

1 May '25

## Re: Business Plan for Legacy Education & Capital Technologies Inc. (“LECT”)

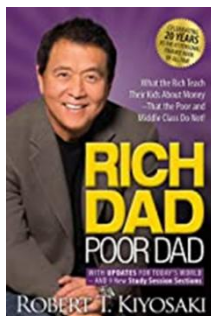
*Presented by Barry Kostiner & Issac Qureshi, CEO and Founder of FalconCo*

### Overview

There is tremendous synergy in applying AI / digital marketing / social media to customer engagement (for both services and products) in parallel with management of capital markets. Built on our technology platform, we are leveraging relationships with Legacy Education Alliance and multiple affiliates to build a platform company with application across several consumer verticals.

### Background on Legacy Education Alliance

Old education technologies and consumer relationships paired with low-cost open source and AI investments have the potential to rocket past tech companies with extreme investments in unprofitable customer acquisition. “Unexciting” media assets like radio and QVC have undervalued assets, similar to the 26 year history of Legacy Education and Rich Dad, Poor Dad.



Major U.S. Market Sales Analysis: 2016 - 2019

| Region                    | Total Sales          | # Sales       | Avg \$ / Sale  |
|---------------------------|----------------------|---------------|----------------|
| West                      | \$75,468,202         | 19,986        | \$3,776        |
| South                     | \$25,360,810         | 6,443         | \$3,936        |
| Florida                   | \$18,580,126         | 5,474         | \$3,394        |
| Northeast                 | \$38,363,740         | 11,761        | \$3,262        |
| Midwest                   | \$13,909,230         | 4,038         | \$3,445        |
| Online                    | \$6,332,710          | 7,657         | \$827          |
| Smaller Markets           | \$83,409,369         | 26,245        | \$3,178        |
|                           | <b>\$261,424,186</b> | <b>81,604</b> | <b>\$3,204</b> |
| Total # Unique Customers: |                      | <b>52,893</b> |                |

| Year  | North America Revenue | North America Rich Dad Revenue Percentage | UK Revenue | UK Rich Dad Revenue Percentage | Other Foreign Markets Revenue | Other Foreign Markets Rich Dad Revenue Percentage | Total    | Royalties Paid |
|-------|-----------------------|-------------------------------------------|------------|--------------------------------|-------------------------------|---------------------------------------------------|----------|----------------|
| 2014  | \$ 74.2               | 96.3%                                     | \$ 8.1     | 49.7%                          | \$ 0.8                        | 23.0%                                             | \$ 83.1  | \$ 6.3         |
| 2015  | 59.7                  | 92.2%                                     | 7.1        | 40.8%                          | 0.5                           | 9.0%                                              | 67.3     | 5.5            |
| 2016  | 51.0                  | 87.8%                                     | 5.4        | 30.5%                          | 10.2                          | 76.8%                                             | 66.6     | 4.3            |
| 2017  | 50.5                  | 88.4%                                     | 4.3        | 20.2%                          | 15.7                          | 82.1%                                             | 70.5     | 4.7            |
| 2018  | 44.6                  | 84.1%                                     | 5.1        | 83.7%                          | 19.3                          | 97.2%                                             | 69.0     | 3.4            |
| 2019  | 43.5                  | 79.9%                                     | 3.5        | 84.6%                          | 16.9                          | 100.0%                                            | 63.9     | 3.4            |
| 2020  | 16.9                  | 71.6%                                     | 0.7        | 87.5%                          | 0.7                           | 46.7%                                             | 18.3     | -              |
| 2021  | 2.5                   | 50.0%                                     | 1.8        | 66.7%                          | -                             | 0.0%                                              | 4.3      | -              |
| Total | \$ 342.9              |                                           | \$ 36.0    |                                | \$ 64.1                       |                                                   | \$ 443.0 | \$ 27.6        |

### Investment Thesis:

- Stages are back
- After Covid people are seeking personal engagement, real communities
- Tony Robbins core education and event business has grown from \$5M / week before Covid to \$20 M / week after Covid as a result of optimizing the cross selling of digital education to live events.
- Digital is great for creating communities, but an “upsell” to live engagement is a winning strategy
- Fully digital delivery is great for books and music, but personal connection is more effective and enables a higher price point when the objective is personal transformation.
- Education is a conduit to asset management, as illustrated by Grant Cardone & Than Merrill.

