

Franchisees – General Overview

IMAGE STORE HOUSE

PG. 2 - 3

Four Short Steps to Own an IFDC Franchise and How It Benefits You

PG. 4 - 7

Investing, Responsibility, and Image Store House Q&A.

PG. 8 - 10

The Franchisee Network and What Success Looks Like to Us.

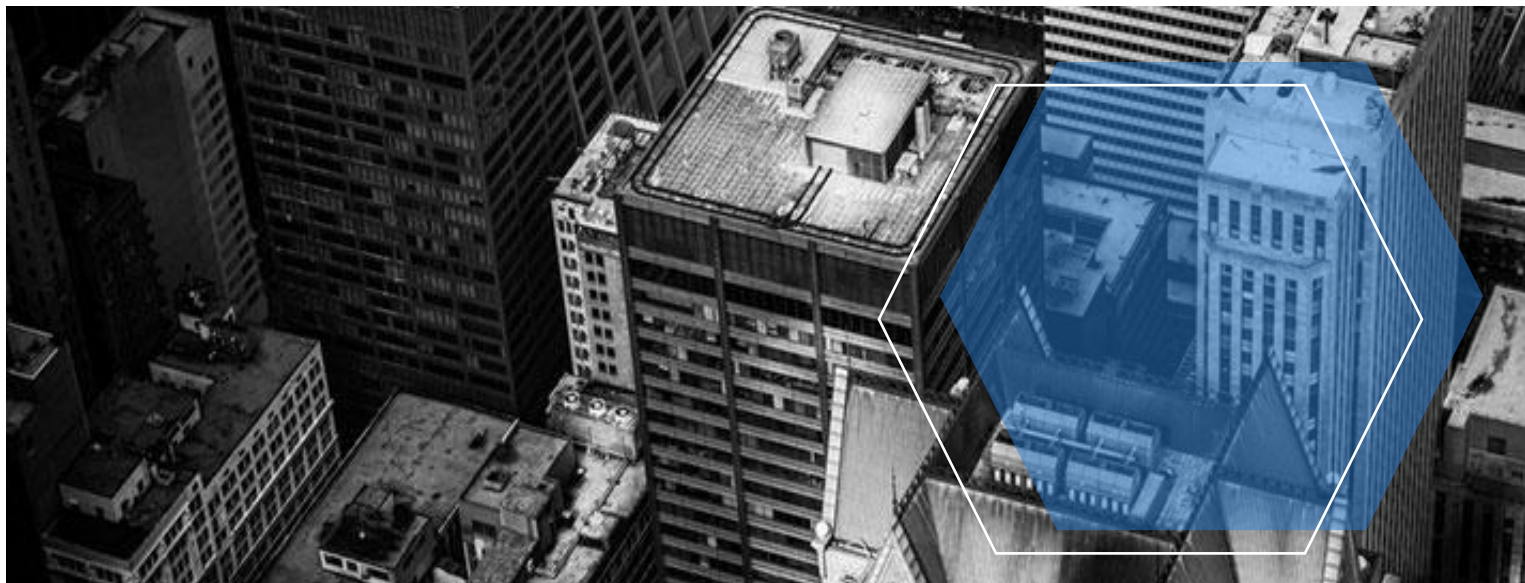


BENEFITING YOU

CONTROLLING YOUR BUSINESS

In today's economy, more people than at any time in history are relying on themselves for job security. They want to be in control of their jobs, lives and destiny. If they lose their job/company, they want it to be their own fault, not the fault of poor management by the executives of a large company. That is why every eight minutes someone takes the leap and starts their own business!

With franchising, people are in business for themselves but not by themselves. They can have control of their own business while at the same time receiving a lot of support. The underlying danger of the "All Franchisees are successful" myth is that it implies that the Franchisee system itself is what will account for your success or failure. In most cases, it is not the system, but your continual implementation of that system that will determine your success or failure.



FOUR SHORT STEPS TO OWNING AN IFDC FRANCHISE

ALL THE INFORMATION YOU NEED TO GET STARTED

Step 1 – Become an IFDC Franchisee

- Complete, sign and submit “IFDC U.S. Franchisee Application”
- Complete, sign and submit “IFDC Non-Disclosure Agreement”
- Review the IFDC Franchisee Agreement and IFDC’s Uniform Franchise Disclosure Document
- Meet with your designated IFDC Service Bureau Development Representative (SDR).
- If IFDC is right for you, sign the Franchisee Agreement and complete the purchase of your IFDC franchise and equipment.

