

The background of the entire page is an abstract digital illustration. It features numerous vertical, slightly wavy lines in shades of blue and purple. Interspersed among these lines are glowing, translucent spheres and pairs of spheres, some of which appear to be connected by thin lines, resembling a neural network or data flow. The overall color palette is cool, dominated by blues, purples, and magentas, with a soft glow emanating from the various elements.

LearningRx Franchise Information Kit

The Personal Brain Training Franchise

LearningRx Franchise Information

Congratulations on taking the first step towards an opportunity that will not only impact your life, but the lives of many kids and adults you will help in your community as well. There are very few franchise opportunities that can have such a lasting impact on lives while also allowing you to grow a business. In fact, we recently surveyed our franchisees and asked them to describe LearningRx. In two words, their answer was, "life changing!"

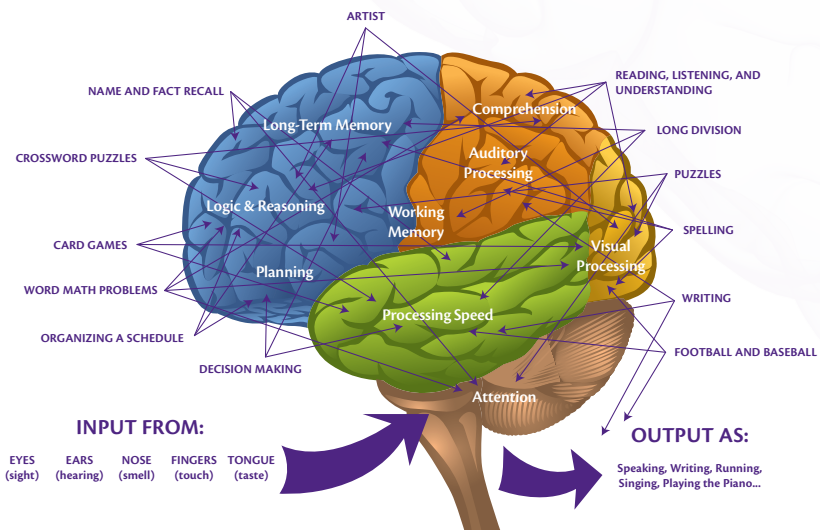


In this information kit you will find:

1. What Makes LearningRx Unique: The New Brain Training Industry
2. Who Are Our Clients?
3. How Does One-on-One Brain Training Work?
4. Feel Your Brain at Work: Try a LearningRx Procedure
5. Unique Programs Offered by LearningRx
6. Real-Life Benefits of LearningRx
7. Estimated Initial Investment
8. How Much Can You Make?
9. Top Franchisee Performer Profiles
10. Franchise Award Process

1. What Makes LearningRx Unique: The New Brain Training Industry

You may have chosen to research our concept because it was unique and different from other educational franchises. LearningRx is actually at the forefront of a new, rapidly growing industry that we believe is the future of educational franchising. Our methodology will be a key in how the world helps people of all ages. According to *Forbes* magazine, brain training is expected to be the next trillion dollar industry, much like the physical fitness industry during the nineties.



2. Who Are Our Clients?

LearningRx can help anyone think faster and more efficiently. What does that mean for our customers? Our brain training programs actually change the way they think and that means that every aspect of their life changes. Their new skills give LearningRx students a huge boost in confidence as well as doing better academically, and socially. Our programs benefit many people:

- Learning/Reading Struggles
- Slow Learner, ADHD, LD, and Dyslexia
- Preschoolers
- Enhancement Students
- Traumatic Brain Injury Professionals
- Seniors

3. How Does One-on-One Brain Training Work?

LearningRx is a pioneer and leader in the field of one-on-one brain training, and is currently the largest one-on-one brain training company in the world. Here's how it works: LearningRx partners each client with a personal trainer for intense mental workouts. Our procedures train all major cognitive skills, including working memory, attention, executive function, processing speed, logic & reasoning, and visual & auditory processing.

The 7 Key Ingredients of Effective Brain Training



Brain training must be practiced. Because brain training builds skills, it can't be taught in the classroom. It must be practiced, like learning to play tennis or the piano.



Brain training that gets the best results is done one-on-one with a personal trainer. Teaming with an experienced trainer provides accountability, motivation and—ultimately—life changing results.



Brain training exercises need to be intense, requiring concentrated repetitions in order to train skills quickly.



Brain training exercises need to be targeted in order to address specific weak cognitive skills.



Brain training exercises need to be done in a particular sequence. Small challenging steps don't overwhelm the client, but allow the trainer to continually challenge the client incrementally and keep them engaged in the training.



Brain training exercises must be progressively loaded. Loading incorporates multitasking and is a fast-track way to take a new skill and make it a more automatic skill.



Brain training, to be effective, requires immediate, accurate feedback. Instant, effective reinforcement and adjustments keep training focused and intense.