Our core foundation is education, with initial focus including:

- a) AI applied to social media and digital marketing – strategy led by Michael Bresler, with 11 years of experience at Agora Financial, in partnership with outsourcing expertise of FalconCo
- b) Trading education (affiliates include [www.tradewiththebull.com](http://www.tradewiththebull.com), [www.tackletrading.com](http://www.tackletrading.com))
- c) Real estate education, led by Tim Chaffin
- d) Motivation & Wellness (partnership with Harom LLC, including nutraceuticals, clinical therapy and wellness retreats)
- e) Financial wellness, commencing with credit repair and tax relief services provided by <https://warriortaxrelief.com/>
- f) Online academic degrees in partnership with Coopersmith
- g) Leverage AI / Social Media / Digital Marketing Platform in application to:  
Digital marketing affiliate offers, capital markets syndication, as well as funding of political contributions under the leadership of Peter Brown Jr.

Education businesses are a conduit to incubating digital marketing businesses and guiding them on the path to independent Nasdaq listings, using the listing of LECT itself as a case study.

## Table of Contents

|                                                                                           |    |
|-------------------------------------------------------------------------------------------|----|
| 1. Value Proposition                                                                      | 3  |
| 2. Vertical I Background: Entry point to financial wellness - Credit Repair & Tax Relief  | 4  |
| 3. Vertical II Background: Trading Newsletters on Path to Education and Active Investment | 9  |
| Comparative Summary: eToro vs. Agora Financial in Financial Education                     | 10 |
| 4. Vertical III Background: Real Estate Education                                         | 13 |
| 5. Vertical IV Background: Wellness & Nutraceuticals                                      | 17 |
| 6. Vertical V Background: Online Degrees                                                  | 19 |
| Overview of Affiliate Marketing Business Model                                            | 22 |
| Political Funding                                                                         | 26 |
| 7. Synergistic Asset Roll Up Strategy                                                     | 27 |
| 8. AI applied to Digital Marketing, Social Media and Investor Relations                   | 28 |
| 9. Monetization, Affiliate Relationship Terms & Preferred Equity                          | 30 |
| 10. Nasdaq Capital Markets Economic Model                                                 | 32 |
| 11. Management Structure & Compensation                                                   | 32 |
| 12. Exhibits [Dropbox Link]                                                               | 33 |

|     |                                                            |    |
|-----|------------------------------------------------------------|----|
| 12. | Video Links                                                | 34 |
| 13. | Management Bio                                             | 34 |
| 14. | Case Study: Nano Nuclear Energy's Direct Listing on Nasdaq | 37 |
| 15. | NASDAQ/NYSE DIRECT EXCHANGE LISTING PROCESS & FEES         | 40 |
| 16. | NASDAQ/NYSE DIRECT EXCHANGE LISTING FAQs                   | 41 |

## 1. Value Proposition

In the last 5 years, and especially after Covid, there has been a transition in the global economy, where value has been concentrated in tech companies, especially those that touch the consumer and are connected to social media “platforms”. AI is the secret sauce which is accelerating the penetration and profitability of digital marketing, social media and ALL businesses. Open source and AI technologies have the potential to radically change the leaderboard once again over the next decade.