Step 2 – Complete Phase One and Two Training and Site Improvements

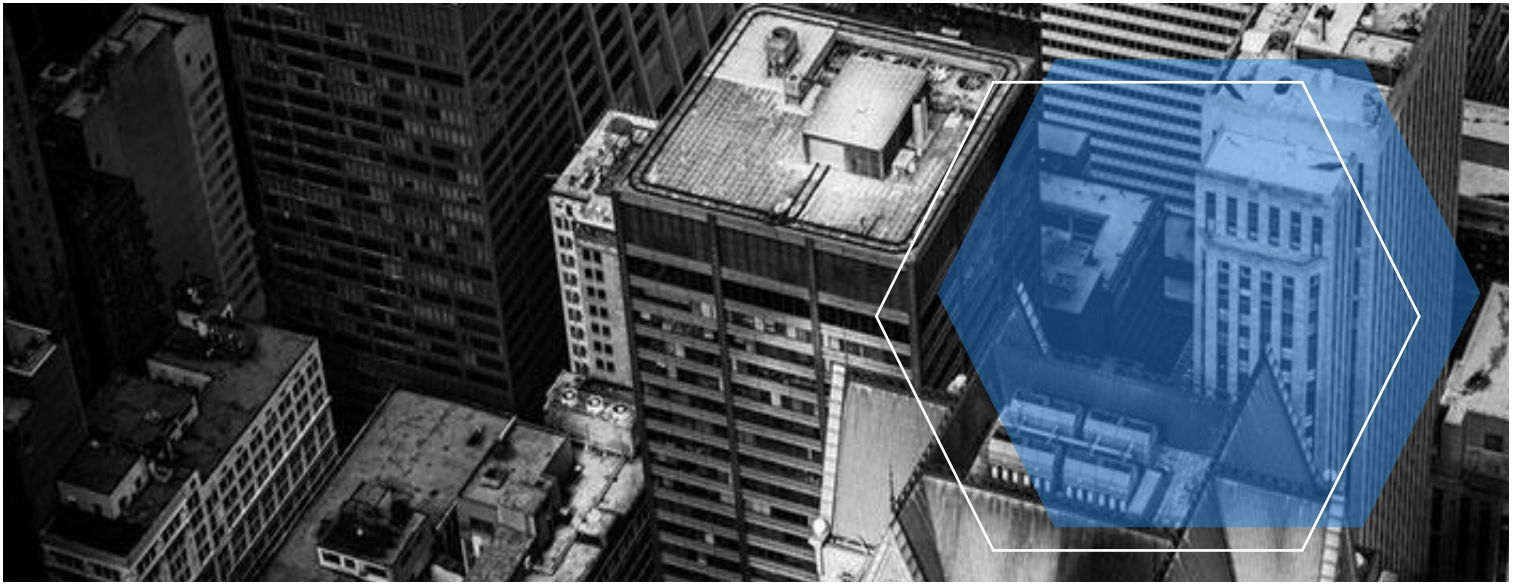
- If applicable, work with the ImageStoreHouse support team to find a location, or
- If you already have selected or you already have a location, meet with your designated ImageStoreHouse SDR to discuss on-site improvements and/or modifications.
- Complete “Phase One – Pre-Opening” and “Phase Two – In the ISH Offices” Training, at the ISH Corporate Training Center and Offices in Jacksonville, Florida. This training is required and designed to help you with all aspects of setting up, operating and marketing your new ImageStoreHouse Franchisee.
- Make requisite improvements as necessary to your office.
- Purchase, set up and install equipment.
- Set up office and workflow area as required.

Step 3 – Complete Phase Three Training

- Complete “Phase Three – Franchisee Office Training”. You and the members of your team will do a final walk-through of your Franchisee location and do a complete recap of all operating and marketing training learned in the Jacksonville offices.