LearningRx Cognitive Training Effects in Children Ages 8–14: A Randomized Controlled Trial

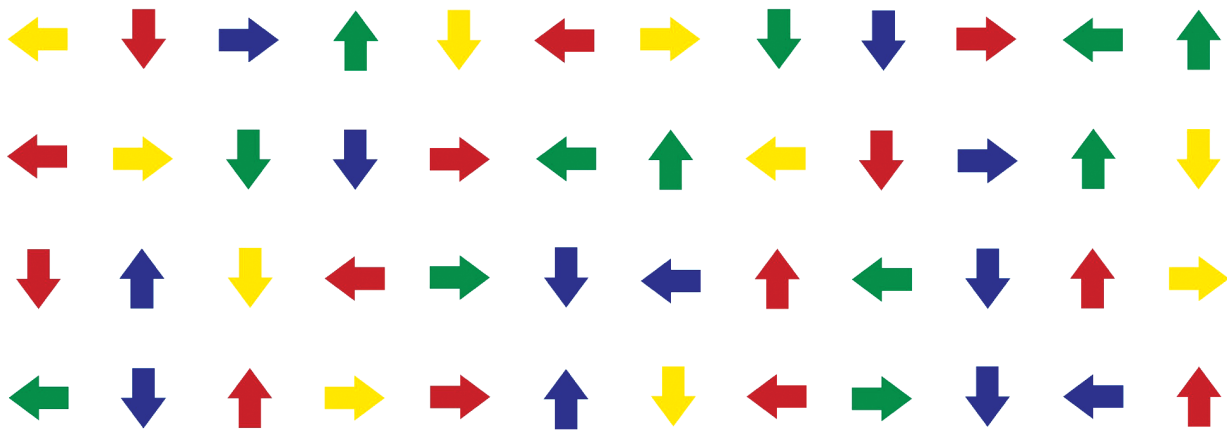
Abstract: In a randomized controlled study with students ages 8–14, we examined the effects of the ThinkRx cognitive training program on IQ, memory, visual and auditory processing, processing speed, and reasoning as measured by the Woodcock Johnson III –Tests of Cognitive Abilities, and on attention as measured by the NIH Toolbox Cognitive Battery. Participants were randomly assigned to either an experimental group (n= 20) to complete 60 hours of cognitive training or to a wait-list control group (n= 19). The purpose of the study was to examine changes in general intelligence and individual cognitive skills after completing cognitive training with ThinkRx, a LearningRx program. Results showed statistically significant differences between groups on all outcome measures except for attention. ($R^2= .352$), and Word Attack ($R^2= .359$). Completion of the cognitive training program was not a significant predictor of scores on visual processing.

	CONTROL	TREATMENT	CASUAL EFFECT
	Pre-Post Difference	Pre-Post Difference	Treatment-Control
Logic and Reasoning	-7	21	28
IQ	-5	21	26
Long Term Memory	7	28	21
Working Memory	-8	13	21
Auditory Processing	-4	13	17
Associative Memory	8	23	15
Visual Processing	4	11	7
Processing Speed	7	13	6
Attention	3	5	2
Average Standard Score Gain	1	17	16

Reference: Carpenter, D., Ledbetter, C., & Moore, A.L. (2015). *LearningRx Cognitive Training Effects in Children Ages 8–14: A Randomized Controlled Trial*. Manuscript submitted for publication.

4. Feel Your Brain at Work: Try a LearningRx Procedure

Follow the directions below as a fun way to improve your attention skills, enhance working memory, and build visual processing skills. Each level increases the difficulty by adding a second mental challenge. Don't worry...your brain can adapt and grow! Try it alone or try it with your child.