**LARGEST GLOBAL COMPANIES IN 2018 VS 2008:**  
SEVEN OUT OF TEN ARE NOW BASED ON PLATFORM BUSINESS MODELS

| 2018 |                    |         |        | 2008 |                   |         |        |
|------|--------------------|---------|--------|------|-------------------|---------|--------|
| RANK | COMPANY            | FOUNDED | US\$Bn | RANK | COMPANY           | FOUNDED | US\$Bn |
| 1.   | Apple *            | 1976    | 890    | 1.   | PetroChina        | 1999    | 728    |
| 2.   | Google *           | 1998    | 768    | 2.   | EXXON             | 1870    | 492    |
| 3.   | Microsoft *        | 1975    | 680    | 3.   | GE                | 1892    | 358    |
| 4.   | amazon *           | 1994    | 592    | 4.   | 中国移动 China Mobile | 1997    | 344    |
| 5.   | Facebook *         | 2004    | 545    | 5.   | ICBC              | 1984    | 336    |
| 6.   | Tencent 腾讯 *       | 1998    | 526    | 6.   | CAZPRM            | 1989    | 332    |
| 7.   | BERKSHIRE HATHAWAY | 1955    | 496    | 7.   | Microsoft         | 1975    | 313    |
| 8.   | Alibaba.com *      | 1999    | 488    | 8.   | Shell             | 1907    | 266    |
| 9.   | Johnson & Johnson  | 1886    | 380    | 9.   | AT&T              | 2000    | 257    |
| 10.  | J.P.Morgan         | 1871    | 375    | 10.  | AT&T              | 1885    | 238    |

\* Companies based on the platform model

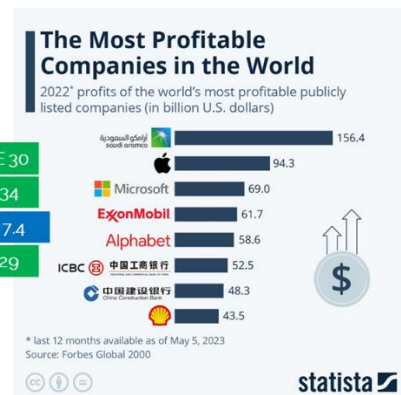
Sources: Bloomberg, Google

Mkt Cap: \$2.75T; PE 30

Mkt Cap: \$2.4T; PE 34

Mkt Cap: \$0.44T; PE 7.4

Mkt Cap: \$1.6T; PE 29



## Background

Legacy Education (OTC: LEAI) is a public company with a 26 year history of live events focused on investor education. For 14 years prior to Covid, the company focused on the Robert Kiyosaki Rich Dad, Poor Dad Brand, that accounted for 80% of its revenue through seminars on real estate education. At its peak, LEAI had global revenues of \$100M/year, with cumulative revenues of almost \$900M.

Barry Kostiner took control of LEAI at a \$1.8M valuation, with a goal of using the company as a vehicle to integrate and expand his family business with a niche market focus on accredited degree completion, <https://www.coopersmithcc.net/>

The core opportunity is to leverage LEAI's database to launch digital marketing of affiliate offers using the latest AI technology for web scraping and automated AI-voice sales engines.



LECT is being launched as an independent Nasdaq listing to enable the application of Legacy Education's 26 year history to affiliate businesses, while also leveraging the relationship with FalconCo's global relationships in applying AI to building a social media and digital marketing platform.

## 2. Vertical I Background: Entry point to financial wellness - Credit Repair & Tax Relief

### How the Credit Repair Business Works, Profit Model, and Size in the U.S.

**How It Works:** The credit repair industry assists individuals in improving their credit scores by identifying and disputing inaccuracies on credit reports from the three major bureaus—Equifax, Experian, and TransUnion. The process begins when a client enrolls, often paying an initial fee and agreeing to monthly payments. The company analyzes the client's credit reports for errors like incorrect payment histories or outdated negative items, then sends dispute letters to bureaus and creditors under the Fair Credit Reporting Act (FCRA), which mandates a 30-day investigation period for disputed items. If errors are unverifiable, they're removed, potentially boosting the client's score. The service typically spans 3–6 months, with ongoing monitoring and follow-ups. Companies may also offer credit-building advice, though consumers can dispute errors themselves for free—credit repair firms provide convenience and expertise.