Step 4 – Open Your IFDC Franchisee

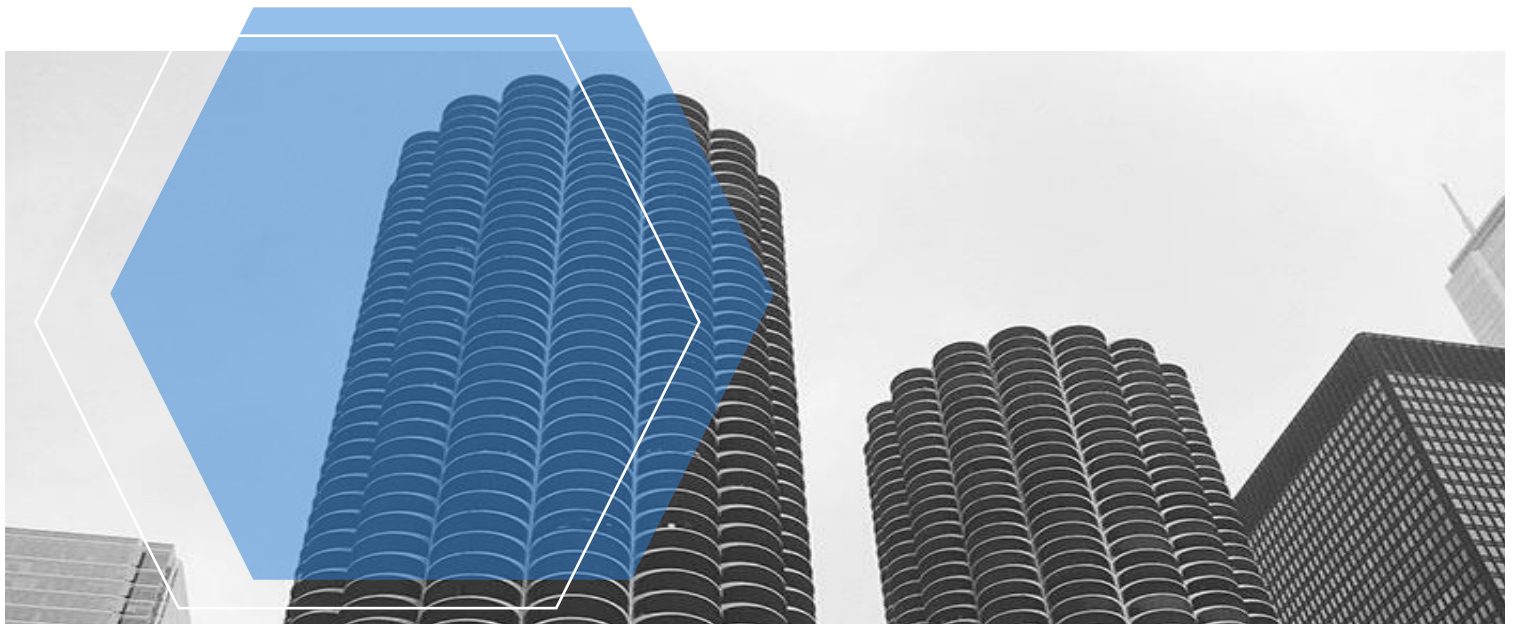
- An IFDC Operations Manager and a member of our marketing team will be assigned to you to help support your Franchisee operation prior to opening and during the first several days of your business.

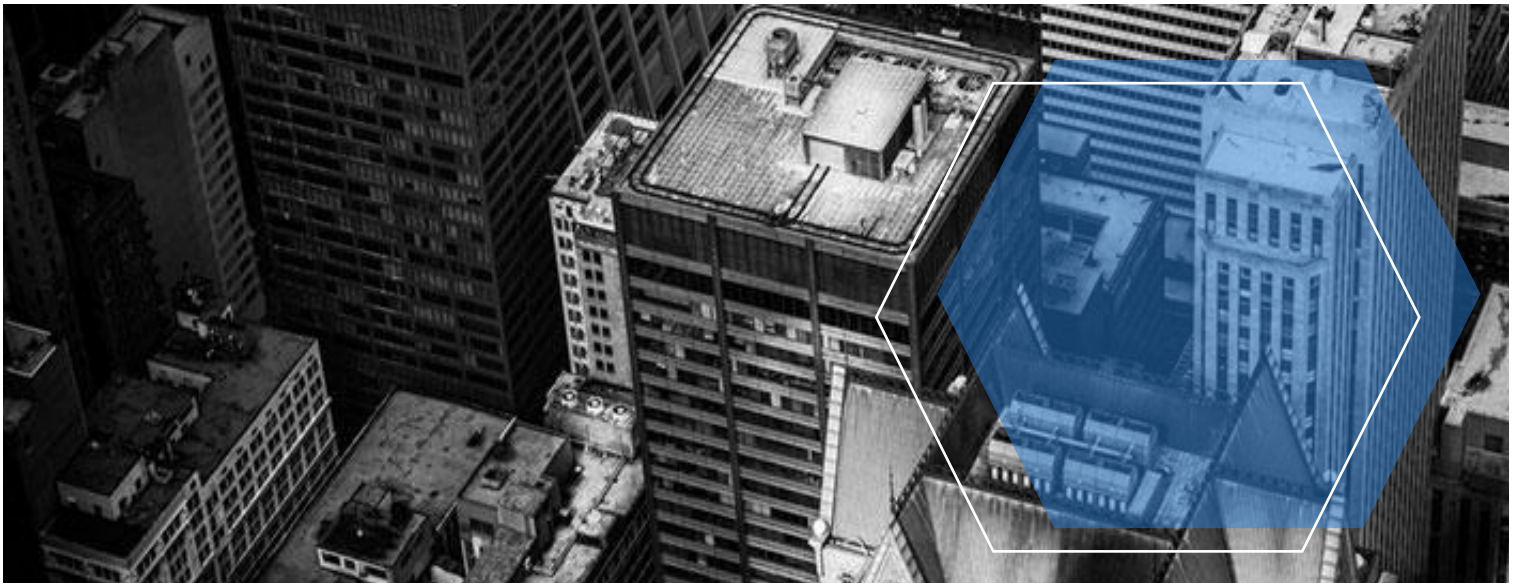


OWNING AN IFDC FRANCHISE — — A REWARDING EXPERIENCE

THE BENEFITS OF OWNING AN IFDC FRANCHISE

- The fulfillment of being your own boss and the security of owning your own business.
- An excellent balance of work and life with control over the hours you wish to work.
- The confidence of belonging to one of the most advanced marketing and business networks.
- The satisfaction of applying your experience, aptitudes and strengths — of working with both your hands and your mind to achieve a perfect balance of physical and mental achievement.
- The prestige of working in a business-to-business service industry in which cleaning offices, installing software or making French fries is not a daily activity.
- The appeal of low labor and start-up costs.
- A viable means of building considerable equity.
- A fully developed exit strategy.





