or other unpaid charges due hereunder, arising out of the business conducted by Franchisee pursuant hereto, and to pursue any rights it may have under any leases, subleases, sales, purchases, or security agreements or other agreements with Franchisee. Franchisor shall be entitled, without bond, to the entry of temporary or permanent injunctions and orders of specific performance enforcing any of the provisions of this Agreement. If Franchisor secures any such injunction or orders of specific performance, Franchisee agrees to pay to Franchisor an amount equal to the aggregate costs of obtaining such relief, including, without limitation, reasonable attorneys' fees, costs of investigation, court costs, and other litigation expenses, travel and living expenses, and any damages incurred by Franchisor as a result of the breach of any provision of this Agreement.

F. Construction

Any other agreements or instruments referred to herein or which relate to the purchase or lease by Franchisee from Franchisor of any fixtures, signs, equipment, merchandise, or the like, constitutes the entire agreement of the parties, and there are no other oral or written understandings or agreements between Franchisor or Franchisee relating to the subject matter of this Agreement. The headings of the several sections and paragraphs hereof are for convenience only and do not define, limit, or construe the contents of those sections or paragraphs. The term "Franchisee" as used herein is applicable to one or more persons, a corporation or partnership, as the case may be, the singular usage includes the plural, and the masculine and neuter usages include the other and the feminine. References to "Franchisee" applicable to an individual or individuals shall mean the principal owner or owners of the equity or operating control of Franchisee if Franchisee is a corporation or partnership.

G. Texas Law Applies

Except to the extent governed by the U.S. Trademark Act of 1946 (Lanham Act, 15 U.S.C., Section 1051 et. seq.) or the U.S. Arbitration Act, this Agreement shall be governed by the laws of the State of Texas, and venue shall lie in Tarrant County, Texas unless prohibited by the laws of the state where the Business is located.

H. Attorney Fees

In the event any legal proceedings between the parties hereto arise under this Agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees and court costs from the other party.

I. Binding Effect

This Agreement is binding upon the parties hereto and their respective permitted assigns and successors in interest.

J. There Are No Unwritten Agreements; Operations Manual is Subject to Change.

This instrument contains the entire Agreement between the parties relating to the rights herein granted and the obligations herein assumed. Any oral representations or modifications concerning this Agreement shall be of no force or effect unless a subsequent modification in writing is signed by the parties hereto. The Operations Manual may be amended at any time by Franchisor, however, and Franchisee shall adapt its methods or procedures to comply with the requirements thereof.

K. Entire Agreement

This Agreement, the documents referred to herein, and the attachments hereto, if any, constitute the entire, full, and complete Agreement between Franchisor and Franchisee concerning the subject matter hereof, and supersede all prior agreements. However, nothing in this Agreement or any related agreement is intended to disclaim any representation we made in our Franchise Disclosure Document. Except for those acts permitted to be made unilaterally by Franchisor hereunder, no amendment, change, or variance from this Agreement shall be binding on either party unless mutually agreed to by the parties and executed by their authorized officers or agents in writing.

L. Force Majeure

Except for monetary obligations hereunder, or as otherwise specifically provided in this Franchise Agreement, if either party to this Agreement shall be delayed or hindered in or prevented from the performance of any act required under this Agreement by reason of strikes, lock-outs, labor troubles, inability to procure materials, failure of power, restrictive governmental laws or regulations, riots, insurrection, war, or other causes beyond the reasonable control of the party required to perform such work or act under the terms of this Agreement not the fault of such party, then performance of such act shall be excused for the period of the delay, but in no event to exceed ninety (90) days from the stated time periods as set forth in this Franchise Agreement.

M. State Addenda

The laws of certain states may supersede some of the provisions of this Agreement, and certain states require Franchisor to supplement or modify the provisions of this Agreement. If applicable, these supplements and modifications are contained in State Addenda attached as Exhibit A. When Franchisee signs this Agreement, it will also properly sign the addenda, if applicable. If multiple state addenda are made part of this Agreement, these state addenda will be construed and applied as narrowly as possible, consistent with applicable state law, in order to avoid potential conflicts between them.

XXVI. **APPROVALS AND WAIVERS**

Whenever this Agreement requires the prior approval or consent of Franchisor, Franchisee shall make a timely written request to Franchisor therefore, and such approval or consent shall be obtained in writing.

Franchisor makes no warranties or guarantees upon which Franchisee may rely, and assumes no liability or obligation to Franchisee, by providing any waiver, approval, consent, or suggestion to Franchisee or in connection with any consent, or by reason of any neglect, delay, or denial of any request therefore.

No failure of Franchisor to exercise any power reserved to it by this Agreement or to insist upon strict compliance by Franchisee with any obligation or condition hereunder, and no custom or practice of the parties at variance with the terms hereof, shall constitute a

waiver of Franchisor's right to demand exact compliance with any of the terms herein. Waiver by Franchisor of any particular default or breach by Franchisee shall not affect or impair Franchisor's rights with respect to any subsequent default or breach of the same, similar or different nature, nor shall any delay, forbearance, or omission, breach or default by Franchisor to exercise any power or right arising out of any breach or default by Franchisee of any of the terms, provisions, or covenants hereof, affect or impair Franchisor's right to exercise the same, nor shall such constitute a waiver by Franchisor of any preceding breach by Franchisee of any terms, covenants or conditions of this Agreement.

XXVII. **AUTHORITY**

Franchisee or, if Franchisee is a corporation or partnership, the individuals executing this Agreement on behalf of such corporation or partnership, warrant to Franchisor, both individually and in their capacities as partners or officers, that all the partners in the partnership or all of the shareholders of the corporation, as the case may be, have read and approved this Agreement, including the restrictions which this Agreement places upon their right to transfer their respective interests in the partnership or corporation, as set forth in Section XXII herein.

XXVIII. **NOTICES**

Any and all notices required or permitted under this Agreement shall be in writing and shall be personally delivered or mailed by certified, registered or express mail, return receipt requested, or by overnight delivery service, to the respective parties at the following addresses unless and until a different address has been designated by written notice to the other party:

Notices to Franchisor:

Stork Vision Systems, Inc
5712 Colleyville Blvd., Suite 202
Colleyville, TX 76034
Attention: Franchise Department

Notices to Franchisee:

NAME OF FRANCHISEE

ADDRESS OF FRANCHISSE

Any notice by certified, registered or express mail, or overnight delivery service, shall be deemed to have been given at the earlier of the date and time of receipt or refusal of receipt or, if by mail, three (3) business days after being deposited in the United States mail.

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IN WITNESS WHEREOF, the parties hereto have duly executed, sealed and delivered this Agreement in triplicate on this date,_____.

FRANCHISOR:
STORK VISION SYSTEMS, INC

By:_____
PRESIDENT

FRANCHISEE:
NAME OF FRANCHISEE CORPORATION

By:
NAME AND TITLE OF FRANCHISEE OFFICER AUTHORIZED TO SIGN

OR

_____
NAME
Individually

_____
NAME
Individually

EXHIBIT A TO FRANCHISE AGREEMENT

STATE ADDENDA

Following this page are addenda to the Agreement for the following states:

1. Arkansas
2. California
3. Connecticut
4. Hawaii
5. Illinois
6. Indiana
7. Iowa
8. Louisiana
9. Maryland
10. Minnesota
11. Missouri
12. Nebraska
13. New Jersey
14. New York
15. North Carolina
16. North Dakota
17. Rhode Island
18. South Carolina
19. South Dakota
20. Washington
21. Wisconsin

Franchisee must sign the signature page for this exhibit if:
(1) Franchisee is an individual resident of any of these states; or
(2) Franchisee is an entity formed in any of these states; or
(3) Franchisee is an entity with its principal place of business in any of these states; or
(4) Franchisee's Center will be in any of these states.

If none of these conditions applies, then this exhibit is not applicable to Franchisee.

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ARKANSAS

Notwithstanding anything to the contrary set forth in the Agreement, the following provision will supersede and apply to all franchises offered and sold in the State of Arkansas:

1. Any provision of the Agreement that would require Franchisee, at the time Franchisee enters into the Agreement, to assent to a release, assignment, novation, waiver or estoppel which would relieve any person from liability imposed by the Arkansas Franchise Practices Act is void to the extent that the provision violates applicable law.

CALIFORNIA

Notwithstanding anything to the contrary set forth in the Agreement, the following provisions will supersede and apply to all franchises offered and sold in the State of California:

1. Any condition, stipulation or provision in the Agreement which would result in Franchisee's waiver of compliance with any provision of the California Franchise Relations Act is void to the extent that the contractual provision violates this Act.

2. To the extent that Section XXV.G of the Agreement would otherwise violate California law, this section is amended by providing that all litigation by or between Franchisee and Franchisor, involving a Center in the State of California, which arises directly or indirectly from the Agreement will be commenced and maintained in the state courts of California or the United States District Court for California, with the specific venue in either court system determined by appropriate jurisdiction and venue requirements.

CONNECTICUT

Notwithstanding anything to the contrary in the Agreement, the following provision will supersede and apply to all franchises offered and sold in the State of Connecticut:

1. The following provision will be added to the Agreement as Section XXV.N:

Agent for Service of Process. Our agent in Connecticut authorized to receive service of process is the Connecticut Banking Commissioner, 260 Constitution Plaza, Hartford, Connecticut 06103-1800.

2. We will lend you one copy of the Manual within 15 days after execution of the Agreement. Other items you purchase from us before beginning operation of your Franchised Business will be delivered within 15 days after you successfully complete our initial training program.

HAWAII

Notwithstanding anything to the contrary set forth in the Agreement, the following provision will supersede and apply to all franchises offered and sold in the State of Hawaii:

1. Any provision of the Agreement that requires Franchisee, at the time Franchisee enters into the Agreement, to assent to a release, assignment, novation, or waiver which would relieve any person from liability imposed by Hawaii Franchise Investment Law is deleted from the Agreement.

ILLINOIS

Notwithstanding anything to the contrary set forth in the Agreement, the following provisions will supersede and apply to all franchises offered and sold in the State of Illinois:

1. To the extent that Section XXV.G of the Agreement would otherwise violate Illinois law, this section is amended by providing that all litigation by or between Franchisee and Franchisor, arising directly or indirectly from the franchise relationship, will be commenced and maintained in the state courts of Illinois or, at Franchisor's election, the United States District Court for Illinois, with the specific venue in either court system determined by appropriate jurisdiction and venue requirements.

2. Illinois law (including the Illinois Franchise Disclosure Act, as amended) applies to this transaction and supersedes any conflicting provisions of the Agreement.

3. Any provision in the Agreement that would require Franchisee to waive any right granted by the Illinois Franchise Disclosure Act is deleted from Agreement.

4. To the extent that Section XXIII.D of the Agreement would otherwise violate Illinois law, this section is amended by providing that Franchisee will have a reasonable opportunity to cure any curable default, which in no event need be more than 30 days.

INDIANA

Notwithstanding anything to the contrary set forth in the Agreement, the following provisions will supersede and apply to all franchises offered and sold in the State of Indiana:

1. The laws of the State of Indiana supersede any provisions of the disclosure document, the Agreement, or Texas law, if these provisions are in conflict with Indiana law.

2. The prohibition by Indiana Code 23-2-2.7-1(7) against unilateral termination of the franchise without good cause or in bad faith, good cause being defined therein as including any material breach of the Agreement, will supersede the provisions of the Agreement to the extent the Agreement may be inconsistent with this prohibition.

3. Any provision in the Agreement which would require Franchisee to prospectively assent to a release, assignment, novation, waiver or estoppel which purports to relieve any person from liability imposed by the Indiana Deceptive Franchise Practices Law is void to the extent that the provision violates this law.

4. The Agreement will be modified to the extent necessary to comply with Indiana Code 23-2-2.7-1 (9).

5. The following provision will be added to the Agreement as Section XXV.N:

18.07 No Limitation on Litigation. Notwithstanding the foregoing provisions of Section XXV.G, any provision in the Agreement which limits in any manner whatsoever litigation brought for breach of the Agreement will be void to the extent that any the contractual provision violates the Indiana Deceptive Franchise Practices Law

IOWA

Notwithstanding anything to the contrary set forth in the Agreement, the following provision will supersede and apply to all franchises offered and sold in the State of Iowa:

1. Any provision in the Agreement which would result in Franchisee's waiver of any rights under Iowa Business Opportunity Promotions Law before or at the time of signing the Agreement is void to the extent that the provision violates this law.

LOUISIANA

Notwithstanding anything to the contrary set forth in the Agreement, the following provision will supersede and apply to all franchises offered and sold in the State of Louisiana:

1. Any condition, stipulation or provision in the Agreement which would result in Franchisee's wavier of any rights established by Louisiana law is void to the extent that the condition, stipulation or provision violates this law.

MARYLAND

Notwithstanding anything to the contrary set forth in the Agreement, the following provisions will supersede and apply to all franchises offered and sold to any resident of the State of Maryland and to all franchises to be located in the State of Maryland:

1. All representations requiring prospective franchisees to assent to a release, estoppel or waiver of liability are not intended to nor shall they act as a release, estoppel or waiver of any liability incurred under the Maryland Franchise Registration and Disclosure Law.

2. The 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.

3. You may sue in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law. Any claims arising under the Maryland Registration and Disclosure Law must be brought within 3 years after the grant of the franchise.

MINNESOTA

Notwithstanding anything to the contrary set forth in the Agreement, the following provisions will supersede and apply to all franchises offered and sold in the State of Minnesota:

1. Minnesota Statute 80C.21 and Minnesota Rule 2860.4400(J) prohibit the franchiser from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statute 80Cor (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

2. With respect to franchises governed by Minnesota law, the franchiser will comply with Minnesota Statute 80C.14 Subd. 3-5, 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 for non-renewal of the franchise agreement and
- that consent to the transfer of the franchise will not be unreasonably withheld.

3. Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statute 80C.12 Subd. 1(G). The franchiser will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes, or other commercial symbols or indemnify the franchisee from any loss, costs, or expenses arising out of any claim, suit, or demand regarding the use of the name.

4. Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release

5. The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minnesota Rule 2860.4400(J) also, a court will determine if a bond is required.