**Profit Model:** Credit repair businesses thrive on a subscription-based model with recurring revenue. Clients pay an initial setup fee (e.g., \$15–\$200) for account setup and analysis, followed

by monthly fees (\$79–\$149) for dispute services and support. Additional revenue comes from upsells like premium plans with expedited disputes or credit monitoring. Operating costs are low—software, marketing, and minimal staff—yielding profit margins of 25%–40%. For example, a solo operator with 20 clients at \$100/month could earn \$24,000 yearly with \$10,000 profit (40% margin), while a larger firm with 100 clients might see \$120,000 revenue and \$30,000 profit (25% margin). The model scales with client volume and retention, performing well in economic downturns when credit issues spike.

**Size in the U.S.:** The U.S. credit repair industry is valued at \$6.4 billion in 2024 (IBISWorld), with projections suggesting growth to \$7.4 billion by 2027 or \$8.19 billion by 2032, depending on economic trends. It comprises about 41,536 businesses and employs over 46,000 people, though the number of firms has slightly declined (5.19% from 2023). Historically, the industry saw a -6.4% to -3.2% CAGR from 2017–2023, but demand surges during economic stress (e.g., 9.5% growth in 2022). It's fragmented, with no company holding over 5% market share, driven by widespread credit reliance and frequent report errors (34% of consumers find at least one).

[Source: Edited Grok: <https://grok.com/chat/a7301a4b-1aca-48d0-a555-134842ad37a6>]

## How Optima Tax Relief Works

Optima Tax Relief is a full-service tax resolution firm that assists individuals and businesses struggling with tax debt owed to the IRS or state tax authorities. Here's how it functions:

1. **Initial Consultation:** Clients begin with a free consultation where a tax associate evaluates their tax situation, reviewing debts, IRS notices, or unfiled returns. This step assesses eligibility for relief (typically requiring at least \$10,000 in tax debt).
2. **Investigation Phase:** For a fee (often \$295–\$500), Optima investigates the client's tax history, pulling IRS transcripts and identifying resolution options like payment plans, penalty abatement, or an Offer in Compromise (OIC). They also ensure compliance by filing any delinquent returns.
3. **Resolution Phase:** Optima's team—comprising tax attorneys, CPAs, and enrolled agents—negotiates with the IRS or state agencies to reduce penalties, settle debts for less than owed, or stop aggressive collection actions (e.g., liens, levies). This phase involves tailored strategies based on the client's financial situation.
4. **Ongoing Support:** Some clients receive additional services like tax preparation, audit defense, or monitoring to maintain compliance, often as part of higher-tier packages.

The process can take months, depending on IRS response times and case complexity. While taxpayers can negotiate with the IRS directly for free, Optima provides expertise and representation, appealing to those overwhelmed by tax issues or facing enforcement actions.

## Profit Model

Optima Tax Relief's profit model hinges on **service fees** charged for resolution expertise, structured to maximize revenue while managing operational costs:

1. **Investigation Fee:** Clients pay an upfront fee (\$295–\$500) for the initial investigation, covering document retrieval and case assessment. This ensures revenue even if clients don't proceed further.
2. **Resolution Fees:** The bulk of income comes from resolution services, typically ranging from \$1,000 to \$5,000+, though costs can escalate to \$7,000+ for complex cases (e.g., large debts, multiple years of unfiled returns). Fees vary based on debt size and service scope, often quoted after the investigation.
3. **Upsells and Add-Ons:** Optima offers premium services like audit protection, ongoing tax preparation, or expedited negotiations, increasing per-client revenue. These can add hundreds to thousands of dollars.
4. **Cost Structure:** Expenses include staff salaries (over 400 employees, including 25+ tax professionals), marketing (radio ads, SEO), and compliance costs. Margins are estimated at 30%–40%, as the business scales with client volume rather than heavy infrastructure. For example, resolving \$1 billion in tax debt (Optima's claim) at an average 5% fee could yield \$50 million in revenue, with \$15–\$20 million as profit.
5. **Client Retention:** Unlike credit repair's monthly subscriptions, Optima's model is project-based, but repeat business from tax preparation or new issues drives long-term income.

The model capitalizes on tax debt urgency, targeting clients willing to pay for relief from IRS pressure, with profitability tied to case complexity and client acquisition.