RESPONSIBILITY & INVESTING

THE RESPONSIBILITY OF OWNING AN IFDC FRANCHISE

Responsibilities – You and IFDC

You are Responsible for:

- Payment of the initial franchise fee 1.
- Leasehold improvements.
- Purchase of the IFDC “Quick-Start Package”.
- Purchase of products and supplies.
- Hiring employees, marketing and operating your IFDC Franchisee.

IFDC Provides:

- Access to ImageStoreHouse software, workflow systems and methodologies.
- Access to propriety and specialty equipment and office machines.
- Site evaluation.
- Training program with Operations and Marketing Manual.
- On-going support and training.
- Periodic evaluations and updates.

A New Franchisees’ Initial Investment

The total initial investment of each franchisee will depend on many factors. Some of these factors include:

- Location and size of your protected territory
- Location and monthly rent/mortgage costs and related expenses
- Size of your ISH facility
- The type, quantity and quality of chairs, desks and office furniture
- Amount of equipment and supplies purchased

The IFDC Franchise agreement is for an initial term of five (5) years and renewable, at IFDC's option, for two (2) additional five (5) year terms.

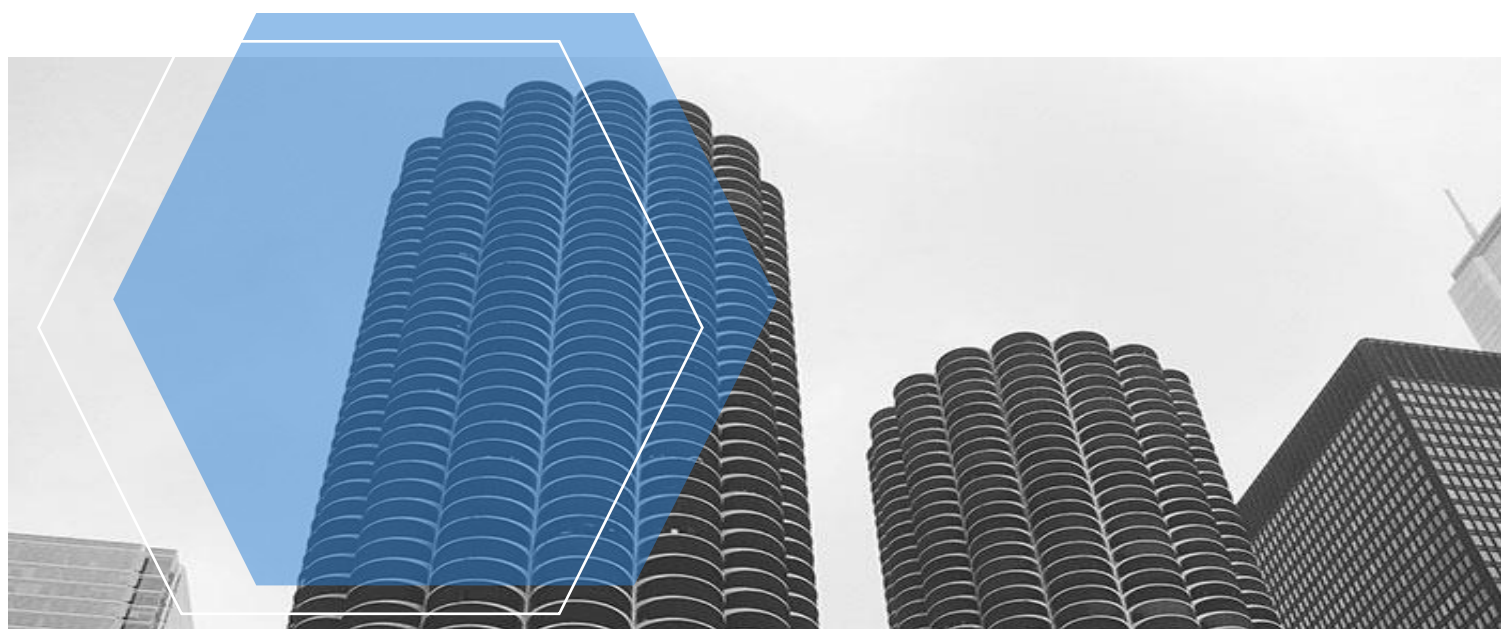
IFDC franchise start-up costs are very low for a business opportunity of its size and stature. Franchisees can often purchase dependable brand name equipment at reasonable prices through IFDC and, because leasehold improvements are only a small portion of the total capital requirement, a new franchisee does not put a lot of valuable cash into non-recoverable fixed assets.