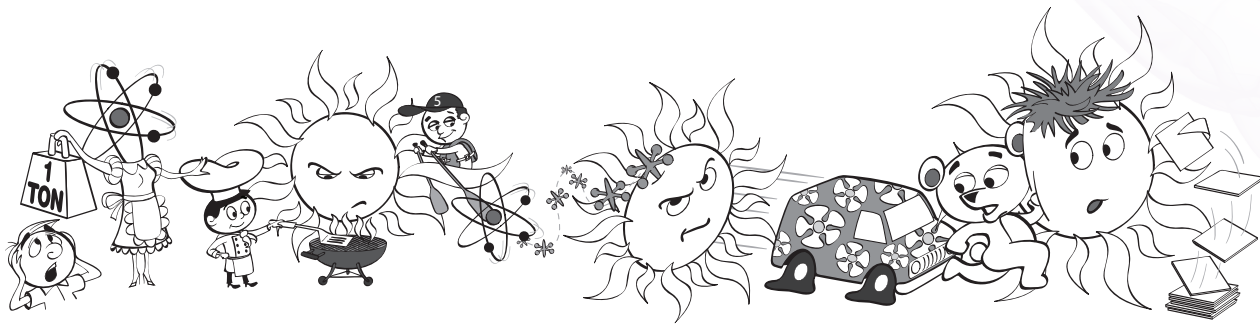


Directions

1. From the top row, moving left to right, call out the color of each of the arrows without a mistake.
2. Call out the direction of each arrow. Do it without error in 40 seconds. Keep practicing until you can do it in only 20 seconds.
3. Next, call out the direction of the arrows as if they were turned a ¼-turn clockwise. Get that time down to 20 seconds without error.
4. Now comes the fun part! Call out the color of the UP and DOWN arrows, and call out the direction of the LEFT and RIGHT arrows (this requires divided attention). Once mastered, increase the difficulty by saying red for yellow and blue for green. Try substituting different colors. Keep track of your time and stay with it until each exercise flows quickly and smoothly.
5. Finally, call out the direction of the arrow as if red and green arrows were turned a ¼-turn clockwise and yellow and blue were turned ¼-turn counterclockwise. You will find yourself not only doing the familiar ones more easily, but mastering each new variation faster as well. This is because your brain is growing new connections to handle the challenges!

Try mnemonic memory strategies to learn the first 10 US Presidents

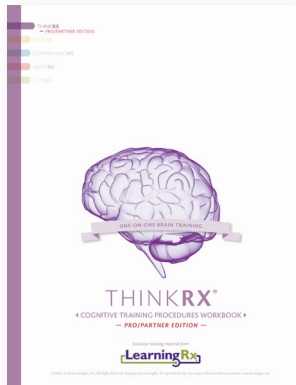
All LearningRx students learn the presidents forward and backward using a memory strategy called mnemonics. By using silly pictures and fun links, students can remember almost anything. Once they have completed the presidents they learn how to visualize their own pictures and links creating stronger memory skills and visualization skills. These skills are important for test taking and reading comprehension. Have fun using this technique to learn the 1st 10 presidents. By the way, our students would love to show off their new talent for you!



President Script

What is the man watching? (the man is WATCHING-a-TON). If a ton was hanging over my head, I'd be watching it too, wouldn't you? WATCHING-a-TON will remind you of WASHINGTON. (WATCHING-a-TON; WASHINGTON). What is funny about the lady who is holding the ton? (Her head). Her head is super-powered! Do you know where the superpowers are coming from? (ATOMS). ATOMS will remind you of ADAMS. (ATOMS; ADAMS). Who is the woman patting on the head? (a CHEF). The chef is HER-SON. CHEF-HER-SON will remind you of JEFFERSON. (CHEF-HER-SON; JEFFERSON). What is the chef grilling? (a SUN). Does the sun look happy or mad? (MAD). So, the sun is a ... MAD-SUN. (MAD-SUN; MADISON). What do you see on one of the sunbeams? (a MAN-ROWing a boat). (MANROW; MONROE). What super-powered thing do you see at the end of his oar? (ATOMS). (ATOMS; ADAMS). What little toys are flying out of the atoms? (JACKS). What did one of the jacks stab? (a SUN). (JACK-SUN; JACKSON). The sun is very hot and is melting the tires of what kind of vehicle? (a VAN). The van is about to run over what kind of animal? (a BEAR). If a van was trying to run you over would you walk or run? (RUN). (VAN-BEAR-RUN; VAN BUREN). What does the bear run into? (a SUN). And what does the sun have a lot of on his head? (HAIR). So he is a... HAIRY-SUN. (HAIRY-SUN; HARRISON). What do you see the hairy sun stacking? (TILES; TYLER).

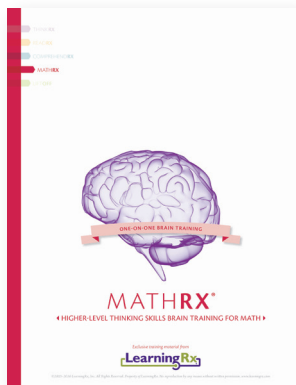
5. Unique Programs Offered by LearningRx



THINKRX®

Training hours: 90

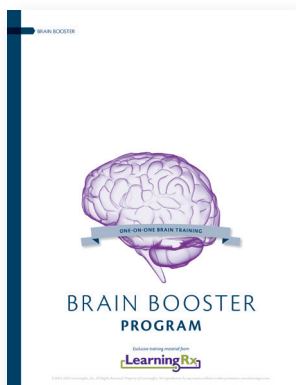
ThinkRx is the foundational one-on-one cognitive training program for clients ages 6 to adult. ThinkRx includes 35 training procedures that target all major cognitive skills including attention, memory, processing speed, auditory and visual processing, and logic and reasoning.



MATHRX®

Training hours: 120

MathRx is an intensive math intervention for clients from 4th grade to adult. MathRx includes all 35 ThinkRx training procedures and adds an additional 60 hours of training in math concepts, problem solving, reasoning, and calculations designed to increase mathematical fluency.