6. The Limitations of Claims section must comply with Minnesota Statute 80C.17 Subd. 5.

MISSOURI

Notwithstanding anything to the contrary set forth in the Agreement, the following provision will supersede and apply to all franchises offered and sold in the State of Missouri:

1. Termination provisions contained in the Agreement will afford Franchisee 90 days written notice in advance of any termination, except that 90 days' notice is not required for termination as a result of Franchisee's criminal misconduct, fraud, abandonment, bankruptcy, insolvency, or giving a "no account" or "insufficient funds" check to Franchisor.

NEBRASKA

Notwithstanding anything to the contrary set forth in the Agreement, the following provisions will supersede and apply to all franchises offered and sold in the State of Nebraska:

1. No release language set forth in the Agreement will relieve Franchisor or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of Nebraska.

2. No language set forth in the Agreement will operate to restrict the sale of any equity or debenture issue or the transfer of any securities of any franchise or in any way prevent or attempt to prevent the transfer, sale or issuance of shares of stock or debentures to employees, personnel of the franchisee, or heirs of the principal owner, so long as basic financial requirements of the franchisor are complied with and any sale, transfer or issuance does not have the effect of accomplishing a sale of the franchise.

NEW JERSEY

Notwithstanding anything to the contrary set forth in the Agreement, the following provisions will supersede and apply to all franchises subject to the New Jersey Franchise Practices Act:

1. No release language set forth in the Agreement will relieve Franchisor or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of New Jersey.

2. No language set forth in the Agreement will operate to restrict the sale of any equity or debenture issue or the transfer of any securities of a franchise or in any way prevent or attempt to prevent the transfer, sale or issuance of shares of stock or debentures to employees, personnel of the franchise, or heir of the principal owner, so long as basic financial requirements of the franchisor are complied with and any sale, transfer or issuance does not have the effect of accomplishing a sale of the franchise.

3. Any term or condition which may directly or indirectly violate the New Jersey Franchise Practices Act is deleted from the Agreement.

NEW YORK

Notwithstanding anything to the contrary set forth in the Agreement, the following provision will supersede and apply to all franchises offered and sold in the State of New York:

1. No release language set forth in the Agreement will relieve Franchisor or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of New York.

2. Section XXII.B is amended by the addition of the following sentence immediately after the first sentence of that section:

However, no assignment will be made by Franchisor except to an assignee who, in Franchisor's good faith judgment, is willing and able to assume Franchisor's obligations under this Agreement (to the extent assigned).

NORTH CAROLINA

Notwithstanding anything to the contrary in the Agreement, the following provision will supersede and apply to all franchises offered and sold in the State of North Carolina:

1. The Agreement is amended by the addition of Section XXV.N as follows:

Agent for Service of Process. Our agent in the state of North Carolina authorized to receive service of process is North Carolina Secretary of State, 2 South Salisbury Street, Old Revenue Complex, Raleigh, North Carolina 27601.

NORTH DAKOTA

Notwithstanding anything to the contrary set forth in the Agreement, the following provisions will supersede and apply to all franchises offered and sold in the State of North Dakota:

1. Covenants not to compete upon termination or expiration of the Agreement are subject to Section 9-08-06, N.D.C.C., and may be generally unenforceable in the State of North Dakota.

2. To the extent that Section XXV.G of the Agreement would otherwise violate North Dakota law, this section is amended by providing that all litigation by or between Franchisee and Franchisor, involving a franchised business operating in the State of North Dakota, will be commenced and maintained, at Franchisor's election, in the state courts of North Dakota or the United States District Court for North Dakota, with the specific venue in either court system determined by appropriate jurisdiction and venue requirements.

3. North Dakota law applies to this transaction and supersedes any conflicting provisions of the Agreement or Texas law.

4. The Agreement is amended to provide that no general release will be required as a condition of renewal to the extent inconsistent with North Dakota law.

5. The Agreement is amended to delete any requirement that the franchisee consent to termination or liquidated damages.

6. The Agreement is amended to state that any provision requiring litigation, arbitration or mediation to be conducted in a forum other than North Dakota is void with respect to claims under the North Dakota Franchise Investment Law, except to the extent pre-empted by the Federal Arbitration Act.

7, The Franchise Agreement is amended to delete any waiver of right to a jury in any permissible litigation.

8. The Franchise Agreement is amended to delete any waiver of exemplary and punitive damages.

9. The Agreement is amended to provide that the substantially prevailing party in any enforcement action is entitled to recover all costs and expenses, including attorneys' fees.

RHODE ISLAND

Notwithstanding anything to the contrary set forth in the Agreement, the following provision will supersede and apply to all franchises offered and sold in the State of Rhode Island:

1. To the extent that Section XXV.G of the Agreement would otherwise violate Rhode Island law, this section is amended by providing that all litigation by or between Franchisee and Franchisor, involving a Center operating in the State of Rhode Island, will be commenced and maintained, at Franchisor's election, in the state courts of Rhode Island or the United States District Court for Rhode Island, with the specific venue in either court system determined by appropriate jurisdiction and venue requirements.

SOUTH CAROLINA

Notwithstanding anything to the contrary in the Agreement, the following provision will supersede and apply to all franchises offered and sold in the State of South Carolina:

1. The following provision will be added to the Agreement as Section XXV.N:

Agent for Service of Process. Our agent in South Carolina authorized to receive service of process is South Carolina Secretary of State, Edgar Brown Building, 1205 Pendleton Street, Suite 525, Columbia, SC 29201.

SOUTH DAKOTA

Notwithstanding anything to the contrary set forth in the Agreement, the following provisions will supersede and apply to all franchises offered and sold in the State of South Dakota:

1. Covenants not to compete upon termination or expiration of the Agreement are generally unenforceable in the State of South Dakota, except in certain instances as provided by law.

2. Franchise registration, employment, covenants not to compete and other matters of local concern will be governed by the laws of the State of South Dakota. As to contractual and all other matters, the Agreement will be and remain subject to the construction, enforcement and interpretation of the laws of the State of Texas.

3. To the extent that Section XXV.G of the Agreement would otherwise violate South Dakota law, this section is amended by providing that all litigation by or between Franchisee and Franchisor, involving a Center operating in the State of South Dakota, will be commenced and maintained, at Franchisor's election, in the state courts of South Dakota or the United States District Court for South Dakota, with the specific venue in either court system determined by appropriate jurisdiction and venue requirements.

4. Termination provisions covering breach of the Agreement, failure to meet performance and quality standards, and failure to make payments contained in the Agreement will afford Franchisee 30 days written notice with an opportunity to cure said default prior to termination.

5. REGISTRATION OF THIS FRANCHISE DOES NOT CONSTITUTE APPROVAL OR RECOMMENDATION OF THE FRANCHISE BY THE DIRECTOR.

6. To the extent this Addendum is deemed to be inconsistent with any terms or conditions of the Agreement or exhibits or attachments thereto, the terms of this Addendum will govern.

WASHINGTON

Notwithstanding anything to the contrary set forth in the Agreement, the following provisions will supersede and apply to all franchises offered and sold in the State of Washington.

1. The State of Washington has a statute, RCW 19.100.180, which may supersede the franchise agreement in Franchisee's relationship with the franchisor including the areas of termination and renewal of the franchise. There may also be court decisions which may supersede the franchise agreement in Franchisee's relationship with the franchisor including the areas of termination and renewal of the franchise

2. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

3. A release or waiver of rights signed by a franchisee will not include rights under the Washington Franchise Investment Protection Act except when signed 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 the right to a jury trial may not be enforceable.

4. Transfer fees are collectable to the extent they reflect the Franchisor's reasonable estimated or actual cost in effecting a transfer.

WISCONSIN

Notwithstanding anything to the contrary set forth in the Agreement, the following provision will supersede and apply to all franchises offered and sold in the State of Wisconsin:

1. The Wisconsin Fair Dealership Law, Chapter 135, Stats. supersedes any provisions of the Agreement that are inconsistent with that law.

IN WITNESS WHEREOF, the parties hereto have duly signed this document as of the date of the Franchise Agreement between the parties.

FRANCHISEE:
Entity name (if any): _____

By: _____
Print Name: _____
Title: _____

By: _____
Print Name: _____
Title: _____

Date Signed: _____

FRANCHISOR:
Stork Vision Systems, Inc

By: _____
Name: _____
Title: _____

Date Signed: _____

EXHIBIT B
TO FRANCHISE AGREEMENT

STORK VISION®
OWNERS AGREEMENT FOR FRANCHISEE ENTITY

As a condition to the granting by Stork Vision Systems, Inc. ("we" or "us"), of a Franchise Agreement with _____ ("Franchisee"), each of the undersigned individuals ("Owners"), who constitute all of the owners of a beneficial interest in Franchisee, covenant and agree to be bound by this Owners Agreement ("Owners Agreement").

1. Acknowledgments.

(a) Franchise Agreement. Franchisee entered into a franchise agreement with us effective as of _____, 20__ ("Franchise Agreement"). Capitalized words not defined in this Owners Agreement will have the same meanings ascribed to them in the Franchise Agreement.

(b) Owners' Role. Owners are the beneficial owners of all of the equity interest in Franchisee. Franchisee's obligations under the Franchise Agreement, including the confidentiality and non-compete obligations, would be of little value to us if Franchisee's owners were not bound by the same requirements. Owners are required to enter into this Owners Agreement as a condition to our entering into the Franchise Agreement with Franchisee. Owners will be jointly and severally liable for any breach of this Owners Agreement.

2. Non-Disclosure Of Confidential Information.

(a) Protection of Confidential Information. Under the Franchise Agreement, we will provide Franchisee with specialized training, proprietary trade secrets, Proprietary Information and other confidential information about the establishment and operation of a Stork Vision® Center using the System. Owners will not, during or after the term of the Franchise Agreement, communicate, divulge, or use for the benefit of themselves or anyone else any Proprietary Information, confidential information, knowledge, or know-how concerning the methods of operation of our business or the Center which that may be communicated to them, or of which they may become aware by virtue of their ownership of Franchisee. This confidentiality obligation specifically includes the Operations Manual, all information in the Operations Manual, information conceived, originated, discovered, or developed by Franchisee or by any employee of Franchisee which is not generally known in the trade or industry about Franchisor's products, services, or licenses, including information relating to discoveries, ideas, manufacturing, purchasing, accounting, engineering, marketing, merchandising or selling. Owners will use their best efforts and utmost diligence to protect the confidentiality of all confidential information. At our request, Owners must immediately

send us all documents and other things they have that contain any of this confidential information.

(b) Our Remedies. Owners acknowledge that any failure to comply with the requirements of this Section 2 of this Owners Agreement will result in irreparable injury to us for which there is no adequate remedy at law, and Owners agree that we may seek, without posting bond, an ex-parte or other order for injunctive or other legal or equitable relief in order to enforce the requirements of Section 2 of this Owners Agreement.

3. Covenant Not To Compete.

(a) Non-Competition. Each Owner covenants that, except as otherwise approved in writing by us, Owner shall not, during the term of the Franchise Agreement and for a continuous uninterrupted period of 3 years thereafter (whether by expiration, termination or transfer), either directly or indirectly for itself, or through, on behalf of, or in conjunction with, any person, persons, or legal entity, own, invest in, maintain, operate, engage in, mange, finance, be employed or contracted by, control, or have any interest in any business that offers, sells or provides the same or similar items or services as offered by the Business, including prenatal imaging services (non-diagnostic, diagnostic, in-office or mobile), gender blood draws, and/or OB sonograms or ultrasounds of any type (including 2D, 3D, and 4D), within a 50-mile radius of the franchised business location, or within a 30 mile radius of any other Stork Vision® Center in existence or planned as of the time of termination or expiration of the Franchise Agreement. However, this section will not prevent employment in a clinical setting, such as a hospital or physician's office.

(b) Non Diversion of Business. During the term of the Franchise Agreement and for a period of 3 years thereafter, each Owner covenants that it will not, either directly or indirectly, for itself, or through, on behalf of, or in conjunction with any person, persons, or legal entity:

(1) Divert or attempt to divert business or customers of the Business with which or with whom Franchisee has had contact during the term of the Franchise Agreement to any competitor by direct or indirect inducement or otherwise; or

(2) Do or perform, directly or indirectly, any other act injurious or prejudicial to the goodwill associated with the Names and Marks or the System or both; or

(3) Induce, directly or indirectly, any person who is at that time employed by us or by any other of our franchisees, to leave his or her employment.

(c) Interests in Publicly-Traded Companies. Section 3 of this Owners Agreement will not operate to prevent Owners from owning 5% or less beneficial interest in the outstanding equity securities of any publicly-traded company.

(d) Construction of Covenants. The parties agree that each of the foregoing covenants will be construed as independent of any other covenant or provision of this Owners Agreement. If all or any portion of a covenant in this section is held unreasonable or unenforceable by a court or agency having valid jurisdiction in a final decision to which we are a party, Owners agree to be bound by any lesser covenant subsumed within the terms of the 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. The time periods provided in this Section 3 will be extended for any period of non-compliance with the obligations in this Section 3.

(e) Our Right to Reduce Scope of Covenants. Additionally, we have the right, in our sole discretion, to unilaterally reduce the scope of any covenant in Section 3 of this Owners Agreement, or any portion thereof, without Owners consent, effective when we give Owners written notice of this reduction. Owners agree to comply with any covenant as so modified.

4. Guarantee.

(a) Owners will pay us (or cause us to be paid) all monies payable by Franchisee under the Franchise Agreement on the date and in the manner required for payment in the Franchise Agreement.

(b) Owners unconditionally guarantee full performance and discharge by Franchisee of all of Franchisee's obligations under the Franchise Agreement on the date and times and in the manner required in the Franchise Agreement.

(c) Owners will indemnify, defend and hold harmless us, all of our affiliates, and the respective shareholders, directors, partners, employees, and agents of these entities, against and from all losses, damages, costs, and expenses which that we or they may sustain, incur, or become liable for by reason of:

(1) Franchisee's failure to pay the monies payable (to us or any of our affiliates) pursuant to the Franchise Agreement or to do and perform any other act, matter, or thing required by the Franchise Agreement; or

(2) Any action by us to obtain performance by Franchisee of any act, matter, or thing required by the Franchise Agreement.

(d) Owners acknowledge and agree that we will not be obligated to proceed against Franchisee or exhaust any security from Franchisee or pursue or exhaust any remedy, including any legal or equitable relief against Franchisee, before proceeding to enforce the obligations of the Owners as guarantors under this Owners Agreement, and the enforcement of these obligations can take place before, after, or contemporaneously with, enforcement of any of Franchisee's debts or obligations under the Franchise Agreement.