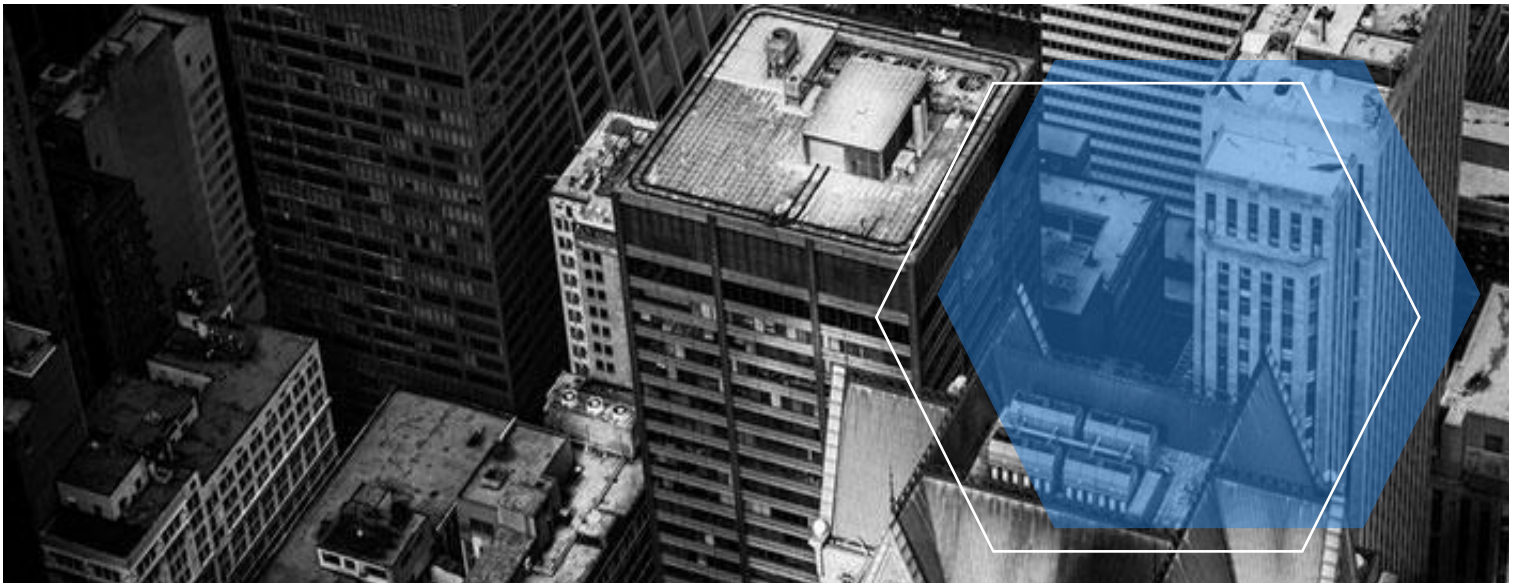
Training and Store Opening Assistance

An understanding of what it takes to open and operate an IFDC Franchise is important. IFDC's intensive six-to-seven-day training program in Jacksonville, Florida covers the fundamentals of establishing and operating an ImageStoreHouse Service Bureau. The Training Program is comprised of one and one-half days of classroom and two days of in-store instruction. Each new franchisee then receives six days of training and assistance at his/her facility prior to and after the opening.

All training is done on an individual basis (no set classes) and is customized to meet the specific needs of the franchisee(s). Each new franchisee receives a **complete training and operations manual** and is provided with further education via newsletters and webinars that provide useful operations, marketing/advertising information and updates. Training for up to three people is included in the initial franchise fee; others may attend training at the same time at a nominal charge.

1 - All costs associated with the ownership of an IFDC franchise are included in the information provided to each approved applicant upon their completion and submission of the IFDC U.S. Franchise Application and subsequent acceptance/approval by the IFDC Franchise team.





IFDC AND IMAGE STORE HOUSE Q&A

ANSWERS TO SOME COMMON QUESTIONS YOU MAY HAVE

We know you have questions...

Here are some of the more common ones. We are happy to answer any other questions you might have.

What is the estimated cost to open an IFDC Franchised Operation?

The typical, total investment required to open an IFDC franchise is between \$86,778.00 and \$117,750.00, depending on the size of your market, the location of your office, the furniture, equipment and software purchased and the physical layout of your office.

Are franchisees required to have an Information Technology or Computer background?

No. Successful IFDC Franchisees come from a variety of professional backgrounds. To help our new franchisees in all phases of the document imaging and management business, new owners are required to complete our comprehensive six-to-seven-day training course at IFDC's training facility in Jacksonville, Florida. Tailored to the exacting needs of the individuals in attendance, this course is designed to provide a new franchisee with the necessary tools to open, manage and market an ImageStoreHouse service bureau. With our "hands on" training you will be able to open your office with complete knowledge of the IFDC system, business management skills and computer/document handling requirements needed to operate and succeed. IFDC makes available continuing training for all of its franchisees.