## Size in the U.S.

Optima Tax Relief is a prominent player in the U.S. tax relief industry, which is a subset of the broader tax services market. Here's its scale:

- **Industry Context:** The tax relief industry isn't separately tracked from tax preparation (\$12.6 billion in 2024, IBISWorld), but tax resolution is a niche within it,

estimated at \$1–\$2 billion annually. Optima claims to have resolved over \$3 billion in tax liabilities since 2011, suggesting a significant market presence.

- **Revenue Estimate:** As a private company, Optima doesn't disclose exact figures, but industry analysts estimate its annual revenue at \$50–\$100 million, based on its client base (thousands annually), fee structure, and market share. This aligns with its status as a top firm alongside competitors like Precision Tax Relief and Community Tax.
- **Operations:** Headquartered in Santa Ana, California, Optima employs over 400 full-time staff, including dozens of licensed professionals, and operates nationwide. Its A+ BBB rating and awards (e.g., “Most Trusted Tax Relief Firm” by YouGov, 2023) bolster its reputation.
- **Market Position:** In a fragmented industry with thousands of small firms and larger players like Larson Tax Relief, Optima stands out for its scale and marketing reach. It likely holds a 5%–10% share of the tax relief market, though no single firm dominates.

The company's size reflects its focus on high-debt cases (\$10,000+ minimum) and aggressive advertising, thriving in a market fueled by the \$158 billion in U.S. back taxes owed in 2023 (IRS data).

## Summary

Optima Tax Relief operates by guiding clients through tax debt resolution, from consultation to IRS negotiation, leveraging professional expertise for a fee. Its profit model relies on upfront and resolution fees, enhanced by upsells, with healthy margins from a scalable, low-overhead operation. In the U.S., it's a major player in the \$1–\$2 billion tax relief niche, with estimated revenues of \$50–\$100 million and a nationwide footprint, capitalizing on persistent tax debt demand.

## Affiliates with whom we are working:

- Credit Repair Cloud: <https://www.creditrepaircloud.com/>
- The Credit Pros: <https://thecreditpros.com/>
- Warrior Tax Relief: <https://warriortaxrelief.com/>



LEGACY  
EDUCATION & CAPITAL TECHNOLOGIES



### 3. Vertical II Background: Trading Newsletters on Path to Education and Active Investment

Quantifying the size of the financial education business is challenging due to its fragmented nature, spanning formal education (e.g., university courses), professional certifications (e.g., CFA, CFP), online platforms, and informal channels like social media. However, available data and trends provide a sense of its scale:

#### 1. Market Estimates:

- The global **financial literacy market** is part of the broader e-learning and personal development sectors. According to industry reports, the global e-learning market was valued at approximately **\$315 billion in 2023** and is projected to grow to **\$1 trillion by 2030**, with a CAGR of around 20%. Financial education, while a subset, is a significant driver due to increasing demand for personal finance skills.
- A more specific estimate from Research and Markets suggests the **online financial education market** (including courses, apps, and platforms like eToro Academy) was worth around **\$8-10 billion in 2023**, with growth fueled by digital adoption and interest in investing.

#### 2. Consumer Spending and Participation:

- In the U.S. alone, the **personal finance education market** (including books, courses, and apps) is estimated to generate **\$1-2 billion annually**, driven by retail investor growth. For instance, the surge in retail trading during 2020-2021 (eToro saw a 147% growth in funded accounts in 2020) highlights the demand for accessible education.
- Globally, platforms like Coursera, Udemy, and specialized financial education providers (e.g., Investopedia Academy) collectively serve millions, with Udemy reporting over **62 million learners** by 2023, a portion of whom focus on finance-related courses.

#### 3. Corporate and Institutional Investment:

- Companies like eToro, with \$630 million in revenue in 2023 and a \$3.5 billion valuation, reinvest heavily in educational content as a competitive edge. Traditional players like **Charles Schwab** and **Fidelity** also offer free educational resources, suggesting a market where education is both a standalone product and a customer acquisition tool.
- The **financial wellness programs market**, often tied to education, was valued at **\$2.3 billion in 2022** and is expected to reach **\$4.8 billion by 2030**, per Grand View Research, reflecting employer and institutional spending.