BRAIN BOOSTER

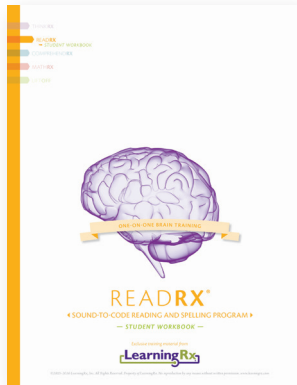
Training hours: 12–24

Created for adults who want sharper mental skills, Brain Booster pairs you with a personal brain trainer for mental workouts using 16 different procedures that train the way your brain thinks, learns, reads, remembers and pays attention. The program includes about 7-8 procedures per session with a LearningRx brain trainer. Each session includes an invigorating hour of mental exercise that incorporates intensity, loading, and instant feedback.

*An additional 1429 clients were enrolled in short booster programs without cognitive testing.

Did you know that you hit your mental peak at about age 33?

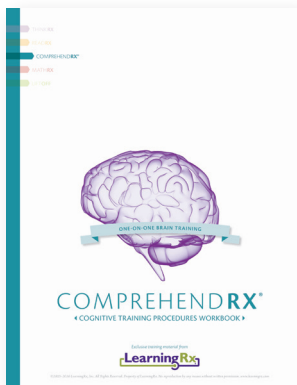
LearningRx recognizes that the root of most reading problems is a cognitive skill weakness and offers a solution that targets and trains that weak skill.



READRX®

Training hours: 120

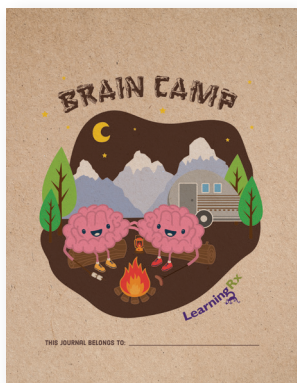
ReadRx is an intensive sound-to-code reading and spelling intervention for clients ages 6 to adult. ReadRx includes all 35 ThinkRx training procedures and adds an additional 60 hours of training in auditory processing along with basic and complex code reading training to increase reading and spelling fluency.



COMPREHENDRX®

Training hours: 40

ComprehendRx is an add-on training for clients ages 6 to adult to improve reading comprehension and metacognition.

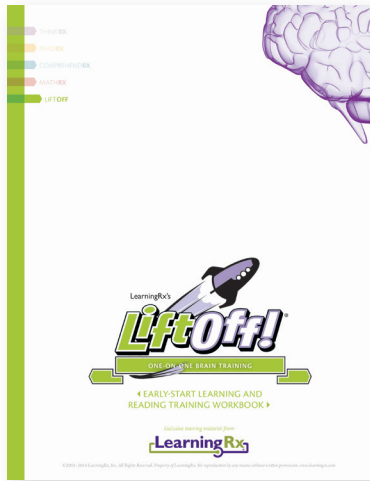


BRAIN CAMP

Training hours: 9–18 hours of brain fun

Brain Camp is a cognitive enrichment program for kids age 8–14. It's full of fun activities that work on brain skills, like memory, attention, and logic—core skills the brain needs to learn and think.

4.9 of 5 stars!

Check out hundreds of client reviews at www.learningrx.com/learningrx-reviews

training hours: 60

LiftOff is a reading readiness and cognitive skills training intervention for 4–7 year olds.



You'd Never Get This Testimony from a Tutoring Center...

"Before LearningRx, this marathon called life was only uphill for my son. For years, I have watched him struggle to learn. He would put out five times more effort than others, but he was just "spinning his wheels," going nowhere. To say he was frustrated is an understatement. The meltdowns were getting worse with time, and his behavior started going downhill. My heart was breaking for him. I was determined to find help."

"We tried several avenues that did not help; then we found LearningRx. Tears come to my eyes when I think about how helpful this brain training has been for him. The bad behavior is gone, meltdowns are rare and he is reading at or above his grade level. He has gained traction and he is running this race on more level ground. Thank you LearningRx!"

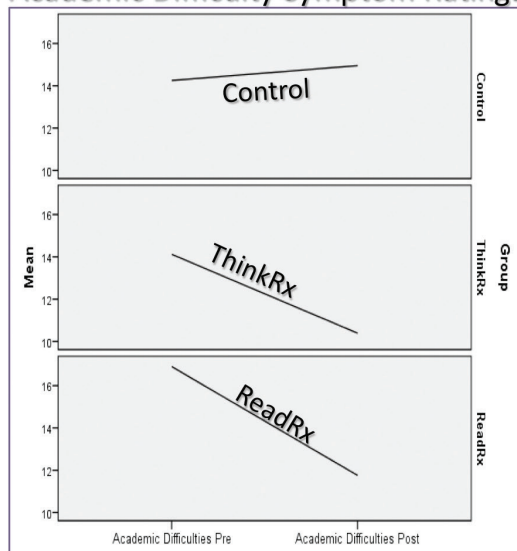
— Mother of Ethan, 13 years old

"My only regret is that we didn't do this program earlier." – Mother of Daniel L., Tustin, CA