(e) Without affecting Owners' obligations under this section, we can extend, modify, or release any of Franchisee's indebtedness or obligation, or settle, adjust, or compromise any claims against Franchisee, all without notice to the Owners. Owners waive notice of amendment of the Franchise Agreement and notice of demand for payment or performance by Franchisee.

(f) Upon the death of an Owner, the estate of the Owner will be bound by the obligations in this section, but only for defaults and obligations hereunder existing at the time of death; and the obligations of any other Owners will continue in full force and effect.

5. Transfers. Owners acknowledge and agree that we have granted the Franchise Agreement to Franchisee in reliance on Owners' business experience, skill, financial resources and personal character. Accordingly, each Owner agrees not to sell, encumber, assign, transfer, convey, pledge, merge or give away any direct or indirect interest in this Franchisee, unless that Owner first complies with the sections in the Franchise Agreement regarding Transfers. Owners acknowledge and agree that any attempted Transfer of an interest in Franchisee requiring our consent under the Franchise Agreement for which our express written consent is not first obtained will be a material breach of the Franchise Agreement. Owners acknowledge and agree that the transfer restrictions in the Franchise Agreement apply to any conveyance of the real estate on which the Franchisee's Center is situated (if owned or controlled, directly or indirectly, by Franchisee, or any Owners, officers, directors, or affiliates (including the Franchisee Affiliate Entity).

6. Enforcement Of This Owners Agreement.

(a) Choice of Law. This Owners Agreement and any claim or controversy arising out of, or relating to, any of the rights or obligations of the parties under this Owners Agreement, and any other claim or controversy between the parties will be governed by and construed in accordance with the laws of the State of Texas (without regard for any conflicts of law principles).

(b) Provisional Remedies. We have the right to seek from an appropriate court any provisional remedies, including temporary restraining orders or preliminary injunctions to enforce Owners' obligations under this Owners Agreement. Owners acknowledge and agree that there is no adequate remedy at law for Owners' failure to fully comply with the requirements of this Owners Agreement and, because of that, waive any requirement of a showing of irreparable harm from a breach of this Owners Agreement. Owners agree that any provisional remedy entered shall not require a bond or other surety and hereby expressly waives any such requirement and right to request such bond. Owners further acknowledge and agree that, in the event of any noncompliance, we will be entitled to temporary, preliminary, and permanent injunctions and all other equitable relief that any court with jurisdiction may deem just and proper.

(c) Dispute Resolution. The parties agree that the dispute resolution provisions of the Franchise Agreement and venue provisions will apply to any claim or controversy arising out of, or relating to, any of the rights or obligations of the parties under this Owners Agreement, and any other claim or controversy between the parties. The parties consent to the exercise of personal jurisdiction over them by the applicable courts, and to the propriety of venue in these courts, and the parties waive any objections that they would otherwise have in this regard. The substantially prevailing party will be entitled to recover from the other party its actual costs and expenses (including attorneys' fees and expenses) incurred in connection with any litigation between the parties relating to or arising under this Owners Agreement.

8. Notices.

(a) Method of Notice. No notice, demand, request or other communication to the parties will be binding upon the parties unless the notice is in writing, refers specifically to this Owners Agreement, and is sent to the proper address.

(b) Notice Addresses. Our current addresses for all communications under this Owners Agreement is:

Stork Vision Systems, Inc.
5712 Colleyville Blvd., Suite 202
Colleyville, TX 76034

The current address of each Owner for all communications under this Owners Agreement is set forth on the signature page of this Owners Agreement. Any party may designate a new address for notices by giving written notice to the other parties of the new address pursuant to this section.

(c) Effective Date of Notices. Notices will be immediately effective upon the date of delivery, or, if delivery is refused, the date of the first attempted delivery.

9. Miscellaneous.

(a) No Other Agreements. This Owners Agreement constitutes the entire, full and complete agreement between the parties, and supersedes any earlier or contemporaneous negotiations, discussions, understandings or agreements, except as otherwise set forth in this Franchise Agreement, in regard to this Franchise. There are no representations, inducements, promises, agreements, arrangements, or undertakings, oral or written, between the parties relating to the matters covered by this Owners Agreement, other than those set forth in this Owners Agreement. No other obligations, restrictions or duties that contradict or are inconsistent with the express terms of this Owners Agreement may be implied into this Owners Agreement, and any conflict between similar provisions in this Franchise Agreement shall be resolved by giving preference to the terms of this Owners Agreement. Except for unilateral reduction of the scope of the covenants permitted in Section 3(e) (or as otherwise expressly provided in this Owners Agreement), no amendment, change or variance from this

Owners Agreement will be binding on either party unless it is mutually agreed to by the parties in writing and signed. Time is of the essence.

(b) Severability. Each provision of this Owners Agreement, and any portions thereof, will be considered severable. If any provision of this Owners Agreement or the application of any provision to any person, property or circumstances is determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Owners Agreement will be unaffected and will still remain in full force and effect. The parties agree that the provision found to be invalid or unenforceable will be modified to the extent necessary to make it valid and enforceable, consistent as much as possible with the original intent of the parties, and the parties agree to be bound by the modified provisions.

(c) No Third-Party Beneficiaries. Nothing in this Owners Agreement is intended to confer upon any person or entity (other than the parties and their heirs, successors and assigns) any rights or remedies under or by reason of this Owners Agreement.

(d) Construction. No provision of this Owners Agreement will be interpreted in favor of or against either party merely because of that party's role in the preparation of this Owners Agreement, or because of the nature or type of this Owners Agreement. All references to gender and number will be construed to include other gender and number as the context may require. All captions in this Owners Agreement are intended solely for the convenience of the parties and none will be deemed to affect the meaning or construction of any provision of this Owners Agreement. Time is of the essence.

(e) Binding Effect. This Owners Agreement may be signed in counterparts, and each copy signed and delivered will be deemed an original. This Owners Agreement is binding on the parties and their respective heirs, executors, administrators, personal representatives, successors and (permitted) assigns.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the parties have entered into this Owners Agreement as of the effective date of the Franchise Agreement.

OWNERS:

By: _____
Printed Name: _____
Address: _____
_____

By: _____
Printed Name: _____
Address: _____
_____

Date Signed: _____

FRANCHISOR:
STORK VISION SYSTEMS, INC.

By: _____
Name: _____
Title: _____

Date signed: _____

EXHIBIT C

GENERAL OPERATIONS MANUAL
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EXHIBIT D

LIST OF FRANCHISEES

(as of December 31, 2023)

GEORGIA

Covington
ACM Vision, LLC
Melissa Parker, Owner
7195 Hwy 278 NE
Covington, GA 30014
Tel: 770-402-5023

KENTUCKY

Northern Kentucky
Lucky Sevens, LLC
Colleen Boyle Weckenbrock and Gregory P. Weckenbrock, Owners
2329 Buttermilk Crossing
Crescent Springs, KY 41017
Tel: 859-341-4400

NEBRASKA

Omaha
TBAM4K, LLC
Jessica Silliman, Owner
10913 Prairie Brook Rd
Omaha, NE 68144
Tel: 402-321-5835

TEXAS

Arlington
MRC 3D Ultrasounds, LLC
Mayra Juarez and Ricardo Gonzalez, Owners

5001 S Cooper St. Suite 208
Arlington, TX 76006
Tel: 214-223-4026

Fort Worth
Ruby Hazel, LLC
Leanne Phillips
607 W. Magnolia
Fort Worth, TX 76104
Tel: 817-908-2123

Frisco
LMBL2023, LLC
Leanne Phillips
3550 Parkwood Blvd.
Bldg C, Suite 305
Frisco, TX 75034
Tel 972-377-7770

Grapevine
Kicks and Giggles, LLC
Jacqueline Figueroa, Owner
520 S. Main St., Suite 301
Grapevine, TX 76051
Tel: 714-809-2161

Katy
Sweet Pea and Me, LLC
Moncenya Chatman, Owner
22511 Katy Frwy, Suite 400
Katy, TX 77450
Tel: 423-741-6538

Texarkana
KBL4d Images, LLC
Kimberly Lach
4115 N. Kings Hwy, Suite 101
Texarkana, TX 75503
(903) 908-2318

Wichita Falls
MJM Imaging, LLC
Marla Mowery, Owner
4822 Kemp Blvd
Suite 200
Wichita Falls, TX 76308
Tel: 940-691-9000

UTAH

Salt Lake City
Wright Imaging LLC
Leigh Anne Wright
9235 S. Redwood Rd., Suite B
W. Jordan, UT 84088
Tel: 801-414-0132

AFFILIATE-OWNED STORES

ILLINOIS

RCCSMG, LLC
Renee Caldwell, Owner
1701 E. Woodfield Rd.
Suite 1101
Schaumburg, IL 60173
972-880-8290

TEXAS

SVDallas, LLC
Renee Caldwell, Owner
8585 N. Stemmons Freeway
Suite 144M
Dallas, TX 75247
974-880-8290

EXHIBIT E

FRANCHISEES WHO HAVE LEFT THE SYSTEM

TEXAS

The Woodlands
BL Stork Vision,LLC (terminated in 2023)
Brook Makowsky, Owner
256 Ed English Dr., Bldg 4, Ste E
Shenandoah, TX 77385
Tel: 713-540-05112

Dallas
Uptown Mom, LLC (terminated in 2023)
Laura Porras, Owner
3317 McKinney Ave, Suite 201
Dallas, TX 75204
Tel: 469-999-8630

Fort Worth
Londo Imaging Fort Worth LLC (transferred in 2023)
Lona & Douglas Gregory, Owners
906 W. Cannon, Suite 108
Fort Worth, TX 76104
Tel: 817-908-2123

Frisco
Londo Imaging Dallas LLC (transferred in 2023)
Lona & Douglas Gregory, Owners
3550 Parkwood Blvd. Bldg C, Suite 305
Frisco, TX 75034
Tel 972-377-7770

WISCONSIN

Eau Claire
Imaging by Jillian, LLC (terminated in 2023)
Jillian Rodgers, Owner
2004 Highland Ave.
Suite 2E
Eau Claire, WI 54701
Tel:715-514-3400

Madison
Imaging by Jillian, LLC (terminated in 2023)
Jillian Rodgers, Owner
246 Corporate Dr.
Madison, WI 53719
Tel: 608-957-5050

No other franchisees have left the franchise system during the last fiscal year or communicated with us during the 10-week period before the issuance date of the FDD.

EXHIBIT F

FINANCIAL STATEMENTS

Stork Vision Systems, Inc.

STORK VISION SYSTEMS, INC.
FINANCIAL STATEMENTS
December 31, 2023

PINEIDER, FORD & ASSOCIATES, PLLC
Certified Public Accountants & Business Advisors

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Stork Vision Systems, Inc.
Colleyville, Texas

Opinion

We have audited the accompanying financial statements of Stork Vision Systems, Inc., (the Company), which comprise the balance sheets as of December 31, 2023 and 2022, and the related statements of income, equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Stork Vision Systems, Inc., as of December 31, 2023 and 2022, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Notes 8 and 9 to the financial statements, in 2022, the Company adopted new accounting guidance for leases and credit losses. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or override of internal control. Misstatements are considered material if, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Pinnider Ford & Associates, PLLC

Southlake, Texas
April 16, 2024

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Stork Vision Systems, Inc.
Balance Sheets
December 31, 2023 and 2022

Assets

	2023	2022
Current assets		
Cash	$ 3,457	$ 4,503
Accounts receivable trade	10,299	275
Total current assets	13,756	4,778
Property and equipment		
Equipment	1,119	1,119
Transportation	49,388	49,388
Total cost of property and equipment	50,507	50,507
less: accumulated depreciation	(15,936)	(6,058)
Net property and equipment	34,571	44,449
Other assets		
Deferred tax asset	3,305	0
Security deposits	900	900
Total other assets	4,205	900
Total assets	$ 52,532	$ 50,127

The accompanying notes are an integral part of these financial statements.

Stork Vision Systems, Inc.
Balance Sheets
December 31, 2023 and 2022

Liabilities and Equity

	2023	2022
Current liabilities		
Accounts payable trade	$ 13,763	$ 4,491
Accrued expenses	5,661	5,661
Deferred revenue short term	4,104	7,673
Income taxes payable short term	896	386
Line of credit	54,291	37,600
Current portion of long-term debt	7,816	8,063
Total current liabilities	86,531	63,874
Long-term liabilities		
Deferred revenue	11,072	36,875
Income taxes payable	2,325	7,744
Long-term debt	31,121	38,331
Total long-term liabilities	44,518	82,950
Total liabilities	131,049	146,824
Equity		
Common stock ($1 par, 1,000,000 shares authorized, 1,000 issued and outstanding)	1,000	1,000
Retained earnings	(79,517)	(97,697)
Total equity	(78,517)	(96,697)
Total liabilities and equity	$ 52,532	$ 50,127

The accompanying notes are an integral part of these financial statements.

Stork Vision Systems, Inc.
Statements of Income
For the Years Ended December 31, 2023 and 2022

	2023	2022
Sales		
Franchise Fee	$ 37,291	$ 88,214
Licensing Fees	31,018	0
Royalty Income	89,756	135,668
National Marketing Fund	53,060	80,453
Other Revenue	97,921	132,349
Total Sales	309,046	436,684
Cost of sales	1,970	0
Gross profit	307,076	436,684
Selling, general and administrative expenses	275,521	422,386
Net income (loss) from operations	31,555	14,298
Other income (expense)		
Interest expense	(8,170)	(2,512)
Total other income (expense)	(8,170)	(2,512)
Net income before federal income taxes	23,385	11,786
Provision for federal income tax	(2,795)	(16,134)
Net income	$ 26,180	$ 27,920

The accompanying notes are an integral part of these financial statements.

Stork Vision Systems, Inc.
Statements of Equity
For the Years Ended December 31, 2023 and 2022

	2023	2022
Beginning balance	$ (97,697)	$ (124,617)
Common stock	1,000	1,000
Distributions	(8,000)	(1,000)
Current net income	26,180	27,920
Ending balance	$ (78,517)	$ (96,697)

The accompanying notes are an integral part of these financial statements.