What is a Franchisee? How does it differ from a non-branded independent business?

Simply put, the IFDC franchisee program is a strategic alliance among like-minded businesspeople all sharing brand identification and proven business and marketing techniques – a business model with strict control over all facets of the business including esthetics, operations, marketing, pricing and branding. IFDC operates exclusively as a franchise program.

What is the Difference between IFDC and ImageStoreHouse?

Most national franchise companies operate separately from their "brand name". QFA Royalties, LLC sells Quizno's franchises. Subway franchises are sold by Doctor's Associates, Inc. Similarly, ImageStoreHouse franchises are sold and managed by ISH Franchise Development Company, LLC or IFDC. ImageStoreHouse is the "brand" name under which all IFDC franchises operate.

What is the Royalty and Marketing/Advertising Fee?

The Royalty Fee is 6% of gross sales, less sales/use tax and promotional discounts. The franchise royalty is paid monthly. The Marketing Fee is 2.25% of gross sales, less sales/use tax and promotional discounts. This Marketing Fee pays for the production and distribution of newsletters, trade shows, marketing strategies, advertising plans and the development of professional marketing materials. Both the Royalty and Marketing Fees are paid monthly.

Does your program offer consultation and business training?

Yes. ISH provides a comprehensive training program that focuses on all aspects of our business. This often includes technical and product preparation, marketing, finance, cash management, human resources, customer service, loss prevention and real estate among other topics. We can also work with you as your business grows, providing expert analysis and consultation to help you succeed.

What is the IFDC Franchise Opportunity?

IFDC provides a unique opportunity for entrepreneurs to own and operate a franchised ImageStoreHouse document imaging service bureau utilizing the foundation of our successful startup program. It is an exciting business model that aligns entrepreneurs with a proven and structured start-up program in one of the fastest growing businesses in the U.S. and world. It provides an established technical and operational system that eliminates the struggle and hardships of learning on your own. It provides cost-saving buying power benefits (economies of scale) from our established vendor relations. Franchising with a proven technical and operational foundation means immediate and reliable functionality.

What kind of assistance will I receive from IFDC?

We assist you in each phase of the startup of your business and beyond – from your office's location and interior design, to extensively training you and your employees and seeing you through the grand opening. Furthermore, we provide on-going support by periodically visiting your operation, sending information about updated operational procedures and equipment and continuing promotions and sales support.

Why choose ImageStoreHouse over starting my own?

The success and strength from the established program that IFDC offers comes from our experience in this industry. We have learned what works and you benefit from our hard work and extensive knowledge. We are also able to provide ongoing support services from industry professionals and we offer continuing development opportunities for personal and professional growth. We have the right resources, knowledge, technical and operational experience from building, owning and operating one of the nation's preeminent document imaging and management operations. You will skip the expensive and time-consuming mistakes and learning curves associated with doing it on your own. You have access to a support team that can provide your ongoing technical, operational and marketing assistance. Implementation of our system is streamlined to maximize your budget and operating capital.

May I open multiple centers?

IFDC encourages its franchisees to strive for multiple-center ownership, subject to availability and eligibility criteria. Ask your local IFDC representative about our unique Multiple Center Option program.

Do I get a protected territory?

Absolutely! You are protected within a to-be-determined radius of your location, based upon population, size or industry.

What is the term of the Agreement?