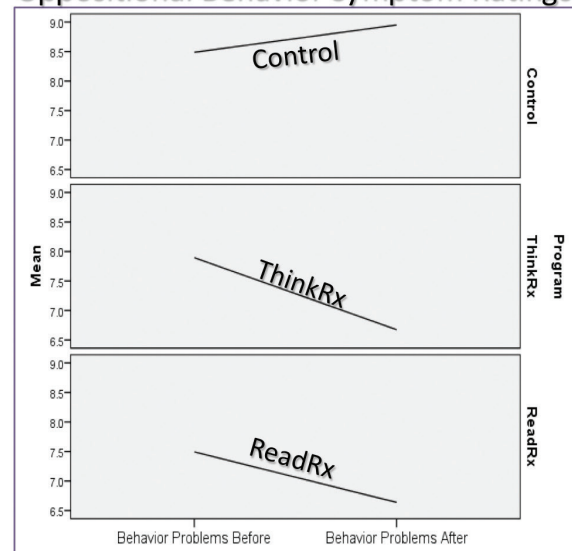
6. Real Life Benefits of LearningRx Cognitive Training: A Controlled Study

Abstract: This study investigated whether a one-on-one cognitive training program reduced academic difficulties and oppositional behavior for 226 school-age children. Using a standardized parent rating scale, Learning Skills Rating Scale (LSRS), three groups were surveyed: Seventy-seven students who had completed the 60-hour ThinkRx cognitive training program, sixty-nine students who had completed the 120-hour ReadRx cognitive training program, and eighty students who completed initial testing but chose not to complete a training program. Results indicated there were statistically significant differences between the treatment groups and the control group on all measures of academic difficulties. Both treatment groups saw a reduction in academic difficulty ratings following training while the control group saw an increase in academic difficulty during a comparable time interval. Further, both treatment groups improved on ratings of oppositional behavior while the control group ratings worsened.

Academic Difficulty Symptom Ratings



Oppositional Behavior Symptom Ratings



Reference: Jedlicka, E. (2015). *Real Life Benefits of LearningRx Cognitive Training: A Controlled Study*. Based on 2012 dissertation; manuscript submitted for publication.

LearningRx has received numerous awards from Entrepreneur Magazine, Franchise Times, Franchise Business Review, and the IFA.

Award-Winning Franchise System and Support

LearningRx is award-winning! Here's a look at some of the awards we have received over the years:

- 2015 Entrepreneur's Franchise 500
- 2015 Franchise Gator's Top 100 Franchises
- 2014 Entrepreneur's Franchise 500
- 2014 Franchise Gator's 100 Fastest Growing Franchises (Top 10 ranking)
- 2013 Bond's Top 100 Franchises
- 2013 Entrepreneur's Franchise 500
- 2013 Franchisee Satisfaction Award from Franchise Business Review
- 2012 Entrepreneur's Franchise 500
- 2012 #1 Child Enrichment Program from Entrepreneur Magazine
- 2011 Entrepreneur's Franchise 500
- 2010 #1 Child Enrichment Program from Entrepreneur Magazine
- 2010 Entrepreneur's Franchise 500
- 2009 #1 Child Enrichment Program from Entrepreneur Magazine
- 2009 Entrepreneur's Franchise 500
- 2009 Rocky Mountain Excellence in Franchising Award for Website Innovation
- 2008 #20 Fastest Growing Education Privately-Owned Company (INC 500)
- 2008 Top 25 New Franchises
- 2008 #19 Top New Franchise by Entrepreneur Magazine
- 2008 Entrepreneur's Franchise 500
- 2008 Rocky Mountain Excellence in Franchising Award for Charitable Contributions
- 2007 Franchise Time's Fast 55
- 2007 Top Franchise 50 (Franchise Review)
- 2007 Top New Franchise (50)
- 2006 Franchise Time's Fast 55
- 2006 Top Franchise 50 (Franchise Review)
- 2006 Top 100 New Franchises



Our parents' number one comment following training is an extreme boost in their child's confidence.

Our launch package includes on-site sales training from a top-performing franchisee.