Stork Vision Systems, Inc.
Statements of Cash Flows
For the Years Ended December 31, 2023 and 2022

	2023	2022
Cash flows from operating activities		
Net income (loss)	$ 26,180	$ 27,920
Adjustments to reconcile net income to net cash used in operating activities:		
Depreciation	9,878	4,939
Changes in:		
Accounts receivable	(10,024)	(250)
Deferred tax asset	(3,305)	0
Accounts payable	9,272	(1,641)
Income taxes payable	510	(16,134)
Deferred revenue	(34,791)	(88,214)
Net cash provided by (used in) operating activities	(2,280)	(73,380)
Cash flows from investing activities		
Purchase of equipment	-	(49,388)
Net cash used in investing activities	-	(49,388)
Cash flows from financing activities		
Proceeds from borrowing	16,691	88,684
Principal payments on debt	(7,457)	(4,690)
Distributions	(8,000)	(1,000)
Net cash provided by (used in) financing activities	1,234	82,994
Net change in cash and cash equivalents	(1,046)	(39,774)
Cash and cash equivalents beginning of year	4,503	44,277
Cash and cash equivalents end of year	$ 3,457	$ 4,503
Supplemental disclosures of cash flows information		
Cash paid during the year for:		
Interest	$ 8,170	$ 2,512

The accompanying notes are an integral part of these financial statements.

Stork Vision Systems, Inc.
Notes to the Financial Statements
For the Years Ended December 31, 2023 and 2022

Note 1 – Summary of Significant Accounting Policies

This summary of significant accounting policies of Stork Vision Systems, Inc. (the Company) is presented to assist in understanding the Company's financial statements. The financial statements and notes are representations of the Company's management who is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Nature of Operations

The Company is a franchising corporation formed in May 2010, in the state of Texas with its headquarters currently located in Colleyville, Texas. The primary business of the Company is to sell franchises to provide ultrasound services in Texas, Oklahoma, Louisiana, Kentucky, Tennessee, Georgia, Florida, Nebraska, Arizona, Pennsylvania, Illinois, Utah and Iowa.

Revenue and Expense Recognition

The Company uses the accrual method of accounting whereby revenues are recognized when earned and expenses are recognized when incurred.

The Company sells individual franchises. The franchise agreements require the franchisee to pay an initial, non-refundable fee prior to opening the respective location, and continuing royalty fees based upon a percentage of franchisee net sales, subject to a minimum monthly amount. The initial term of franchise agreements are typically seven years. Subject to the Company's approval, a franchisee may generally renew the franchise agreement upon its expiration. If approved, a franchisee may transfer a franchise agreement to a new or existing franchisee, at which point a transfer fee is typically paid by the current owner which then terminates that franchise agreement. A franchise agreement is signed with the new franchisee with no franchise fee required. If a contract is terminated prior to its term, the franchise agreement is terminated and a termination contract is agreed upon. Revenue generated from these terminated and transferred franchise agreements is recorded as licensing fees when paid.

Under the terms of the franchise agreements, the Company typically promises to provide franchise rights, pre-opening services such as operational materials, planning and functional training courses, and ongoing services, such as management of the marketing fund. The Company has determined the license is capable of being distinct however the contracts include other promises that are interdependant to the license. Accordingly, the license will be combined with the other services as a single performance obligation and recognized as the Company satisfies the performance obligation over the franchise term.

Stork Vision Systems, Inc.
Notes to the Financial Statements
For the Years Ended December 31, 2023 and 2022

Note 1 – Summary of Significant Accounting Policies - continued

Royalty income is recognized during the respective franchise agreement based on the royalties earned each period as the underlying franchise store sales occur using the sales-and usage-based royalty exception. Payments are typically received shortly after the franchisees are invoiced.

Franchise agreements require the franchisee to pay continuing marketing fees which are a determinable set fee and are not paid on franchise sales. Under ASC 606, the Company has determined that although the marketing fees are not separate performance obligations distinct from the underlying franchise right, the Company acts as the principal as it is primarily responsible for the fulfillment and control of the marketing services. As a result, the Company records marketing fees in revenues and related marketing fund expenditures in expenses in the Statement of Income.

In addition, the Company receives a commission fee for certain data and customer information. The commission fee is recognized as revenue at the point in time the sale occurs. For the year ended December 31, 2023 and 2022, commission revenue of $97,921 and $132,349, respectively, is included in Other Revenue in the Income Statement.

The Company has elected to apply certain practical expedients as defined in ASC 606 including the right to invoice practical expedient and the variable consideration is a sales-based or usage-based royalty promised in exchange for a license of intellectual property practical expedient.

Cash and Cash Equivalents
For the purpose of the statement of cash flows, the Company considers all highly liquid instruments purchased with a maturity of three months or less to be cash equivalents.

Accounts Receivable
Accounts receivable are charged to bad debt expense when they are determined to be uncollectible based upon a periodic review of the accounts by management. The basis of accounting described above requires that the allowance method be used to recognize bad debts (credit losses); however, the effect of using the direct write-off method is not materially different from the results that would have been obtained under the allowance method.

Concentration of Credit Risk
The Company deposits its temporary cash investments with high quality financial institutions. At times, deposits may exceed federally insured limits. The Company has not experienced any losses in such accounts.

Stork Vision Systems, Inc.
Notes to the Financial Statements
For the Years Ended December 31, 2023 and 2022

Note 1 – Summary of Significant Accounting Policies - continued

Depreciable Assets
Depreciation is carried at historical cost. Depreciation is calculated using the straight-line method for financial statement purposes at rates based on the estimated useful life of the transportation asset of 5 years. Expenditures for major renewals and betterments that extend the useful lives of property and equipment are capitalized. Depreciation expense for the year ended December 31, 2023 and 2022 were $9,878 and $4,939, respectively.

Income Taxes
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Company to report information regarding its exposure to various tax positions taken by the Company. The Company has determined whether any tax positions have met the recognition threshold and has measured the Company's exposure to those tax positions. Management believes that the Company has adequately addressed all relevant tax positions and that there are no unrecorded tax liabilities. Federal and state authorities generally have the right to examine and audit the previous three years of tax returns filed. Any interest or penalties assessed to the Company are recorded in operating expenses. No interest or penalties from federal or state tax authorities were recorded in the accompanying financial statements. (See Note 2)

Estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptionst that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

Advertising Expense
Advertising expenses are charged to operations as incurred. Advertising expense for the years ended 2023 and 2022 were $31,557 and $44,823, respectively.

Financial Instruments
The carrying amount of financial instruments including cash and cash equivalents, trade receivables and accounts payable approximate fair value as of December 31, 2023 and 2022.

Subsequent Events
Subsequent events have been evaluated through April 16, 2024, which is the date the financial statements were available to be issued. There are no subsequent events requiring disclosure.

Stork Vision Systems, Inc.
Notes to the Financial Statements
For the Years Ended December 31, 2023 and 2022

Note 2 – Income Taxes

Federal income taxes for the years ended December 31, 2023 and 2022 are provided for as follows:

For the year ended December 31, 2023:	
Net Income Per Books	$ 23,385
Permanent Differences:	
Nondeductible Entertainment	351
Nondeductible Life Insurance	485
Temporary Differences:	
Tax adjustments to convert from accrual to cash	(752)
Charity	(202)
Depreciation	(2,197)
Current Taxable Income	$ 21,070
Provision for Deferred Tax (Asset) Liability:	
Current years taxable losses	$ 17,018
Prior years taxable losses	(64,511)
Book depreciation	(15,936)
Tax depreciation	30,188
Deferred revenue	17,501
Deferred Taxable (Asset) Liability	$ (15,740)
Tax on Deferred Taxable (Asset) Liability	$ (3,305)
For the year ended December 31, 2022:	
Net Income Per Books	$ 27,920
Permanent Differences:	
Nondeductible Life Insurance	1,515
Temporary Differences:	
Tax adjustments to convert from accrual to cash	(1,916)
Charity	100
Depreciation	(14,261)
Current taxable losses	$ 13,358
Provision for Deferred Tax (Asset) Liability:	
Nondeductible Charity	$ (202)
Current years taxable losses	(2,776)
Prior years taxable losses	(61,735)
Book depreciation	(4,939)
Tax depreciation	19,200
Deferred revenue	52,292
Deferred Taxable (Asset) Liability	$ 1,840
Tax on Deferred Taxable (Asset) Liability	$ 386

Stork Vision Systems, Inc.
Notes to the Financial Statements
For the Years Ended December 31, 2023 and 2022

Note 3- Deferred Revenue

Deferred revenue represents the initial franchise sales and transfer fees for which substantially all services have not yet been performed as described in Note 1. The amounts deferred as of December 31, 2023 and 2022 were $17,501 and $52,292, respectively. The amount of deferred revenue earned and recognized during the year ended December 31, 2023 and 2022 was $37,291 and $88,214, respectively, and is included in Franchise fees on the Statement of Income.

Note 4- Retirement Plan

In 2013, the Company established a Self-Employed 401k Retirement Account. Under this plan, the owner may contribute a percentage of their annual salary up to the maximum percentage allowed by law. There were no contributions in 2023 and 2022.

Note 5- Commitment and Contingencies

The Company leases certain office space under a non-cancelable operating lease ending on March 31, 2023. Rental expense for 2023 and 2022 was $11,960 and $10,800. The Company has an obligation of $2,700 in 2024 and 2023 under this lease.

Note 6 – Line of Credit

On September 17, 2021, Chase granted a line of credit to the Company with a maximum amount of $75,000, at a variable rate of 3.2% over the prime interest rate and renewed indefinitley until the Company no longer needs it. As of December 31, 2023 and 2022, $54,291and $37,600 has beer drawn, respectively. The line of credit is secured by all of the Company's accounts and equipment.

Note 7 - Long Term Debt

Long-term debt consists of the following:

Note payable to a financial institution, payable in monthly installments of $788, including interest at 4.59%, collateralized by a vehicle and matures June 30, 2028.	$ 38,937
Total debt	38,937
Less current portion	(7,816)
Total long-term debt	$ 31,121

The following is a summary of principal maturities of long term debt :

December 31, 2024	$ 7,816
December 31, 2025	8,191
December 31, 2026	8,584
December 31, 2027	8,997
December 31, 2028	5,349
Total	$ 38,937

Stork Vision Systems, Inc.
Notes to the Financial Statements
For the Years Ended December 31, 2023 and 2022

Note 8 – Adoption of FASB ASC 842

Effective January 1, 2022, the Company adopted FASB ASC 842, Leases. The Company determines if an arrangement contains a lease at inception based on whether the Company has the right to control the asset during the contract period and other facts and circumstances. The Company elected the package of practical expedients permitted under the transition guidance within the new guidance, which among other things, allowed it to carry forward the historical lease classification. The adoption of FASB ASC 842 did not have a material impact on the Project's results of operations, cash flows or debt covenants.

Note 9 – Adoption of FASB ASU 2016·13 and Related Standards

Effective January 1, 2022, the Project adopted FASS ASU 2016-13, Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments, as amended, which modifies the measurement of expected credit losses on certain financial instruments. The Company adopted this new guidance utilizing the modified retrospective transition method. The adoption of this Standard did not have a material impact on the Company's financial statements.

STORK VISION SYSTEMS, INC.
FINANCIAL STATEMENTS
December 31, 2022

PINEIDER, FORD & ASSOCIATES, PLLC
Certified Public Accountants & Business Advisors

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
Stork Vision Systems, Inc.
Colleyville, Texas

Opinion

We have audited the accompanying financial statements of Stork Vision Systems, Inc., (the Company), which comprise the balance sheets as of December 31, 2022 and 2021, and the related statements of income, equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Stork Vision Systems, Inc., as of December 31, 2022 and 2021, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Notes 9 and 10 to the financial statements, in 2022, the Company adopted new accounting guidance for leases and credit losses. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements, as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or override of internal control. Misstatements are considered material if, there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Pinnider Ford & Associates, PLLC

Southlake, Texas
March 16, 2023

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Stork Vision Systems, Inc.
Balance Sheets
December 31, 2022 and 2021

Assets

	2022	2021
Current assets		
Cash	$ 4,503	$ 44,277
Accounts receivable trade	275	25
Total current assets	4,778	44,302
Property and equipment		
Equipment	1,119	1,119
Transportation	49,388	0
Total cost of property and equipment	50,507	1,119
less: accumulated depreciation	(6,058)	(1,119)
Net property and equipment	44,449	0
Other assets		
Security deposits	900	900
Total other assets	900	900
Total assets	$ 50,127	$ 45,202

The accompanying notes are an integral part of these financial statements.

Stork Vision Systems, Inc.
Balance Sheets
December 31, 2022 and 2021

Liabilities and Equity

	2022	2021
Current liabilities		
Accounts payable trade	$ 4,491	$ 6,132
Accrued expenses	5,661	5,661
Deferred revenue short term	7,673	7,658
Income taxes payable short term	386	16,520
Line of credit	37,600	0
Current portion of long-term debt	8,063	0
Total current liabilities	63,874	35,971
Long-term liabilities		
Deferred revenue	36,875	109,792
Income taxes payable	7,744	23,056
Long-term debt	38,331	0
Total long-term liabilities	82,950	132,848
Total liabilities	146,824	168,819
Equity		
Common stock ($1 par, 1,000,000 shares authorized, 1,000 issued and outstanding)	1,000	1,000
Retained earnings	(97,697)	(124,617)
Total equity	(96,697)	(123,617)
Total liabilities and equity	$ 50,127	$ 45,202

The accompanying notes are an integral part of these financial statements.

Stork Vision Systems, Inc.
Statements of Income
For the Years Ended December 31, 2022 and 2021

	2022	2021
Sales		
Franchise Fee	$ 88,214	$ 23,036
Licensing Fees	0	29,750
Royalty Income	135,668	145,227
National Marketing Fund	80,453	81,654
Other Revenue	132,349	149,760
Total Sales	436,684	429,427
Cost of sales	0	2,127
Gross profit	436,684	427,300
Selling, general and administrative expenses	422,386	457,386
Net income (loss) from operations	14,298	(30,086)
Other income (expense)		
Interest expense	(2,512)	(250)
Miscellaneous income	0	48,322
Total other income (expense)	(2,512)	48,072
Net income before federal income taxes	11,786	17,986
Provision for federal income tax	(16,134)	5,633
Net income	$ 27,920	$ 12,353

The accompanying notes are an integral part of these financial statements.

