

| Type of Expenditure | Amount | Method of Payment | When Due | To Whom Payment Is Made |
|---|-------------------------------|-------------------|---|--|
| Initial Franchise Fee | \$25,000-\$59,500 (Note 2) | Lump sum | Prior to Execution of Franchise Agreement | The Company |
| Travel and living expenses while attending initial training | \$1,000-\$2,000 | As Incurred | During Initial Training | Airlines, Hotels and Restaurants |
| Real Estate | (Note 3) | | | |
| Opening Inventory | \$4,000-\$6,000 (Note 4) | Lump Sum | Prior to Opening | Vendors |
| Fixtures and Equipment (including computer equipment) | \$51,500-\$61,800 (Note 5) | Lump Sum | Prior to Opening | Contractors and / or Suppliers |
| Leasehold Improvements | \$69,000-\$115,000 (Note 6) | Lump Sum | Prior to Opening | Contractors and / or Suppliers |
| Supplemental Services Fee | \$3,000-\$5,000 (Note 7) | Lump Sum | Prior to Opening | The Company |
| Professional Fees | \$1,000-\$5,000 (Note 8) | As Incurred | Prior to Opening | Suppliers |
| Permits and Licenses | \$1,000-\$3,500 | As Incurred | Prior to Opening | Local and State Agencies |
| Lease Deposit | \$0- \$10,000 | Lump Sum | Prior to Opening | Landlord |
| Signage | \$4,000-\$8,000 (Note 9) | Lump Sum | Prior to Opening | Suppliers |
| Miscellaneous Opening Costs | \$3,000-\$5,000 (Note 10) | As Incurred | As Incurred | Suppliers, Utilities, etc. |
| Insurance | \$1,300-\$2,500 (Note 11) | Lump Sum | Prior to Opening | Insurance Company |
| Grand Opening Advertising | \$30,000 (Note 12) | Lump Sum | Prior to Opening | The Company |
| Additional Funds - 6 Months | \$40,000 - \$75,000 (Note 13) | As Incurred | As Needed | Employees, Creditors, and / or Suppliers |
| *TOTAL | \$233,800 - \$388,300 | | | |