7. Your Estimated Initial Investment

Type of Expenditure	Micro Franchise "under" to below 50K population in 5 mile radius	Rural Franchise 50-100K population in 10 mile radius	Standard Franchise 100K+ population in 10 mile radius
Initial Franchise Fee (Note 2)	\$15,000	\$25,000	\$35,000
Initial Training and Material Fee (Note 3)	\$10,000	\$10,000	\$10,000
Initial Marketing Fee (Note 4)	\$12,000	\$20,000	\$33,000
Travel and Living Expenses	\$3,000	\$3,000	\$5,000
Rent or Real Estate & Improvements (Note 5)	\$5,000	\$9,000	\$20,000
Furniture & Fixtures	\$8,000	\$10,000	\$15,000
Signage	\$2,000	\$2,000	\$6,000
Miscellaneous Opening Costs (Note 6)	\$2,000	\$3,000	\$5,000
Opening Inventory (Note 7)	\$3,000	\$3,000	\$5,000
Insurance Policies* (Note 8)	\$2,000	\$2,000	\$3,000
Computer Equipment & Proprietary Software (Note 9)	\$3,000	\$3,000	\$6,000
Additional Funds (initial 3 months) (Note 10)	\$20,000	\$20,000	\$55,000
TOTALS (Note 11)	\$85,000	\$110,000	\$198,000

(See page 19 for notes)

We are happy to help provide you with different financing options and a business plan.

If you're not able to make it to one of our live webinars, you can watch a prerecorded webinar at: www.learningrx-franchise.com/franchise-webinar



LearningRx Marketing Launch

Part of your initial investment is allocated towards a marketing launch. The launch includes direct mail, magazine, radio, print ads, PPC, web directory listings, PR, grand opening, and even sending a top-performing franchisee to initially help you close sales for adding new students. You will work closely with the Home Office Marketing Team, who will partner with you and assist you in the planning and implementation of your Marketing Launch.

8. How Much Can You Make?

The financial performance figures represent historical operating figures for all LearningRx franchisee-owned Centers open during the full fiscal year October 1, 2014 through September 30, 2015. The chart reflects the performance experienced by the average of all LearningRx franchisee-owned Centers by revenue who operated a Center during the full fiscal year 2014 - 2015. As of September 30, 2015, out of 78 franchisee-owned Centers, 76 Centers operated during the full fiscal year ending September 30 2015, and are represented below. Twenty-nine (29) out of the seventy-six (76) Centers, or 38%, attained or surpassed the stated results. Some outlets have earned this amount. Your individual results may differ. There is no assurance that you'll earn as much.

October 1, 2014-September 30, 2015	Average all centers
Average revenue charged (Note 1)	\$300,082
Average case size	\$7,533
Average satisfaction rating out of 10%	9.6
Percentage of consultation to students	51%

You will receive a Franchise Disclosure Document to learn more about our franchisees' financial performance in the 2015 fiscal year. This information is shared after the Introduction and Qualification call.

Forbes Magazine recently declared cognitive enhancement the next "trillion-dollar industry."

Franchise candidates often ask us how our ongoing fees compare with other franchise systems. To help them in their research, we took a look at other recognized education, child, and popular franchisors and their ongoing fees to see how we compare. Here is a snapshot of some franchisors' ongoing royalty and marketing fees. Every franchisor may have other additional fees unique to their system and structure.

Ongoing Fees Comparison				
Franchisor	Franchise Fee	Royalty	Marketing/Other Fee	Royalty & Marketing Ongoing Fees
LearningRx®	\$15,000–\$35,000	10%	2.5%	12.5%
Huntington®	\$22,000	9.5%	2%	11.5%
Sylvan®	\$48,000	8–9%	Varies	Varies
Kumon®	\$1,000	\$32–\$36/student/month	N/A	32–40% (Centers collect \$80–100/student/month)
Mathnasium®	\$40,000	10%	2%	12%
FasTracKids®	\$24,000–30,000	12.5%	.05%	12.55%
Goddard School®	\$135,000	7%	4%	11%
Gymboree®	\$25,000–\$45,000	6%	3.25%	9.25%
Subway®	\$15,000	8%	4.5%	12.5%
H&R Block®	\$2,500	30%	N/A	30%

All trademarks are property of their respective owners. LearningRx is not affiliated in any way with any of these companies.