Stork Vision Systems, Inc.
Statements of Equity
For the Years Ended December 31, 2022 and 2021

	2022	2021
Beginning balance	$(124,617)	$ (96,970)
Common stock	1,000	1,000
Distributions	(1,000)	(40,000)
Current net income	27,920	12,353
Ending balance	$ (96,697)	$ (123,617)

The accompanying notes are an integral part of these financial statements.

Stork Vision Systems, Inc.
Statements of Cash Flows
For the Years Ended December 31, 2022 and 2021

	2022	2021
Cash flows from operating activities		
Net income (loss)	$ 27,920	$ 12,353
Adjustments to reconcile net income to net cash used in operating activities:		
Depreciation	4,939	-
Changes in:		
Accounts receivable	(250)	-
Accounts payable	(1,641)	5,495
Income taxes payable	(16,134)	5,633
Deferred revenue	(88,214)	49,464
Net cash provided by (used in) operating activities	(73,380)	72,945
Cash flows from investing activities		
Purchase of equipment	(49,388)	-
Net cash used in investing activities	(49,388)	-
Cash flows from financing activities		
Proceeds from borrowing	88,684	(23,100)
Principal payments on debt	(4,690)	-
Distributions	(1,000)	(40,000)
Net cash provided by (used in) financing activities	82,994	(63,100)
Net change in cash and cash equivalents	(39,774)	9,845
Cash and cash equivalents beginning of year	44,277	34,432
Cash and cash equivalents end of year	$ 4,503	$ 44,277
Supplemental disclosures of cash flows information		
Cash paid during the year for:		
Interest	$ 2,512	$ 250

The accompanying notes are an integral part of these financial statements.

Stork Vision Systems, Inc.
Notes to the Financial Statements
For the Years Ended December 31, 2022 and 2021

Note 1 – Summary of Significant Accounting Policies

This summary of significant accounting policies of Stork Vision Systems, Inc. (the Company) is presented to assist in understanding the Company's financial statements. The financial statements and notes are representations of the Company's management who is responsible for their integrity and objectivity. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Nature of Operations

The Company is a franchising corporation formed in May 2010 in the state of Texas with its headquarters currently located in Colleyville, Texas. The primary business of the Company is to sell franchises to provide ultrasound services in Texas, Oklahoma, Louisiana, Kentucky, Tennessee, Georgia, Florida, Nebraska, Arizona, Pennsylvania, Illinois, Utah and Iowa.

Revenue and Expense Recognition

The Company uses the accrual method of accounting whereby revenues are recognized when earned and expenses are recognized when incurred.

The Company sells individual franchises. The franchise agreements require the franchisee to pay an initial, non-refundable fee prior to opening the respective location, and continuing royalty fees based upon a percentage of franchisee net sales, subject to a minimum monthly amount. The initial term of franchise agreements are typically seven years. Subject to the Company's approval, a franchisee may generally renew the franchise agreement upon its expiration. If approved, a franchisee may transfer a franchise agreement to a new or existing franchisee, at which point a transfer fee is typically paid by the current owner which then terminates that franchise agreement. A franchise agreement is signed with the new franchisee with no franchise fee required. If a contract is terminated prior to its term, the franchise agreement is terminated and a termination contract is agreed upon. Revenue generated from these terminated and transferred franchise agreements is recorded as licensing fees when paid.

Under the terms of the franchise agreements, the Company typically promises to provide franchise rights, pre-opening services such as operational materials, planning and functional training courses, and ongoing services, such as management of the marketing fund. The Company has determined the license is capable of being distinct however the contracts include other promises that are interdependant to the license. Accordingly, the license will be combined with the other services as a single performance obligation and recognized as the Company satisfies the performance obligation over the franchise term.

Stork Vision Systems, Inc.
Notes to the Financial Statements
For the Years Ended December 31, 2022 and 2021

Note 1 – Summary of Significant Accounting Policies - continued

Royalty income is recognized during the respective franchise agreement based on the royalties earned each period as the underlying franchise store sales occur using the sales-and usage-based royalty exception. Payments are typically received shortly after the franchisees are invoiced.

Franchise agreements require the franchisee to pay continuing marketing fees which are a determinable set fee and are not paid on franchise sales. Under ASC 606, the Company has determined that although the marketing fees are not separate performance obligations distinct from the underlying franchise right, the Company acts as the principal as it is primarily responsible for the fulfillment and control of the marketing services. As a result, the Company records marketing fees in revenues and related marketing fund expenditures in expenses in the Statement of Income.

In addition, the Company receives a commission fee for certain data and customer information. The commission fee is recognized as revenue at the point in time the sale occurs. For the year ended December 31, 2022 and 2021, commission revenue of $132,349 and $149,760, respectively, is included in Other Revenue in the Income Statement.

The Company has elected to apply certain practical expedients as defined in ASC 606 including the right to invoice practical expedient and the variable consideration is a sales-based or usage-based royalty promised in exchange for a license of intellectual property practical expedient.

Cash and Cash Equivalents
For the purpose of the statement of cash flows, the Company considers all highly liquid instruments purchased with a maturity of three months or less to be cash equivalents.

Accounts Receivable
Accounts receivable are charged to bad debt expense when they are determined to be uncollectible based upon a periodic review of the accounts by management. The basis of accounting described above requires that the allowance method be used to recognize bad debts (credit losses); however, the effect of using the direct write-off method is not materially different from the results that would have been obtained under the allowance method.

Concentration of Credit Risk
The Company deposits its temporary cash investments with high quality financial institutions. At times, deposits may exceed federally insured limits. The Company has not experienced any losses in such accounts.

Stork Vision Systems, Inc.
Notes to the Financial Statements
For the Years Ended December 31, 2022 and 2021

Note 1 – Summary of Significant Accounting Policies - continued

Depreciable Assets
Depreciation is carried at historical cost. Depreciation is calculated using the straight-line method for financial statement purposes at rates based on the estimated useful life of the transportation asset of 5 years. Expenditures for major renewals and betterments that extend the useful lives of property and equipment are capitalized. Depreciation expense for the year ended December 31, 2022 and 2021 were $4,939 and $0, respectively.

Income Taxes
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Company to report information regarding its exposure to various tax positions taken by the Company. The Company has determined whether any tax positions have met the recognition threshold and has measured the Company's exposure to those tax positions. Management believes that the Company has adequately addressed all relevant tax positions and that there are no unrecorded tax liabilities. Federal and state authorities generally have the right to examine and audit the previous three years of tax returns filed. Any interest or penalties assessed to the Company are recorded in operating expenses. No interest or penalties from federal or state tax authorities were recorded in the accompanying financial statements. (See Note 2)

Estimates
The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptionst that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

Advertising Expense
Advertising expenses are charged to operations as incurred. Advertising expense for the years ended 2022 and 2021 were $44,823 and $23,3334, respectively.

Financial Instruments
The carrying amount of financial instruments including cash and cash equivalents, trade receivables and accounts payable approximate fair value as of December 31, 2022 and 2021.

Subsequent Events
Subsequent events have been evaluated through March 16, 2023, which is the date the financial statements were available to be issued. There are no subsequent events requiring disclosure.

Stork Vision Systems, Inc.
Notes to the Financial Statements
For the Years Ended December 31, 2022 and 2021

Note 2 – Income Taxes

Federal income taxes for the years ended December 31, 2022 and 2021 are provided for as follows:

For the year ended December 31, 2022:	
Net Income Per Books	$ 27,920
Permanent Differences:	
Nondeductible Entertainment	
Nondeductible Life Insurance	1,515
Temporary Differences:	
Tax adjustments to convert from accrual to cash	(1,916)
Charity	100
Depreciation	(14,261)
Current Taxable Loss	$ 13,358
Provision for Deferred Tax (Asset) Liability:	
Nondeductible Charity	$ (202)
Current years taxable losses	(2,776)
Prior years taxable losses	(61,735)
Book depreciation	(4,939)
Tax depreciation	19,200
Deferred revenue	52,292
Deferred Taxable (Asset) Liability	$ 1,840
Tax on Deferred Taxable (Asset) Liability	$ 386
For the year ended December 31, 2021:	
Net Income Per Books	$ 12,353
Federal Income Tax Per Books	5,633
Permanent Differences:	
Nondeductible Entertainment	690
Nondeductible Life Insurance	1,515
PPP Loan Forgiveness	(48,322)
Temporary Differences:	
Tax adjustments to convert from accrual to cash	5,495
Charity	52
Current taxable losses	$ (22,584)
Provision for Deferred Tax (Asset) Liability:	
Nondeductible Charity	$ (102)
Current years taxable losses	(22,584)
Prior years taxable losses	(39,151)
Deferred revenue	140,506
Deferred Taxable (Asset) Liability	$ 78,669
Tax on Deferred Taxable (Asset) Liability	$ 16,520

Stork Vision Systems, Inc.
Notes to the Financial Statements
For the Years Ended December 31, 2022 and 2021

Note 3- Deferred Revenue

Deferred revenue represents the initial franchise sales and transfer fees for which substantially all services have not yet been performed as described in Note 1. The amounts deferred as of December 31, 2022 and 2021 were $52,292 and $140,506, respectively. The amount of deferred revenue earned and recognized during the year ended December 31, 2022 and 2021 was $88,214 and $23,036, respectively, and is included in Franchise fees on the Statement of Income.

Note 4- Retirement Plan

In 2013, the Company established a Self-Employed 401k Retirement Account. Under this plan, the owner may contribute a percentage of their annual salary up to the maximum percentage allowed by law. There were no contributions in 2022 and 2021.

Note 5- Commitment and Contingencies

The Company leases certain office space under a non-cancelable operating lease ending on March 31, 2023. Rental expense for 2022 and 2021 was $10,800 and $10,800. The Company has an obligation of $2,700 in 2023 and 2022 under this lease.

Note 6 – Line of Credit

On September 17, 2021, Chase granted a line of credit to the Company with a maximum amount of $75,000, at a variable rate of 3.2% over the prime interest rate and renewed indefinitley until the Company no longer needs it. As of December 31, 2022 and 2021, $37,600 and $0 has been drawn, respectively. The line of credit is secured by all of the Company's accounts and equipment.

Note 7- Other Income

On May 6, 2020, the Company received loan proceeds in the amount of $23,100 under the Paycheck Protection Program ("PPP") bearing interest of 1% and maturing May 6, 2022. On February 4, 2021, the Company received PPP loan proceeds in the amount of $25,222 bearing interest of 1%. The PPP, established as part of the CARES Act, provides for loans to qualifying businesses for monthly payroll and other qualifying expenses. The Company recorded the loans as a financial liability in accordance with ASC Topic 470, Debt. The Company used the loan for qualifying expenses as described in the CARES Act and was successful in obtaining forgiveness of the entire loan amounts in 2021. Accordingly, during 2022 and 2021, $0 and $48,322 was recorded as gain on extinguishment of debt, respectivley, and is included in Miscellaneous income on the Statements of Income.

Stork Vision Systems, Inc.
Notes to the Financial Statements
For the Years Ended December 31, 2022 and 2021

Note 8 - Long Term Debt

Long-term debt consists of the following:

Note payable to a financial institution, payable in monthly installments of $788, including interest at 4.59%, collateralized by a vehicle and matures June 30, 2028.	$ 46,394
Total debt	46,394
Less current portion	(8,063)
Total long-term debt	$ 38,331

The following is a summary of principal maturities of long term debt :

December 31, 2023	$ 8,063
December 31, 2024	7,816
December 31, 2025	8,191
December 31, 2026	8,584
December 31, 2027	8,997
Thereafter	4,743
Total	$ 46,394

Note 9 – Adoption of FASB ASC 842

Effective January 1, 2022, the Company adopted FASB ASC 842, Leases. The Company determines if an arrangement contains a lease at inception based on whether the Company has the right to control the asset during the contract period and other facts and circumstances. The Company elected the package of practical expedients permitted under the transition guidance within the new guidance, which among other things, allowed it to carry forward the historical lease classification. The adoption of FASB ASC 842 did not have a material impact on the Project's results of operations, cash flows or debt covenants.

Note 10 – Adoption of FASB ASU 2016·13 and Related Standards

Effective January 1, 2022, the Project adopted FASS ASU 2016-13, Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments, as amended, which modifies the measurement of expected credit losses on certain financial instruments. The Company adopted this new guidance utilizing the modified retrospective transition method. The adoption of this Standard did not have a material impact on the Company's financial statements.

EXHIBIT G

STATE ADDENDA TO FDD

STATE ADDENDA

Following this page are addenda for the States of Arkansas, California, Hawaii, Illinois, Indiana, Iowa, Louisiana, Maryland, Michigan, Minnesota, Missouri, Nebraska, New Jersey, New York, North Dakota, Rhode Island, South Dakota, Virginia, Washington, and Wisconsin. If you are a resident of one of these states or your proposed Franchised Business location is in one of these states, please read the addendum for the relevant state(s), and the addendum to the Franchise Agreement that may apply to your transaction with us.

ARKANSAS

The following provision supersedes any inconsistent provisions in the disclosure document and applies to all franchises offered and sold in the State of Arkansas:

1. Any provision of the Franchise Agreement that would require you, at the time you enter into the Agreement, to assent to a release, assignment, novation, waiver or estoppel which would relieve any person from liability imposed by the Arkansas Franchise Practices Act is void to the extent that such provision violates such law.

CALIFORNIA

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.

The following provisions supersede any inconsistent provisions in the disclosure document and apply to all franchises offered and sold in the State of California:

1. Neither we nor any person identified in Item 2 of this disclosure document are 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. 78a, et seq., suspending or expelling such persons from membership in such association or exchange.

2. California Business and Professions Code Sections 20000 through 200043 provide rights to the franchisee concerning termination or non-renewal of a franchise. If the Franchise Agreement contains a provision that is inconsistent with the law, the law will control.

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

4. 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.

5. The Franchise Agreement requires binding arbitration. The arbitration will occur in the city in which we then have our principal place of business (currently, Tarrant County, Texas) with the costs being borne by the unsuccessful 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.

6. The Franchise Agreement requires application of the laws of the State of Texas. This provision may not be enforceable under California law.

7. Any condition, stipulation or provision in the Franchise Agreement which would result in your waiver of compliance with any provision of California Franchise Relations Act is void to the extent that such provision violates such law.