#### 4. Social Media and Informal Channels:

- The rise of “finfluencers” on platforms like X, YouTube, and TikTok has expanded the informal financial education space. While hard to quantify, this segment influences millions, with eToro’s X partnership tapping into this trend.

## Comparative Summary: eToro vs. Agora Financial in Financial Education

### *Overview of eToro’s Approach*

eToro, a social trading and investment platform, has emerged as a transformative force in financial education by integrating learning directly into its ecosystem. With over 35 million registered users as of June 2023, eToro leverages its eToro Academy—launched in 2024 with over 1,450 resources in 10 languages—and social features like CopyTrader to educate users. Its partnerships with X (June 2024) and academic institutions like Bocconi University (July 2024) amplify its reach, delivering expert-led content to a global audience. eToro targets beginners and millennials, offering zero-commission trading and virtual accounts to lower entry barriers, fostering hands-on learning. Its revenue of \$630 million in 2023 and \$3.5 billion valuation underscore its scale, with education serving as both a value-add and a customer acquisition tool.

### *Overview of Agora Financial’s Approach*

Agora Financial, a subsidiary of The Agora Companies, operates as a traditional financial education and publishing firm, emphasizing in-depth research and subscription-based content. Known for its newsletters (e.g., *The 5-Minute Forecast*), books, and premium investment reports, Agora Financial caters to a niche audience of self-directed investors seeking alternative strategies and market insights. With a history dating back decades, it reportedly generates hundreds of millions in annual revenue across its network, though exact figures are private. Agora’s model relies on expert analysts and contrarian perspectives, often marketed through long-form sales letters and seminars, positioning it as a thought leader in wealth-building and financial independence.

### *Similarities in Impact*

Both eToro and Agora Financial aim to empower individuals with financial knowledge, addressing the growing demand for literacy in an increasingly complex market. They capitalize on the retail investor boom—eToro through its platform’s 147% account growth in 2020, and Agora through its expanded subscriber base during the same period. Each offers content tailored to different skill levels: eToro’s beginner-friendly Academy contrasts with Agora’s mix of introductory and advanced reports. Both also leverage credibility—eToro via institutional partnerships, Agora through its roster of seasoned analysts—to build

trust. Their influence contributes to the broader financial education market, estimated at \$8-10 billion in 2023 for online segments, with both players driving awareness and participation.

### *Contrasts in Delivery and Accessibility*

The most striking difference lies in their delivery methods. eToro embeds education within a practical trading environment, using interactive tools like CopyTrader and a social newsfeed to facilitate peer-to-peer learning. This contrasts with Agora Financial's static, content-heavy approach, which relies on written reports, videos, and paid subscriptions without an integrated trading platform. eToro's model is inherently more accessible, offering free resources and a low barrier to entry (e.g., virtual accounts), while Agora's premium content often requires significant upfront investment, targeting a more committed, affluent audience.

Accessibility extends to their technological approaches. eToro's digital-first strategy, enhanced by its X livestreams and mobile app, aligns with younger demographics—only 30% of millennials invested in stocks as of July 2023, a gap eToro seeks to close. Agora Financial, while present online, leans on traditional marketing (e.g., email campaigns) and lacks the real-time, community-driven engagement eToro provides. This positions eToro as a mass-market educator, while Agora remains a specialized provider.

### *Scale and Audience Reach*

eToro's scale dwarfs Agora Financial's in terms of user base and global presence. With 35 million users across 140 countries, eToro's educational efforts—1.7 million Academy visitors in 2022—reach a vast, diverse audience. Agora Financial, though influential within its niche, likely serves a smaller, more targeted group, with subscriber numbers in the hundreds of thousands rather than millions. eToro's \$630 million revenue reflects its broader commercial scope, blending trading and education, whereas Agora's revenue, while substantial, stems solely from content sales, lacking the transactional ecosystem eToro offers.