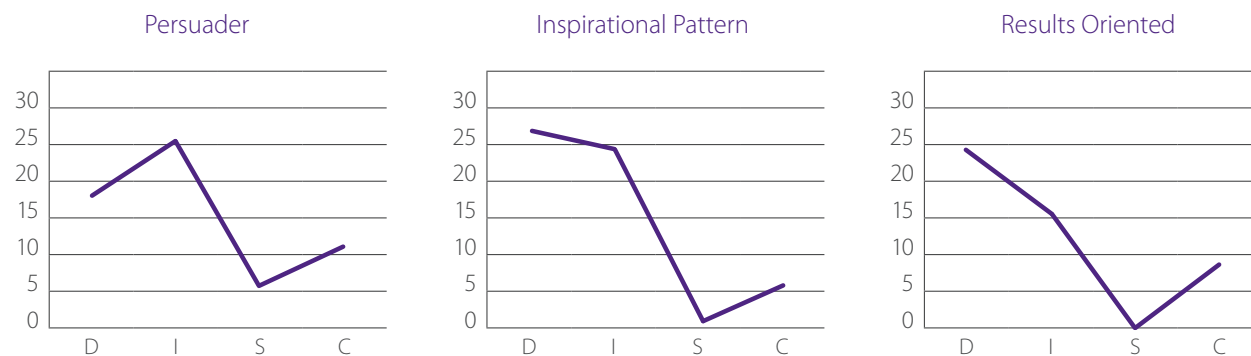
9. Top Franchisee Performer Profiles

Will you be successful and happy with a LearningRx franchise? We both want to know the answer to this question. We asked our top performers to take personality profiles so we could find out their common characteristics and share these with our candidates. We would be happy to offer a free profile to see if your skills, likes and dislikes match those of our top performers. As part of the franchise award process, we will purchase a DISC personality profile, valued at \$40, for you. The results will be yours to keep and will provide invaluable information to you in any business setting!

Here is a list of the most common characteristics:

- Likes competition and winning
- Persistent
- Collaborative
- Sells and closes effectively
- Assertive
- Enjoys working with people
- Risk-taker
- Outgoing
- Confident
- Initiates

DISC examples of top performers



10. Franchise Award Process

Our franchise award process takes you through several steps to make sure that LearningRx is the right fit for you. We also promise to be honest and upfront during the process because our franchise development team's number one goal is to have successful and happy franchisees.

Introduction

During your first call your Franchise Coach will help answer questions on LearningRx and franchising, as well as ask questions to find out if your dreams and business interests match what a LearningRx Center has to offer. The call lasts about 30–45 minutes and can be scheduled before you attend a LearningRx webinar.

If you would like to see your own personality profile, email sales@learningrx.com. We will send you a questionnaire, score it for you, and send you a complete description.

Qualification

Your second call starts with the results of your personality profile. We will then look at your finances and, if needed, give suggestions for financing. If you need to finance we also have a business plan made specifically for SBA loans. We then conclude with a discussion of what life would be like running a LearningRx Center. If we both think there is a good fit we will then continue to the next step.

Franchise Disclosure Document (FDD)

The Franchise Disclosure Document (FDD) will give you detailed information on LearningRx and our centers. The FDD includes our franchise agreement and a detailed summary on LearningRx. We will take the time to answer all your questions.

Due Diligence

At this point most candidates have specific questions about operating and running a center. We ask that you call three to five franchisees. We are also happy to connect you with specific franchisees you request to speak with, like top performers or franchisees that have a similar demographic.

Discovery Day

We will invite you to spend a day and a half in Colorado Springs, Colorado as your final step through our process. We start with presentations on marketing, support, and IT, as well as a chance to sit down with the founder of LearningRx, Dr. Ken Gibson. You will then have one-on-one time to spend with executives, tour a center, try brain training procedures, and finally sit down with a center director.

Approval

After Discovery Day, our executive team will make a final decision. If you are approved, we will begin the exciting process of transitioning you from a candidate to a franchisee! Once your franchise agreement is signed, you will register for franchise training, complete Job Shadowing at a LearningRx center, and begin completing online training courses. Franchise Training is 10 days and takes place about once quarterly. After you sign the agreement, you can expect to be operating your LearningRx center within 3-6 months!

You can start the process by calling us at (719) 955-6708. We look forward to speaking with you soon.

Tanya Mitchell and Katie Kemp
LearningRx Franchise Development Team

(719) 955-6708 | sales@learningrx.com



BrainRx International License Overview

Opening your own BrainRx Center is exciting! A BrainRx Center will allow you to make a difference and change the lives of many people in your community. When you obtain a center license, we will teach you to hire and train your own trainers, market, network with professionals, operate your own training center, and grow your business. To apply for your own BrainRx Center license, please email us at info@brainrx.com.



What is the process to obtain a BrainRx Center License?

The first step in the process is to set up an Introduction Call. During the Introduction Call we will answer your initial questions. Once you are qualified, our last step is to go over the contracts and enroll for training.

What is included in the training?

BrainRx Center training is a four-day training located at our World Headquarters in Colorado Springs, Colorado (or at a master developer's location throughout the world). At the training, we will cover the following material:

- Product Training
- Testing
- Test Analysis
- Sales
- Marketing
- Operations
- Personnel

What are the fees?

The training and licensing fee is only \$10,000. The training fee includes the following materials:

- Testing and Administrative Materials
- Trainer Materials (Four Trainer Kits)
- Marketing Materials
- Brochures
- Print Ads
- PowerPoint Presentations

The student fee is approximately 10%. The Gibson Online Test is only \$10 per use, or less if you purchase in bulk.

What is an example of a student program?

The training is typically five to six hours of training per week for 12–24 weeks. Half of the training will be digital (requires computer with internet access) and half of the training will be with a trainer.

The average fee right now in the United States for 72 hours of training is \$5,000.



