

<b>GreenPal</b>		Development Phase	YEAR 1	YEAR 2	YEAR 3
<b>Revenue-Expense 3 Years</b>		3 Months			
Month		TOTAL	TOTAL	TOTAL	TOTAL
<b>Cash flow from operating activities</b>					
Subscription Membership (\$3,000 per year)			2,500	6,100	10,200
Hours Billed Per Month			242,000	1,068,000	1,924,000
Website Membership (Revenues)			\$6,250,000	\$10,500,000	\$17,150,000
Ancillary Products (T-shirts, BB Caps, etc)			\$0	\$0	\$0
GreenPal FriendShip Membership (Non-Language)			\$0	\$0	\$0
Sales of Miscellaneous from Non-Members			\$0	\$0	\$0
Returns and Bad Debts (10% of Sales)			-\$625,000	-\$1,050,000	-\$1,715,000
<b>TOTAL MARKET REVENUES</b>			<b>\$5,625,000</b>	<b>\$9,450,000</b>	<b>\$15,435,000</b>
<b>COST OF GOODS</b>					
Website Membership Transaction Expenses 2.5%			156,250	262,500	428,750
Commission Paid To China Marketing Company 20%			625,000	1,050,000	1,715,000
Ancillary Products			-	-	-
GreenPal FriendShip Membership (Non-Language)			-	-	-
Sales of Miscellaneous from Non-Members			-	-	-
<b>TOTAL COST OF GOODS</b>			<b>\$781,250</b>	<b>\$1,312,500</b>	<b>\$2,143,750</b>
<b>GROSS RECEIPTS (Net of Costs)</b>			<b>\$4,843,750</b>	<b>\$8,137,500</b>	<b>\$13,291,250</b>
<b>OPERATIONS</b>					
<b>WEBSITE COSTS</b>					
GreenPal Website Adjustments and Misc.	75,000		\$12,000	\$18,000	\$30,000
Project Management	15,000		\$60,000	\$102,000	\$120,000
Website Management	4,500		\$25,500	\$36,000	\$48,000
Tech. Support Outside Contract	-		\$12,000	\$21,000	\$30,000
Supplies	100		\$1,200	\$1,800	\$2,400
Contingency 5%	4,730		\$4,935	\$8,040	\$10,020
<b>TOTAL WEBSITE COSTS</b>	<b>99,330</b>		<b>\$104,635</b>	<b>\$170,340</b>	<b>\$212,920</b>

<b>FIXED OVERHEADS</b>				
Accounting/ Bookeeping + Year End Audit	7,500	90,000	102,000	120,000
Advertising, PR, Marketing	15,000	60,000	105,000	144,000
Bank Costs	600	2,400	3,000	3,600
China Operations, Office, Salary	30,000	120,000	162,500	180,000
Computers /Technology/Supplies/Office	8,500	6,000	15,000	18,000
Employee Salaries	6,500	36,000	72,000	102,000
Financing costs	-	125,000	180,000	0
Insurance (Liability, Key Man, etc)	1,500	6,000	6,000	9,000
Internet Service Provider, Company Office	600	2,400	3,000	4,200
Legal (Filing, Maintenance, Etc)	1,500	6,000	12,000	18,000
Management (Company)	19,500	184,000	265,000	360,000
Monitors ( 1 Monitor per 5 students \$15.00 per hour)	-	726,000	3,204,000	5,772,000
Office Equipment Maintenance	300	1,200	1,800	2,400
Office Supplies	300	1,200	1,200	1,800
Payroll Expenses	3,900	33,000	50,550	69,300
Phone Mobile	1,500	6,000	6,000	7,800
Phone, Fax	1,500	6,000	6,000	7,200
Postage, Shipping, Courier	150	600	1,025	1,440
Professional Associations	75	300	420	540
Publications - Trade	300	1,200	1,200	1,200
Rent (Vancouver Office) + Utilities	4,500	54,000	60,000	78,000
Rosetta Stone Licensing Fees	100,000	200,000	255,000	340,000
Server costs per client \$2,000 PM + \$0.21 user	7,000	26,541	35,214	44,202
Trade Shows	-	8,000	13,500	13,500
Transportation (Taxi, Train, Etc)	450	1,925	1,800	2,400
Travel	9,000	24,000	24,000	30,000
Utilities	750	3,000	3,000	4,200
Contingency 10%	22,093	173,077	229,510	366,739
<b>TOTAL FIXD OVERHEADS</b>	<b>243,018</b>	<b>\$1,903,843</b>	<b>\$4,819,719</b>	<b>\$7,701,521</b>

<b>TOTAL DEVELOPMENT / FIXED OVERHEADS</b>	342,348	\$2,008,478	\$4,990,059	\$7,914,441
EARNINGS BEFORE TAX	(342,348)	3,616,522	4,459,941	7,520,559
FINANCING IN - Gross \$750,000 / Net <b>\$650,000</b>				
<b>MONTHLY BALANCE</b>				
OPENING / CLOSING BALANCE	\$309,853	\$3,926,375	\$8,386,315	\$15,906,874

As of 2015, there were 300,000,000 children between the ages of 2 and 10 in China. Management have begun the first full year of operations starting with 100 students in month 1 and building to 2,500 by the end of year one.

No revenues have been included for any ancillary products, Greanwold's World memberships, Licensing and Merchandising and other revenue sources at this time.

Rosetta Stone licensing agreement consists of \$100 per licence, per use, per 12 month period. Revenue generated per lience per year. Minimum: \$300 Maximum: \$3.600.

There will be a 2 month Beta Test beginning of Year One. Membership fees will be held in escrow during those 2 months.