8. To the extent that any provision of the Franchise Agreement would require litigation outside of California in violation of California law, such section is amended by providing that all litigation by or between you and us, involving a franchised business operating in the State of California, which arises directly or indirectly from the Franchise Agreement will be commenced and maintained in the state courts of California or the United States District Court for California, with the specific venue in either court system determined by appropriate jurisdiction and venue requirements.

9. The Franchise Agreement requires a franchisee to execute a general release of claims upon renewal or transfer of the Franchise Agreement. California Corporation Code Section 31512 provides that any condition, stipulation or provision purporting to bind any person acquiring any franchise to waive compliance with any provision of that law or any rule or order thereunder is void. Section 31512 voids a waiver of your rights under the Franchise Investment Law (California Corporations Code Section 31000 – 31516). Business and Professions Code Section 20010 voids a waiver of your rights under the Franchise Relations Act (Business and Professions Code Sections 20000 – 20043).

10. California Corporations Code, Section 31125 requires the franchisor to give the franchisee a disclosure document, approved by the Department of Corporations prior to a solicitation of a proposed material modification of an existing franchise.

11. The URL address of our web site is www.StorkVision.com. OUR WEB SITE HAS NOT BEEN REVIEWED OR APPROVED BY THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT. ANY COMPLAINTS CONCERNING THE CONTENT OF THIS WEB SITE MAY BE DIRECTED TO THE CALIFORNIA DEPARTMENT OF BUSINESS OVERSIGHT.

12. The earnings claims figure(s) does (do) not reflect the costs of sales, operating expenses, or other costs or expenses that must be deducted from the gross revenue or gross sales figures to obtain your net income or profit. You should conduct an independent investigation of the costs and expenses you will incur in operating your (franchised business). Franchisees or former franchisees, listed in the disclosure document, may be one source of this information.

CONNECTICUT

DISCLOSURES REQUIRED BY CONNECTICUT LAW:

THE STATE OF CONNECTICUT DOES NOT APPROVE, RECOMMEND, ENDORSE OR SPONSOR ANY BUSINESS OPPORTUNITY. THE INFORMATION CONTAINED IN THIS

DISCLOSURE HAS NOT BEEN VERIFIED BY THE STATE. IF YOU HAVE ANY QUESTIONS ABOUT THIS INVESTMENT, SEE AN ATTORNEY BEFORE YOU SIGN A CONTRACT OR AGREEMENT.

The following provisions supersede any inconsistent provisions in the disclosure document and apply to all franchises offered and sold in the State of Connecticut:

1. In compliance with Connecticut law, we state: "If the seller fails to deliver the products, equipment or supplies or fails to render the services necessary to begin substantial operation of the business within 45 days of the delivery date stated in your contract, you may notify the seller in writing and demand that the contract be canceled."

2. The person who will represent us in offering or selling business opportunities in Connecticut is Reneé Caldwell. The business address and phone number for Mr. Nelson is shown on the cover page. His employment history is shown in Item 2. There are no felony convictions or pleas, civil actions or injunctive or restrictive orders, or any other matters involving Ms. Caldwell required to be disclosed by Section 36b-63(b) of Connecticut's Business Opportunity Investment Act.

3. The following provision shall be added to the Franchise Agreement as Section XXV.N:

Agent for Service of Process. Our agent in Connecticut authorized to receive service of process is Connecticut Banking Commissioner, 260 Constitution Plaza, Hartford, Connecticut 06103-1800.

4. None of the persons listed in Items 1 and 2 of the disclosure document: (a) has, at any time during the previous seven fiscal years, been convicted of a felony or pleaded nolo contendere to a felony charge if such felony involved fraud, including but not limited to, a violation of any business opportunity law, franchise law, securities law or unfair or deceptive practices law, embezzlement, fraudulent conversion, misappropriation of property or restraint of trade; (b) has, at any time during the previous seven fiscal years, been held liable in a civil action resulting in a final judgment or has settled out of court any civil action or is a party to any civil action (i) involving allegations of fraud, including but not limited to, a violation of any business opportunity law, franchise law, securities law or unfair or deceptive practices law, embezzlement, fraudulent conversion, misappropriation of property, or restraint of trade, or (ii) which was brought by a present or former purchaser-investor and which involves or involved the business opportunity relationship; (c) is subject to any currently effective state or federal agency or court injunctive or restrictive order, or is a party to a proceeding currently pending in which such order is sought, relating to or affecting business opportunity activities or the seller-purchaser-investor relationship, or involving fraud, including but not limited to, a violation of any business opportunity law, franchise law, securities law or unfair or deceptive practices law, embezzlement, fraudulent conversion, misappropriation of property or restraint of trade.

5. None of the persons listed in Items 1 and 2 of the disclosure document at any time during the previous 7 fiscal years have: (a) filed in bankruptcy; (b) been adjudged bankrupt; (c) been reorganized due to insolvency; or (d) been a principal, director, executive officer or partner of any other person that has so filed or was so adjudged or reorganized, during or within one year after the period that such person held such position with such other person.

6. We may reject a prospective franchisee's franchise application for any of the following reasons: (a) the prospective franchisee does not have sufficient business experience, in our opinion; (b) another franchisee already has rights to the market area sought by the prospective franchisee; (c) the prospective franchisee submits incomplete or inaccurate information; or (d) there are other factors or considerations that indicate that the prospective franchisee will not be a "good fit" with our System.

GEORGIA

DISCLOSURES REQUIRED BY GEORGIA LAW:

THE STATE OF GEORGIA HAS NOT REVIEWED AND DOES NOT APPROVE, RECOMMEND, ENDORSE, OR SPONSOR ANY BUSINESS OPPORTUNITY. THE INFORMATION CONTAINED IN THIS DISCLOSURE HAS NOT BEEN VERIFIED BY THE STATE. IF YOU HAVE ANY QUESTIONS ABOUT THIS INVESTMENT, SEE AN ATTORNEY BEFORE YOU SIGN A CONTRACT OR AGREEMENT.

HAWAII

THESE FRANCHISES WILL BE/HAVE BEEN FILED UNDER THE FRANCHISE INVESTMENT LAW OF THE STATE OF HAWAII. FILING DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE DIRECTOR OF COMMERCE AND CONSUMER AFFAIRS OR A FINDING BY THE DIRECTOR 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, OR SUBFRANCHISOR, AT LEAST SEVEN (7) DAYS PRIOR TO THE EXECUTION BY THE PROSPECTIVE FRANCHISEE OF ANY BINDING FRANCHISE OR OTHER AGREEMENT, OR AT LEAST SEVEN (7) DAYS PRIOR TO THE PAYMENT OF ANY CONSIDERATION BY THE FRANCHISEE, OR SUBFRANCHISOR, WHICHEVER OCCURS FIRST, A COPY OF THE DISCLOSURE DOCUMENT, TOGETHER WITH A COPY OF ALL PROPOSED AGREEMENTS RELATING TO THE SALE OF THE FRANCHISE.

THIS DISCLOSURE DOCUMENT CONTAINS 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 THE FRANCHISEE.

A. As of the date of this disclosure document, we have not registered or filed a disclosure document in any state, except as shown on the State Effective Dates page.

1. The registration or filing of this disclosure document is not pending in any state, except as shown on the States Effective Dates page to this disclosure document.

2. No states have refused, by order or otherwise, to register these franchises.

3. No states have revoked or suspended the right to offer these franchises.

4. The proposed registration of these franchises has not been withdrawn in any state.

B. Any provision of the Franchise Agreement that would require you, at the time you enter into the Agreement, to assent to a release, assignment, novation, or waiver which would relieve any person from liability imposed by Hawaii Franchise Investment Law is void to the extent that such provision violates such law.

ILLINOIS

The following provisions supersede any inconsistent provisions in the disclosure document and apply to all franchises offered and sold in the State of Illinois:

1. Item 17 of the disclosure document is amended by adding the following at the beginning of that Item:

NOTICE REQUIRED BY LAW

THE CONDITIONS UNDER WHICH YOUR FRANCHISE CAN BE TERMINATED AND YOUR RIGHTS UPON NON-RENEWAL MAY BE AFFECTED BY ILLINOIS LAW, 815 ILCS 705/19 AND 20.

2. To the extent that Section XXV.G of the Franchise Agreement would otherwise violate Illinois law, such section is amended by providing that all litigation by or between you and us, arising directly or indirectly from the franchise relationship, will be commenced and maintained in the state courts of Illinois or, at our election, the United States District Court for Illinois, with the specific venue in either court system determined by appropriate jurisdiction and venue requirements.

3. Illinois law (including the Illinois Franchise Disclosure Act, as amended) applies to this transaction and supersedes any conflicting provisions of the Franchise Agreement.

4. Any provision in the Franchise Agreement that would require you to waive any right granted by the Illinois Franchise Disclosure Act is void to the extent that such provision violates such law.

5. Item 17(g) of the disclosure document is amended by adding the following:

Under Illinois law, you will have a reasonable opportunity to cure any curable default, which in no event need be more than 30 days.

INDIANA

The following provisions supersede any inconsistent provisions in the disclosure document, and apply to all franchises offered and sold in the State of Indiana:

1. The laws of the State of Indiana supersede any provisions of the disclosure document, the Franchise Agreement or Texas law, if such provisions are in conflict with Indiana law.

2. The prohibition by Indiana Code 23-2-2.7-1(7) against unilateral termination of the franchise without good cause or in bad faith, good cause being defined therein as including any material breach of the Franchise Agreement, shall supersede the provisions of Section 15 of the Franchise Agreement to the extent that section may be inconsistent with such prohibition.

3. Any provision in the Franchise Agreement which would require you to prospectively assent to a release, assignment, novation, waiver or estoppel which purports to relieve any person from liability imposed by the Indiana Deceptive Franchise Practices Law is void to the extent that such provision violates such law.

4. The following provision shall be added to the Franchise Agreement as Section XXV.N:

No Limitation on Litigation. Notwithstanding the foregoing provisions of Section XXV.G, any provision in the Franchise Agreement which limits in any manner whatsoever litigation brought for breach of the Agreement shall be void to the extent that any such contractual provision violates the Indiana Deceptive Franchise Practices Law.

IOWA

The following provision supersedes any inconsistent provisions in the disclosure document and applies to all franchises offered and sold in the State of Iowa:

1. Any provision in the Franchise Agreement which would result in your waiver of any rights under Iowa Business Opportunity Promotions Law prior to or at the time of your execution of the Franchise Agreement is void to the extent that such provision violates such law.

LOUISIANA

The following provision supersedes any inconsistent provisions in the disclosure document and applies to all franchises offered and sold in the State of Louisiana:

1. Any condition, stipulation or provision in the Franchise Agreement which would result in your waiver of any rights established by Louisiana law is void to the extent that such condition, stipulation or provision violates such law.

MARYLAND

The following provisions supersede any inconsistent provisions in the disclosure document, and apply to all franchises offered and sold to residents of the State of Maryland and to all franchises to be operated in the State of Maryland:

1. Item 17 of the disclosure document is amended by the addition of the following language at the end of the Item:

You may sue in Maryland for claims arising under the Maryland Franchise Registration and Disclosure Law.

2. Item 17 of the disclosure document is amended by the addition of the following language at the end of the Item:

The 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.

3. Item 17 of the disclosure document is amended by the addition of the following language at the end of the Item:

The provision in the Franchise Agreement which provides for termination upon bankruptcy of the franchisee may not be enforceable under federal bankruptcy law (11 U.S.C. Section 101 et seq.).

4. Item 17 of the disclosure document is amended by the addition of the following:

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

MICHIGAN

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.

1. A prohibition on the right of a franchisee to join an association of franchisees.

2. 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.

3. 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 provision 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.

4. 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 (a) the term of the franchise is less than 5 years and (b) 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 of 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 license.

5. 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.

6. 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.

7. 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:

a. The failure of the proposed transferee to meet the franchisor's then current reasonable qualifications or standards.

b. The fact that the proposed transferee is a competitor of the franchisor.

c. The unwillingness of the proposed transferee to agree in writing to comply with all lawful obligations.

d. 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.

8. 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 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 (c).

9. 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 service.
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.

ANY QUESTIONS REGARDING THIS NOTICE SHOULD BE DIRECTED TO THE OFFICE OF THE ATTORNEY GENERAL, CONSUMER PROTECTION DIVISION, ATTN: FRANCHISE DEPARTMENT, 670 LAW BLDG., LANSING, MICHIGAN 48913, (517) 373-7117.

MINNESOTA

The following provisions supersede any inconsistent provisions in the disclosure document and apply to all franchises offered and sold in the State of Minnesota:

Minnesota Statute 80C.21 and Minnesota Rule 2860.4400(J) prohibit the franchiser from requiring litigation to be conducted outside Minnesota, requiring waiver of a jury trial, or requiring the franchisee to consent to liquidated damages, termination penalties or judgment notes. In addition, nothing in the Franchise Disclosure Document or agreement(s) can abrogate or reduce (1) any of the franchisee's rights as provided for in Minnesota Statute 80Cor (2) franchisee's rights to any procedure, forum, or remedies provided for by the laws of the jurisdiction.

2. With respect to franchises governed by Minnesota law, the franchiser will comply with Minnesota Statute 80C.14 Subd. 3-5, 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 for non-renewal of the franchise agreement and

- that consent to the transfer of the franchise will not be unreasonably withheld.

3. Minnesota considers it unfair to not protect the franchisee's right to use the trademarks. Refer to Minnesota Statute 80C.12 Subd. 1(G). The franchiser will protect the franchisee's rights to use the trademarks, service marks, trade names, logotypes, or other commercial symbols or indemnify the franchisee from any loss, costs, or expenses arising out of any claim, suit, or demand regarding the use of the name.

4. Minnesota Rules 2860.4400(D) prohibits a franchisor from requiring a franchisee to assent to a general release

5. The franchisee cannot consent to the franchisor obtaining injunctive relief. The franchisor may seek injunctive relief. See Minnesota Rule 2860.4400(J) also, a court will determine if a bond is required.

6. The Limitations of Claims section must comply with Minnesota Statute 80C.17 Subd. 5.

MISSOURI

The following provision supersedes any inconsistent provisions in the disclosure document, and applies to all franchises offered and sold in the State of Missouri:

1. Termination provisions contained in the Franchise Agreement shall afford you 90 days written notice in advance of any termination, except that 90 days notice is not required for termination as a result of your criminal misconduct, fraud, abandonment, bankruptcy, insolvency, or giving a "no account" or "insufficient funds" check to us.