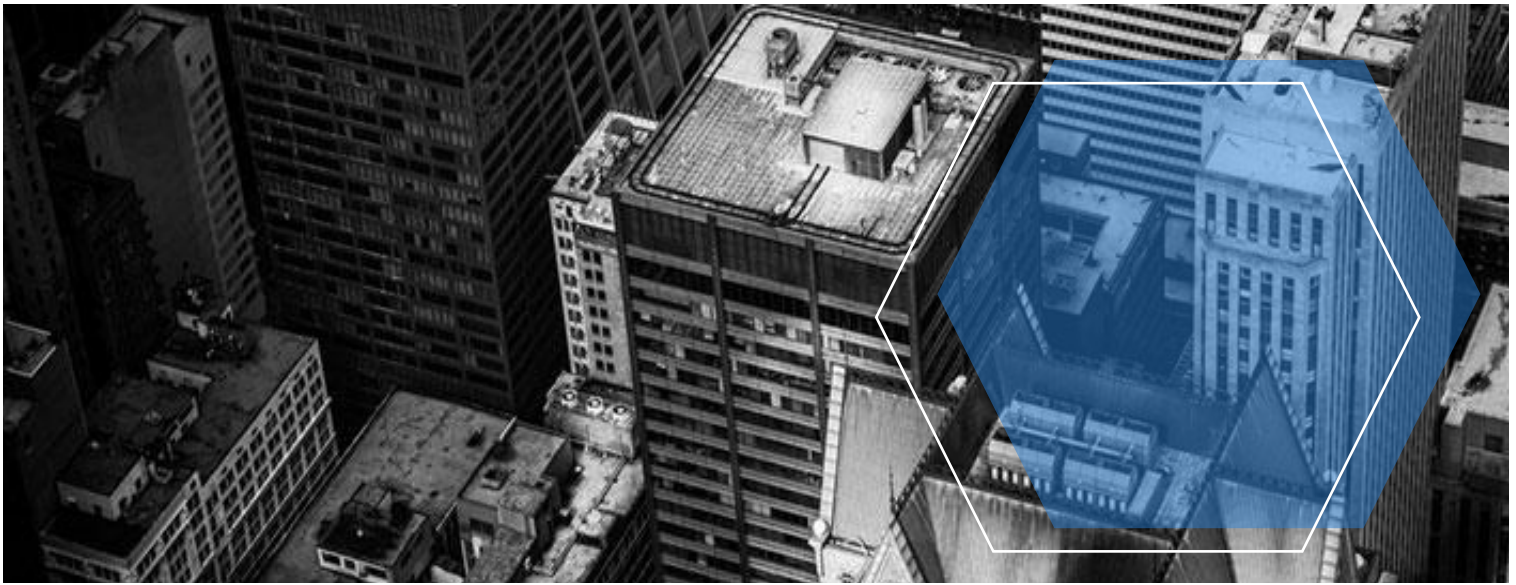
The initial franchise agreement is for a term of five years, renewable for up to two additional five-year terms.

Where can I Open an IFDC Franchise?

There are many prime areas available across the United States. We welcome the opportunity to discuss the areas in which you are interested to determine if your proposed location satisfies our business requirements and demographics.

Is financing available and how much cash is required for opening?

Obtaining financing for your IFDC Franchise and equipment is one of the steps that you will need to complete. IFDC has qualified personnel that can put you in contact with various IFDC-approved lenders who are interested in funding IFDC projects. Whether you are interested in an SBA loan guaranteed by the Small Business Administration, a conventional business loan or equipment leasing, IFDC has a source available to you. In deciding the amount of funds, you feel comfortable investing in your IFDC operation, please be aware that most banks look for you, the "startup" franchisee, to inject a minimum of 30% into the business.



THE IFDC FRANCHISEE NETWORK

WHAT COMES WITH OWNING AN IFDC FRANCHISE

Economies of Scale Achieved and Shared with Franchisees

IFDC has developed supply programs for equipment, fixtures, furnishings, signs, supplies, insurance, marketing, advertising and public relations services required by its franchisees. These supply programs furnish the franchisee/Franchisee network with the advantages of combined purchasing power generally enjoyed only by a large company with a network of company-owned outlets. While preferred vendors have been identified, the procurement team continually reviews agreements with current vendors and seeks proposals from potential vendors to ensure that The Company receives the best prices, terms and quality of product. In addition, IFDC franchisees have access to the financial forecasting, business plan development and financial/funding services offered by Business³ Consulting.

Insurance, Advertising, Marketing and Public Relations

IFDC has engaged the services of Business³ Consulting (B³), a national marketing and public relations firm. B³ handles all of The Company's advertising and marketing and is responsible for the training of each franchisee in each aspect of marketing and promoting their ImageStoreHouse Service Bureau. Insurance and other business discounts are earned through IFDC and passed along to our franchisee network.

Brand Name

ImageStoreHouse continues to increase its national brand-name recognition in the document imaging marketplace – with company awareness and an increase in market share growing every day.

Marketing & Advertising

The IFDC marketing program is like the proven programs employed by industry giants in document imaging and electronic document management. ISH's proven, national marketing–advertising–sales programs are by far the most effective methods of promoting a nation-wide network of imaging and document management Franchisees/franchisees and their stores.

IFDC's initial marketing program focuses on assisting franchisees at the local level with in-the-field marketing assistance, usable, effective marketing brochures and a marketing help line to assist our franchisees with all aspects of marketing their business. Concurrent with our marketing at the franchisee level is a corporate focus on national name recognition and a planned, controlled increase in local, regional and national market share.

A Protected Territory

When you purchase your IFDC franchise, your territory is protected as defined in the UFDD and the Franchise Agreement.

Limited Capital Investment

The IFDC franchise is one of the most affordable business opportunities in the marketplace today. The initial fee gives the IFDC franchisee an exclusive territory in which to develop his/her business and includes everything needed to open the doors.

A Proven System

You will benefit from the knowledge and experience of IFDC's experienced management and marketing professionals.

Site Selection

Through its regional marketing managers, operations managers and Progress Agents (PA's), IFDC provides assistance with site selection.

Financing

An important consideration in purchasing an IFDC franchise is how to finance the investment. A good arrangement is to have 50% of the total capital requirements available in cash and sufficient collateral to obtain funding for the balance. A member of IFDC's development staff will provide potential franchisees with the necessary guidance to select a qualified financing source including the possible securement of an SBA loan.