Help change the lives of thousands of students every year with our BrainRx License program.

For more information, please go to:

www.brainrx.com

Other Notes

Estimated Initial Investment (Notes)

Note 1 All fees and costs are non-refundable under all circumstances.

Note 2 LearningRx will approve or decline your application within 45 days of our receipt of your completed application and your attendance at Discover Day. Your Franchise Fee will be due upon signing the Franchise Agreement and is fully earned upon payment. We will not refund the Initial Franchise Fee under any circumstances. LearningRx does not finance any fee. If you sign an Area Development Agreement, you must pay an Area Development Fee which is based on the number of Centers you are authorized to develop.

Note 3 The Initial Training and Material Fee covers approximately ten days of initial training for up to four people and about four days of onsite training.

Note 4 Initial Marketing Fee: At the same time, and in the same manner you pay your Initial Franchise Fee, you must pay us an Initial Marketing Fee of between \$12,000 and \$33,000 (depending on the size of the Territory) for an initial sales and marketing opening campaign with our approved marketing consultant for media, print, and marketing materials and products. We reserve the right to transfer up to \$3,000 of these funds into a specific brand management fund, which we may use in any way to maintain or enhance the brand, including resolving any outstanding customer or training issues when a Center is closed. You will have approval of the placement of advertising with the spending of the funds. This fee can be applied to the minimum Local advertising requirement of 5% of Gross Revenues or \$1,000 for Micro Franchise, \$2,000 for Rural Franchise and \$4,000 for Standard Franchise per month, whichever is greater; the Internet Marketing requirement of \$2,000 per year, as well as any Cooperative Advertising Requirement, for the first four months that your Center is open and operating. You are required to contribute 2.5% of Gross Revenue per month, up to \$15,000 per calendar year to the Marketing Development Fund. This contribution is paid in addition to the Initial Marketing Fee.

Note 5 If you do not own adequate space, you must lease the space for your Business. Generally, this will include first and last months' rent, plus a security deposit. Typical locations for Centers are outdoor malls and office buildings. The typical size of a Center is 1,200 to 1,800 square feet. The terms and conditions of all agreements relating to the purchase, lease, and alteration of the property will be negotiated solely by you; however, we require you to include certain lease provisions. The costs will vary widely and may be significantly higher than projected in this table depending on such factors as property location, population density, economic climate, prevailing interest rates and other financing costs, conditions of the property and extent of alterations required for the property. You should investigate all of these costs in the area where you wish to establish a Center.

Note 6 Includes other deposits, utility costs, telephone, Internet, and communications costs and incorporation fees.

Note 7 You must purchase an initial inventory of the student kits and/or workbooks ("Products" currently offered). Each student will need one or more kits and/or workbooks, depending on the program. You must also purchase a trainer kit for each trainer in your Center.

Note 8 You must maintain insurance policies covering you and LearningRx Franchise Corporation as an "additional insured" in amounts as specified by us in the Operations Manual. Insurance coverage must include property insurance, general liability including Hired and Non-Owned Auto liability, corporal punishment coverage, child sex abuse and molestation coverage, and special coverage if you offer In-Home Training. An Umbrella Liability policy is also recommended. See the Operations Manual for full details.

Note 9 While we do not require any specific vendors for computer equipment or Internet Service Providers, we may require a phone vendor and equipment, as well as requiring that you meet certain minimum standards established periodically in the Operations Manual. We do require that you have or purchase at least one computer system (we recommend that you have or purchase two systems) for the operation of your business. You will be required to use our proprietary software and pay to us a Quarterly Technology Fee (ranging from \$1,800 to \$2,400 per year depending on the size of your territory).

Note 10 This estimates your initial startup expenses for an initial three-month period, and does not include any revenue generated by the operation of your Business. These figures are estimates and we cannot guarantee that you will not have additional expenses starting your Business. Your expenses will depend on factors such as: how much you follow our methods and procedures, your management skill, experience and business acumen, local economic conditions (e.g., the local market for our Products), the prevailing wage rate, competition and the sales level reached during the initial period.

Note 11 We relied on 50 years of experience in the cognitive training business to compile these estimates. You should review these figures carefully with a business advisor before making any decision to purchase the franchise. We do not provide financing arrangements for you. If you obtain financing from others to pay for some of the expenditures necessary to establish and operate the franchise, the cost of financing will depend on your creditworthiness, collateral, lending policies, financial condition of the lender, regulatory environment, and other factors.

How Much Can You Make? (Notes)

1. Average Revenue Charged is based on the accrual basis. These numbers reflect amounts billed to clients during the fiscal year October 1, 2014 through September 30, 2015, but do not reflect actual collections during that period. The numbers in this category reflect the average net revenue achieved by all 78 franchised centers open the entire fiscal year.



LearningRx
one-on-one brain training

©2016 LearningRx, Inc. All rights reserved.