NEBRASKA

The following provisions supersede any inconsistent provisions in the disclosure document and apply to all franchises offered and sold in the State of Nebraska:

1. No release language set forth in the Franchise Agreement shall relieve us or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of Nebraska.

2. No language set forth in the Franchise Agreement shall operate to restrict the sale of any equity or debenture issue or the transfer of any securities of any franchisee or in any way prevent or attempt to prevent the transfer, sale or issuance of shares of stock or debentures to employees, personnel of the franchisee, or heirs of the principal owner, so long as basic financial requirements of the franchisor are complied with and any such sale, transfer or issuance does not have the effect of accomplishing a sale of the franchise.

NEW JERSEY

The following provisions supersede any inconsistent provisions in the disclosure document and apply to all franchises offered and sold in the State of New Jersey:

1. No release language set forth in the Franchise Agreement shall relieve us or any other person, directly or indirectly, from liability imposed by the laws concerning franchising of the State of New Jersey.

2. No language set forth in the Franchise Agreement shall operate to restrict the sale of any equity or debenture issue or the transfer of any securities of a franchise or in any way prevent or attempt to prevent the transfer, sale or issuance of shares of stock or debentures to employees, personnel of the franchisee, or heir of the principal owner, so long as basic financial requirements of the franchisor are complied with, and provided that any such sale, transfer or issuance does not have the effect of accomplishing a sale of the franchise.

3. Any term or condition which may directly or indirectly violate the New Jersey Franchise Practices Act is deleted from the disclosure document and the Franchise Agreement.

NEW YORK

1. The following information is added to the cover page of the Franchise Disclosure Document:

> INFORMATION COMPARING FRANCHISORS IS AVAILABLE. CALL THE STATE ADMINISTRATORS LISTED IN EXHIBIT A 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 FRANCHISE DISCLOSURE DOCUMENT. IF YOU LEARN THAT ANYTHING IN THE FRANCHISE DISCLOSURE DOCUMENT IS UNTRUE, CONTACT THE FEDERAL TRADE COMMISSION AND 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 FRANCHISE DISCLOSURE DOCUMENT. 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 FRANCHISE DISCLOSURE DOCUMENT.

2. The following is added at the end of Item 3:

Except as provided above, with regard to the franchisor, its predecessor, a person identified in Item 2, or an affiliate offering franchises under the franchisor's principal trademark:

A. No such party has an administrative, criminal or civil action pending against that person alleging: a felony, a violation of a franchise, antitrust, or securities law, fraud, embezzlement, fraudulent conversion, misappropriation of property, unfair or deceptive practices, or comparable civil or misdemeanor allegations.

B. No such party has pending actions, other than routine litigation incidental to the business, which are significant in the context of the number of franchisees and the size, nature or financial condition of the franchise system or its business operations.

C. No such party has been convicted of a felony or pleaded nolo contendere to a felony charge or, within the 10 year period immediately preceding the application for registration, has been convicted of or pleaded nolo contendere to a misdemeanor charge or has been the subject of a civil action alleging: violation of a franchise, antifraud, or securities law; fraud; embezzlement; fraudulent conversion or misappropriation of property; or unfair or deceptive practices or comparable allegations.

D. No such party is subject to a currently effective injunctive or restrictive order or decree relating to the franchise, or under a Federal, State, or Canadian franchise, securities, antitrust, trade regulation or trade practice law, resulting from 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.

3. The following is added to the end of Item 4:

Neither the franchisor, its affiliate, its predecessor, officers, or general partner during the 10-year period immediately before the date of the offering circular: (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 that officer or general partner of the franchisor held this position in the company or partnership.

4. The following is added to the end of Item 5:

The initial franchise fee constitutes part of our general operating funds and will be used as such in our discretion.

5. The following is added to the end of the "Summary" sections of Item 17(c), titled "Requirements for franchisee to renew or extend," and Item 17(m), entitled "Conditions for franchisor approval of transfer":

However, to the extent required by applicable law, all rights you enjoy and any causes of action arising in your favor from the provisions of Article 33 of the General Business Law of the State of New York and the regulations issued thereunder shall remain in force; it being the intent of this proviso that the non-waiver provisions of General Business Law Sections 687.4 and 687.5 be satisfied.

6. The following language replaces the "Summary" section of Item 17(d), titled "Termination by franchisee":

You may terminate the agreement on any grounds available by law.

7. The following is added to the end of the "Summary" section of Item 17(j), titled "Assignment of contract by franchisor":

However, no assignment will be made except to an assignee who in good faith and judgment of the franchisor, is willing and financially able to assume the franchisor's obligations under the Franchise Agreement.

8. The following is added to the end of the "Summary" sections of Item 17(v), titled "Choice of forum", and Item 17(w), titled "Choice of law":

The foregoing choice of law should not be considered a waiver of any right conferred upon the franchisor or upon the franchisee by Article 33 of the General Business Law of the State of New York.

NORTH CAROLINA

DISCLOSURES REQUIRED BY NORTH CAROLINA LAW:

THE STATE OF NORTH CAROLINA HAS NOT REVIEWED AND DOES NOT APPROVE, RECOMMEND, ENDORSE OR SPONSOR ANY BUSINESS OPPORTUNITY. THE INFORMATION CONTAINED IN THIS DISCLOSURE HAS NOT BEEN VERIFIED BY THE STATE. IF YOU HAVE ANY QUESTIONS ABOUT THIS INVESTMENT, SEE AN ATTORNEY BEFORE YOU SIGN A CONTRACT OR AGREEMENT.

The following provisions supersede any inconsistent provisions in the disclosure document and apply to all franchises offered and sold in the State of North Carolina:

1. In compliance with North Carolina law, we state: "If the Seller fails to deliver the product(s), equipment or supplies necessary to begin substantial operation of the business within 45 days of the delivery date stated in your contract, you may notify the Seller in writing and demand that the contract be canceled."

2. The following provision shall be added to the Franchise Agreement as Section XXV.N:

Agent for Service of Process. Our agent in North Carolina authorized to receive service of process is North Carolina Secretary of State, 2 South Salisbury Street, Old Revenue Complex, Raleigh, North Carolina 27601.

NORTH DAKOTA

The following provisions supersede any inconsistent provisions in the disclosure document and apply to all franchises offered and sold in the State of North Dakota:

1. Covenants not to compete upon termination or expiration of the Franchise Agreement are subject to Section 9-08-06, N.D.C.C., and may be generally unenforceable in the State of North Dakota.

2. To the extent that Section XXV.G of the Franchise Agreement would otherwise violate North Dakota law, such section is amended by providing that all litigation by or between you and us, involving a franchised business operating in the State of North Dakota, shall be commenced and maintained, at our election, in the state courts of North Dakota or the United States District Court for North Dakota, with the specific venue in either court system determined by appropriate jurisdiction and venue requirements.

3. North Dakota law applies to this transaction and supersedes any conflicting provisions of the Franchise Agreement or Texas law.

4. Item 17(c) of the disclosure document and the Franchise Agreement are amended to provide that no general release will be required as a condition of renewal to the extent inconsistent with North Dakota law.

5. Item 17(i) of the disclosure document and the Franchise Agreement are amended to delete any requirement that the franchisee consent to termination or liquidated damages.

6. Item 17(u) of the disclosure document and the Franchise Agreement are amended to state that any provision requiring litigation, arbitration or mediation to be conducted in a forum other than North Dakota is void with respect to claims under the North Dakota Franchise Investment Law, except to the extent pre-empted by the Federal Arbitration Act.

7, Item 17 of the disclosure document and the Franchise Agreement are amended to delete any waiver of right to a jury in any permissible litigation.

8. Item 17 of the disclosure document and the Franchise Agreement are amended to delete any waiver of exemplary and punitive damages.

9. Item 17 of the disclosure document and the Franchise Agreement are amended to provide that the substantially prevailing party in any enforcement action is entitled to recover all costs and expenses, including attorneys' fees.

RHODE ISLAND

The following provision supersedes the disclosure document and applies to all franchises offered and sold in the State of Rhode Island:

1. To the extent that Section XXV.G of the Franchise Agreement would otherwise violate Rhode Island law, such section is amended by providing that all litigation by or between you and us, involving a Franchised Business operating in the State of Rhode Island, shall be commenced and maintained, at our election, in the state courts of Rhode Island or the United States District Court for Rhode Island, with the specific venue in either court system determined by appropriate jurisdiction and venue requirements.

SOUTH CAROLINA

DISCLOSURES REQUIRED BY SOUTH CAROLINA LAW:
THE STATE OF SOUTH CAROLINA HAS NOT REVIEWED AND DOES NOT APPROVE, RECOMMEND, ENDORSE OR SPONSOR ANY BUSINESS OPPORTUNITY. THE INFORMATION CONTAINED IN THIS DISCLOSURE HAS NOT BEEN VERIFIED BY THE STATE. IF YOU HAVE ANY QUESTIONS ABOUT THIS INVESTMENT, SEE AN ATTORNEY BEFORE YOU SIGN A CONTRACT OR AGREEMENT.

The following provisions supersede any inconsistent provisions in the disclosure document and applies to all franchises offered and sold in the State of South Carolina:

1. In compliance with South Carolina law, we state: "If the Seller fails to deliver the product, equipment or supplies necessary to begin substantial operation of the business within forty five days of the delivery date stated in your contract, you may notify the Seller in writing and demand that the contract be canceled."

2. The following provision shall be added to the Franchise Agreement as Section XXV.N:

Agent for Service of Process. Our agent in South Carolina authorized to receive service of process is South Carolina Secretary of State, 1205 Pendleton Street, Suite 525, Columbia, SC 29201.

SOUTH DAKOTA

None.

WASHINGTON

The following provisions supersede any inconsistent provisions in the disclosure document and apply to all franchises offered and sold in the State of Washington:

1. In the event of a conflict of laws, the provisions of the Washington Franchise Investment Protection Act, Chapter 19.100 RCW will prevail.

2. RCW 19.100.180 may supersede the Franchise 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 Franchise Agreement in your relationship with the franchisor including the areas of termination and renewal of your franchise.

3. In any arbitration or mediation involving a franchise purchased in Washington, the arbitration or mediation site will be either in the State of Washington, or in a place mutually agreed upon at the time of the arbitration or mediation, or as determined by the arbitrator or mediator at the time of arbitration or mediation. In addition, if litigation is not precluded by the Franchise Agreement, a franchisee may bring an action or proceeding arising out of or in connection with the sale of franchises, or a violation of the Washington Franchise Investment Protection Act, in Washington.

4. A release or waiver of rights executed by a franchisee may not include rights under the Washington Franchise Investment Protection Act or any rule or order thereunder 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, or rights or remedies under the Act such as a right to a jury trial, may not be enforceable.

5. Transfer fees are collectable to the extent that they reflect the franchisor's reasonable estimated or actual costs in effecting a transfer.

6. Pursuant to RCW 49.62.020, a noncompetition covenant is void and unenforceable against an employee, including an employee of a franchisee, unless the employee's earnings from the party seeking enforcement, when annualized, exceed $100,000 per year (an amount that will be adjusted annually for inflation). In addition, a noncompetition covenant is void and unenforceable against an independent contractor of a franchisee under RCW 49.62.030 unless the independent contractor's earnings from the party seeking enforcement, when annualized, exceed

$250,000 per year (an amount that will be adjusted annually for inflation). As a result, any provisions contained in the Franchise Agreement or elsewhere that conflict with these limitations are void and unenforceable in Washington.

7. RCW 49.62.060 prohibits a franchisor from restricting, restraining, or prohibiting a franchisee from (i) soliciting or hiring any employee of a franchisee of the same franchisor or (ii) soliciting or hiring any employee of the franchisor. As a result, any such provisions contained in the Franchise Agreement or elsewhere are void and unenforceable in Washington.

WISCONSIN

The following provision supersedes any inconsistent provision in the disclosure document and applies to all franchises offered and sold in the State of Wisconsin:

1. The Wisconsin Fair Dealership Law, Chapter 135, Stats., supersedes any provisions of this disclosure document and the Franchise Agreement that are inconsistent with that law.

FDD EXHIBIT H
MEDICAL DIRECTOR AGREEMENT

1. This Agreement is entered into and effective as of the __ day of _____ 20__ between _____ (the "Doctor"), whose address is _____ _____ and _____, a _____ organized under the laws of the State of _____, whose address is _____ (the "Company").

2. By the terms set forth in this Agreement, the Company retains the services of the Doctor to be the Company's Medical Director, and in consideration of the mutual promises contained in this Agreement, the parties agree as follows:

3. SERVICES. The Doctor agrees to provide the following services to the Company for which he serves as Medical Director:

a. Consultation services with respect to the medical equipment owned and used by the Company. including the review of annual service reports of the sonogram equipment; and

b. Consultation services with respect to the performance of ultrasound scans including, but not limited to: (i) reviewing all ultrasounds performed at the Company's location; (ii) supervising the use of the sonogram equipment; (iii) being available to receive emergency calls from the Company regarding abnormal findings in accordance with the "Sonographer Protocols in Case of Abnormal Findings" incorporated by reference herein and attached as Exhibit A to this Agreement, and (iv) be the consulting physician for any patient requested consultation once medical license is obtained.

4. LICENSURE. The Doctor agrees to maintain current his medical license for the state of _____.

5. INSPECTIONS. The Doctor reserves the right to review and inspect at any time the Company and its records to ensure compliance with the Sonographer Protocols in Case of Abnormal Findings, attached as Exhibit A, as well as the proper maintenance and upkeep of medical equipment being used at same location.

6. TERM. This Agreement will commence on the __ day of _____ 20__ and will continue until terminated by either party. Either party may terminate this Agreement by giving thirty (30) days written notice to the other party.

7. EQUIPMENT AND FACILITIES. The Company will not provide a permanent office for the Doctor on its premises. The Doctor will provide consultation services which may include personal visits to the facility to examine the equipment on the Company's premises and to inspect the adequacy of employee functions. The Doctor will provide all services other than the examination of equipment and inspection of employee functions from _____. The Doctor will furnish all items necessary to perform the services required under this Agreement.

8. COMPENSATION. In compensation for services rendered to the Company by the Doctor a fee of $_____ per month will be paid directly to the Doctor by the Company on the first day of each month.