Equipment Leasing

In addition to providing guidance to potential IFDC franchisees in securing financing for an IFDC franchise, an equipment-leasing program is available to approved IFDC franchisees. The initial capital requirements for major equipment can be reduced by taking advantage of IFDC's equipment leasing program.

Research and Development

IFDC's Research and Development department works closely with Kodak, Fujitsu, Böwe Bell + Howell, Canon and other ISH-approved vendors – testing imaging products and software.

Support – Technical, Operations and Marketing

The IFDC Operations Center and your assigned IFDC representative provide answers to all your questions, solutions to your operating, marketing and technical/equipment problems and ongoing support and assistance to you in your store. Your operations manager will work with you individually on all aspects of improving your business.

Royalties and Fees

Unlike most of its national competitors, the royalties (only 6%) and advertising fees (only 2.25%) charged by IFDC represent a nominal charge and do not adversely affect our franchisee's ability to earn a good profit on their IFDC operations.

Purchasing Power

As an IFDC franchisee, you benefit from our national buying power and our ability to obtain the best possible prices Kodak, Fujitsu, Böwe Bell + Howell, Canon and other ISH-approved vendors.

Your Own IFDC Franchise

Enjoy the rewards of self-employment while benefiting from being part of a successful marketing system.

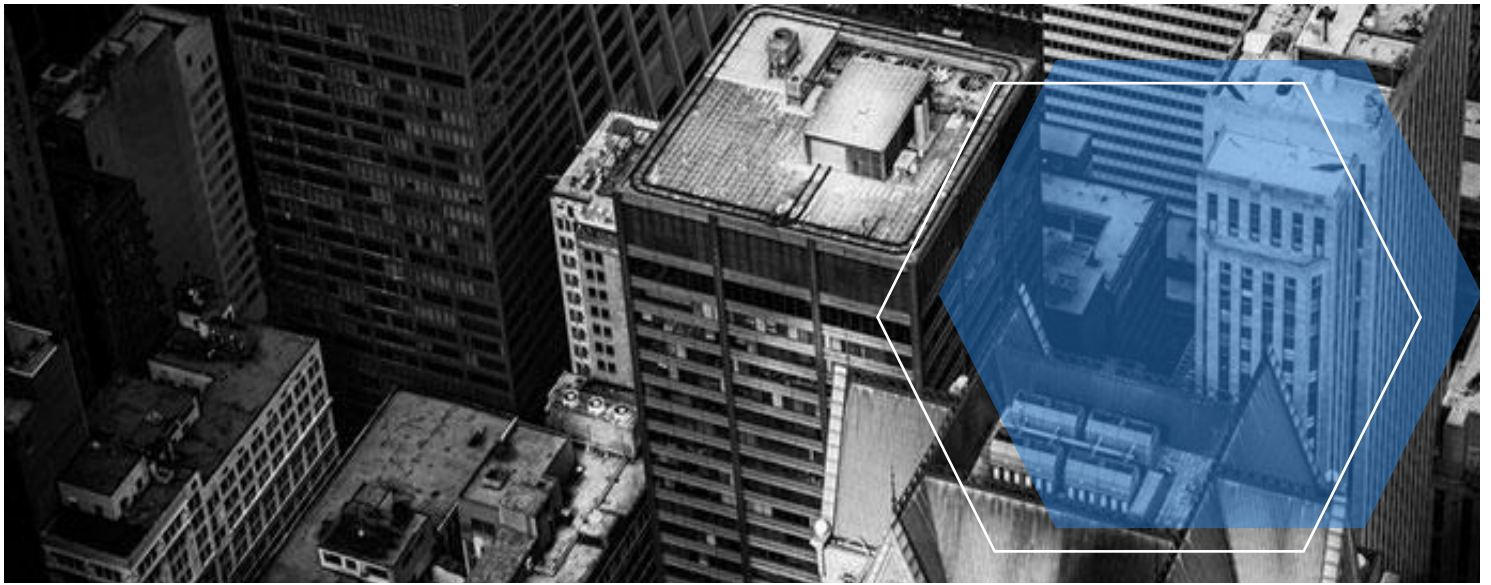
Service Bureau Design

IFDC provides workflow and floor plan schematic and designs to assist the IFDC franchisee in the design and construction of the most cost-effective, functional operation for a particular location. ImageStoreHouse Service Bureaus are designed to meet several objectives, including the ability to:

- Enhance the ImageStoreHouse image
- Present the products and services to their best advantage
- Facilitate easy maintenance and increase efficiencies
- Conserve energy, both economically and physically
- Provide proper and efficient workflow

IFDC Equipment Parts and Supplies

The IFDC operations center provides a full line of replacement parts for the machines and equipment necessary to operate your business.



THE IMAGE STORE HOUSE LADDER OF SUCCESS

WHAT SUCCESS LOOKS LIKE IN OUR EYES