9. CONFIDENTIAL INFORMATION AND CONFIDENTIALIY AGREEMENT. The Doctor agrees that information not generally known to the public to which he has been or will be exposed as a result of the business relationship with the Company, and/or its clients, is confidential information and belongs to the Company and/or its clients. For purposes of this Agreement, "Confidential Information" shall include, but is not limited to: any information about the Company's methods of operation and/or conducting business; pricing schedules; accounting information; sales and marketing techniques; promotional methods and information; names and lists of clients, prospective clients, prospective franchisees, and/or employees; salary and benefit information and other data regarding the Company's employees; information about the Company's clients, prospective clients, prospective franchisees, business patrons and/or vendors; information concerning the nature and content of any client records; policy and procedures manuals; employment systems; training methods and manuals; customized computer software; information about any licenses granted by or to the Company; information about licensees (if any); and all other information not generally known to the public including any forms, documents, or computer data of the company or any of the information described in this paragraph.

Notwithstanding the foregoing, "Confidential Information" shall not include any materials or information of the types specified above which (a) were in the possession of the Doctor prior to his commencement of working with the Company (b) were disclosed to him by a third party without breach of any obligation of confidentiality owed to the Company and/or its client(s) or (c) became known or available to the public generally through no wrongful act of the Doctor or any third party.

At all times during the term of this Agreement the Doctor shall (a) hold all Confidential Information in the strictest confidence and (b) not use or disclose to any person or entity any Confidential Information except (1) for the benefit of the Company in the course of his duties under this Agreement or (2) as otherwise specifically permitted in writing by the Company. The Doctor shall limit the use and circulation of Confidential Information to the extent necessary to perform the services and agrees to promptly return all Confidential Information to the Company to the extent that it is in tangible form and/or destroy or permanently erase all remaining copies upon request or upon termination of this Agreement.

10. INDEPENDENT CONTRACTOR STATUS. It is the intention of the parties that the Doctor be an independent contractor and not an employee under this Agreement. The Company will not supervise the Doctor's work nor provide him with evaluations or performance reviews for services provided. The Doctor also agrees that the Company will not be withholding any taxes from payments made to him, and that he is solely responsible and liable for all taxes and deductions related to income that he receives pursuant to this Agreement.

11. **THE DOCTOR FURTHER AGREES TO INDEMNIFY AND HOLD THE COMPANY HARMLESS FROM ANY AND ALL CLAIMS BY OR AGAINST THE**

DOCTOR AS WELL AS BY ANY FEDERAL, STATE, OR LOCAL GOVERNMENTAL AGENCY ON ACCOUNT OF WAGE, WITHHOLDING AND/OR EMPLOYMENT TAXES IN CONNECTION WITH THE REMUNERATION OF HIS SERVICES. ANY AND ALL CLAIMS FOR UNEMPLOYMENT BENEFITS AND/OR CLAIMS FOR WORKER'S COMPENSATION BENEFITS ARE HEREBY EXPRESSLY WAIVED BY THE DOCTOR. MOREOVER, THE DOCTOR WILL FURTHER INDEMNIFY AND HOLD THE COMPANY HARMLESS FROM ANY AND ALL CLAIMS ARISING OUT OF THE PERFORMANCE OF THE REQUIRED SERVICES.

13. SONOGRAPHER PROTOCOLS IN CASE OF ABNORMAL FINDINGS. The Company agrees to strictly adhere to the "Sonographer Protocols in Case of Abnormal Findings" incorporated by reference and attached as Exhibit A to this Agreement. The Doctor agrees to follow the Sonographer Protocols in Case of Abnormal Findings. Failure to adhere to this provision by either party may result in immediate termination of this Agreement by the party seeking to enforce this provision.

14. ENTIRE AGREEMENT. This Agreement supersedes any and all other Agreements, either oral or in writing, between the parties to this Agreement with respect to this subject matter. No other agreement, statement, or promise relating to this subject matter will be valid or binding unless in writing and signed by both parties.

15. ASSIGNMENT. Neither this Agreement nor any duties or obligations under it is assignable by the Doctor without the prior written consent of the Company.

16. SUCCESSORS AND ASSIGNS. Subject to the provision regarding assignment, this Agreement is binding on the heirs, executors, administrators, successors, and assigns of the respective parties.

17. ATTORNEY'S FEES. If any action of law is brought to enforce or interpret the provisions of this Agreement, the prevailing party will be entitled to reasonable attorney's fees in addition to any other relief to which that party may be entitled.

18. GOVERNING LAW/VENUE. The validity of this Agreement and of any of its terms or provisions, as well as the rights and duties of the parties under it are governed by the laws of the State of _____. In the event of a dispute between the parties to the Agreement, the parties agree that venue shall be proper in _____.

Executed on this ___ day of _____ 20__.

THE DOCTOR	THE COMPANY
By: _____	By: _____
Printed name: _____	Printed name: _____
	Title: _____

Protocol in Case of Abnormal Findings

1. SCHEDULING: All appointments are to be booked on the half hour with actual performed scan time to be between 15 and 20 minutes per baby. No scan is to exceed 20 minutes per baby.

2. INITIAL ASSESSMENT: When starting a scan and prior to recording, perform a quick assessment of amniotic fluid volume as you are smearing gel on the customer's abdomen. This is the time when an assessment of potential abnormalities should be made. If you suspect possible oligohydramnios, perform a quick amniotic fluid index ("AFI") (split screen/2 quadrants per picture).

3. NUMBER OF PICTURES FOR REVIEW: When preparing a study for your Medical Director to review, please limit the study to 6 to 8 2D pictures (3D pictures are not necessary). Your Medical Director may request to see more if necessary.

4. REPORTING REQUIEMENTS:

   a. The following are examples of situations which the Sonographer **must** report to the respective Stork Vision® Center's Medical Director:

      - ***AFI is less than 5 after 24 weeks gestation***. Take a picture of the baby's bladder and try to include four quadrant measurements at 2 quadrants per picture. Proceed with the Notification Protocol.

      - ***AFI is less than 5 before 24 weeks gestation.*** In this situation there is no need to telephonically notify your Medical Director. Just send your study to your Medical Director per instructions in paragraph 6 along with whatever pictures indicate a low fluid level.

      - ***No fetal heartbeat is detected.*** This is a very rare event that must be handled with extreme sensitivity. Explain to the customer that no heartbeat is being detected at this time while simultaneously removing the fetal image from the screen. If possible, take the family to a different room. Explain that you will notify your Medical Director who will in turn contact their provider to determine next steps. Proceed with the Notification Protocol.

      - ***If a fetal or uterine anomaly or abnormality is recognized.*** Such anomalies or abnormalities include, but are not limited to, cleft lip or palate, extra digits, cervical funneling, and the presence of tumors or cysts. Proceed with the Notification Protocol.

      - ***There is a vanishing twin***. This is typically indicated by a customer stating she was having twins based on an earlier scan by her treating OB/GYN. Proceed with the Notification Protocol.

   The above-listed situations are not all inclusive and do not in any way constitute the only situations in which your Medical Director is to be notified. If there are any other

situations that are cause for concern contact your Medical Director for further instructions.

With the exception of not detecting a heartbeat, Sonographers are not to share any abnormal findings with the customer or draw any conclusions from the findings. Only the Medical Director can evaluate the findings and provide a diagnosis. If necessary the Medical Director will notify the customer's prenatal care provider.

If the customer states that she is already aware of an existing abnormality or condition and that her prenatal care provider is also aware, DO NO REPORT the abnormality to your Medical Director, but document the customer's statement in her Customer Ultrasound Report submitted for the monthly review.

b. The following are examples of situations which the Sonographer **must NOT** report to the respective Stork Vision® Center's Medical Director:

- The fetus has its cord around its neck.
- Placenta previa is detected and the customer is less than 20 weeks gestation.

5. NOTIFICATION PROTOCOL: The Sonographer will take following steps for those situations in Paragraph 4a of this protocol that indicate *Proceed with the Notification Protocol*.

a. Call your Center's Medical Director on his/her cell phone, or, if during office hours, on his/her office phone when that number has been supplied by the respective Medical Director. If there is no answer, leave a short message with a brief description of the findings and a statement as to whether or not the patient is aware. Immediately after the call, send the study to your Medical Director via email per instructions in paragraph 6. The Medical Director will normally acknowledge the call within two hours. You may also call any alternate number provided by the Medical Director. Call again with the same information if no response is received within two hours.

b. If no response has been received within a total of four hours, contact Renee Caldwell (972-880-8290) at Stork Vision Systems for assistance.

6. PROTOCOL FOR FORWARDING STUDIES: For all studies needing to be forwarded to your Medical Director for review, the Sonographer must include and/or attach the following information and/or documents to the e-mail with the pictures:

a. The Physician Order or Ultrasound Request-Order Form for the customer.

b. The Waiver and Disclaimer form signed by the customer.

c. The Customer Ultrasound Report with any pertinent comments by the customer regarding the pregnancy and the Sonographer's brief summary of findings (in other words, what the Sonographer is seeing in real time that might not show up in still

pictures).

d. A statement as to whether the customer is aware of a possible concern from your sonogram.

Your Medical Director will usually provide feedback to your study within 24 hours. If no feedback is received within that time frame, you may contact your Medical Director by email to obtain a status update.

7. DOCUMENTATION: As indicated above, each study sent to your Medical Director is to be accompanied by a Customer Ultrasound Report. After reviewing the study, the Medical Director will return the completed Customer Ultrasound Report to the originating Center to be filed with the customer's records.

8. CONTACT INFORMATION FOR MEDICAL DIRECTORS: Enter the information for your Medical Director below:

Medical Director Name: _____

Cell Phone: _____

Office Phone: _____

Email Address: _____

Special Instructions: _____

_____

_____

_____

_____

_____

_____

111211

CUSTOMER ULTRASOUND REPORT

CENTER LOCATION:	DATE:

CUSTOMER INFORMATION

Customer Name:	
Address:	
Phone number:	Date of Birth:
Due Date:	Gestational Age:

REQUIRED FORMS ON FILE*

*Signed Physician Order Form OR Ultrasound Request/Order Form *Signed Waiver

CUSTOMER PHYSICIAN INFORMATION

Physician Name:	Physician Phone Number:

ULTRASOUND SERVICE PERFORMED*

Sonographer's Name:

Sonographer's Phone Number:

Findings:
Fetal Number: _____
FHR by Pulse Doppler (or M-Mode): _____
Fetal Presentation: ☐ Cephalic ☐ Breech ☐ Transverse
Amniotic Fluid Volume: ☐ Appears Adequate ☐ Does Not Appear Adequate
*Ultrasound Images on file

LIMITED ULTRASOUND RESULTS

Physician Signature: _____
Reviewed By: [Medical Director's Name]

Additional Action Taken and Date:

Rev 100526

EXHIBIT I

STATE EFFECTIVE DATES

The following states have franchise laws that require that the Franchise Disclosure Document be registered or filed with the states, or be exempt from registration: California, Connecticut, Florida, Hawaii, Illinois, Indiana, Kentucky, Maine, Maryland, Michigan, Minnesota, Nebraska, New York, North Carolina, North Dakota, Rhode Island, South Carolina, South Dakota, Texas, Utah, Virginia, Washington and Wisconsin.

This document is effective and may be used in the following states, where the document is filed, registered, or exempt from registration, as of the Effective Date stated below:

STATE	EFFECTIVE DATE
California	
Hawaii	
Illinois	
Indiana	
Maryland	
Michigan	
Minnesota	
New York	
North Dakota	
Rhode Island	
South Dakota	
Virginia	
Washington	
Wisconsin	

Other states may require registration, filing, or exemption of a franchise under other laws, such as those that regulate the offer and sale of business opportunities or seller-assisted marketing plans.

EXHIBIT J

Receipt

This disclosure document summarizes provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Stork Vision Systems, Inc offers you a franchise, we must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

New York and Rhode Island require that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. 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 the payment of any consideration, whichever occurs first.

If Stork Vision Systems, Inc. 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 law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified on *Exhibit A.*

Issuance date: May 15, 2024

Our franchise sellers are Renee Caldwell, Colleyville Blvd. Suite 202, Colleyville, TX 76034, phone 972-880-8290, and the following:

Name: _____ Business phone: _____

Business address: _____

I have received a franchise disclosure document dated May 15, 2024 that included the following Exhibits:

A	List of State Agencies/Agents for Service of Process
B	Franchise Agreement
C	Operations Manual Table of Contents
D	List of Franchisees
E	Franchisees Who Have Left the System
F	Financial Statements
G	State Addenda
H	Medical Director Agreement
I	State Effective Dates
J	Receipts

Date: _____ Prospective Franchisee: _____

(do not leave blank) Printed Name: _____

Recipients Copy: Retain in your files. Date, sign, and return in the attached prepaid envelope the duplicate copy of this *Exhibit J* receipt attached to your Franchise Disclosure Document.

EXHIBIT J

Receipt

This disclosure document summarizes provisions of the franchise agreement and other information in plain language. Read this disclosure document and all agreements carefully.

If Stork Vision Systems, Inc. offers you a franchise, it must provide this disclosure document to you 14 calendar days before you sign a binding agreement with, or make a payment to, the franchisor or an affiliate in connection with the proposed franchise sale.

New York and Rhode Island require that we give you this disclosure document at the earlier of the first personal meeting or 10 business days before the execution of the franchise or other agreement or the payment of any consideration that relates to the franchise relationship. 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 the payment of any consideration, whichever occurs first.

If Stork Vision Systems, Inc. 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 law and state law may have occurred and should be reported to the Federal Trade Commission, Washington, D.C. 20580 and the appropriate state agency identified on *Exhibit A*.

Issuance date: May 15, 2024

Our franchise sellers are Renee Caldwell. 5712 Colleyville Blvd. Suite 202, Colleyville, TX 76034, phone 972.880.8290, and the following:

Name: _____ Business phone: _____

Business address: _____

I have received a franchise disclosure document dated May 15, 2024 that included the following Exhibits:

A	List of State Agencies/Agents for Service of Process
B	Franchise Agreement
C	Operations Manual Table of Contents
D	List of Franchisees
E	Franchisees Who Have Left the System
F	Financial Statements
G	State Addenda
H	Medical Director Agreement
I	State Effective Dates
J	Receipts

Date: _____ Prospective Franchisee: _____

(do not leave blank) Printed Name: _____

Franchisor's Copy - Sign, Detach, and return to Franchisor