### *Philosophical and Business Model Differences*

Philosophically, eToro promotes a collaborative, transparent learning culture, encouraging users to “copy” successful traders and share insights. Agora Financial, conversely, adopts a more individualistic, contrarian stance, often pitching exclusive knowledge to help subscribers outsmart mainstream markets. This reflects their business models: eToro's freemium approach subsidizes education through trading fees, while Agora's paywall-driven model monetizes expertise directly. eToro's partnerships with mainstream entities

like the London Stock Exchange signal a move toward institutional legitimacy, whereas Agora thrives on its outsider reputation, appealing to skeptics of conventional finance.

#### *Impact on Financial Education Market Size*

Both contribute to the financial education market's growth, but in distinct ways. eToro's integration of education into trading aligns with the \$315 billion e-learning market's 20% CAGR, potentially expanding the online financial segment beyond \$10 billion by 2030. Agora Financial bolsters the premium content niche, feeding into the \$1-2 billion U.S. personal finance education market. eToro's scale and accessibility likely have a broader democratizing effect, while Agora's depth and exclusivity cater to a high-value subset, influencing market size through retention rather than mass adoption.

#### *Conclusion*

eToro and Agora Financial represent two poles of the financial education spectrum: eToro as a tech-driven, inclusive platform reshaping how millions learn to invest, and Agora as a traditional, expertise-focused publisher serving a dedicated niche. eToro's impact is wider and more immediate, leveraging scale and interactivity, while Agora's is deeper and more specialized, rooted in research and narrative. Together, they illustrate the diversity of the financial education business, each amplifying its growth—eToro through volume, Agora through value—in a market poised for continued expansion.

[Source: Edited Grok [https://grok.com/share/bGVnYWN5\\_920369c9-4421-4128-a14a-a7e72638f63a](https://grok.com/share/bGVnYWN5_920369c9-4421-4128-a14a-a7e72638f63a)]

The opportunity starts with education from newsletters to coaching, and leads to a participation model where we may fund our student's trading accounts. White label technologies are available such as:

<https://tradingzing.com/best-ai-trading-bot/>

## 4. Vertical III Background: Real Estate Education

The real estate education business is a significant and growing sector within the broader personal development and financial education industries. While exact figures for the size of this market are difficult to pin down due to its fragmented nature—spanning online courses, seminars, books, coaching programs, and more—it is part of the global personal development market, which was valued at approximately \$40 billion in 2022 and is projected to grow to over \$56 billion by 2030, according to various industry reports. Real estate education specifically taps into a lucrative niche, driven by widespread interest in real estate investing as a path to wealth, with millions of individuals seeking knowledge on flipping houses, rental properties, and other investment strategies. The rise of digital platforms has further expanded its reach, making it a multi-billion-dollar segment on its own, though precise data is often proprietary or anecdotal due to the private nature of many companies involved.

### Dominant Players in Real Estate Education

Several high-profile figures stand out as dominant players in this space, including Tony Robbins, Grant Cardone, Robert Kiyosaki, and Than Merrill. Each has carved out a unique niche, leveraging their personal brands to offer education through various channels like books, seminars, online courses, and mentorship programs. Below is an overview of their roles and influence:

#### Tony Robbins

- **Contribution:** Tony Robbins, a globally recognized life coach and motivational speaker, extends his personal development empire into real estate education through events like the "Wealth Mastery" seminar and collaborations with other experts. While not exclusively focused on real estate, he often emphasizes it as a wealth-building strategy. His partnership with Dean Graziosi in ventures like the "Own Your Future Challenge" includes real estate investing as a key component.
- **Scale:** Robbins' business interests are vast, with his companies reportedly generating over \$5 billion annually across all sectors. Real estate education is a smaller but notable slice of this, amplified by his massive audience (millions attend his events or buy his products yearly).

- **Influence:** His broad appeal and high-energy delivery attract beginners and seasoned investors alike, though his real estate content is often more motivational than technical.

### Grant Cardone

- **Contribution:** Grant Cardone is a real estate mogul turned educator, known for his "10X Rule" philosophy and focus on multifamily real estate investing. Through Cardone University and Cardone Capital, he offers courses, books (e.g., *The 10X Rule*), and live events, teaching aggressive wealth-building strategies. He also allows investors to co-invest in his deals via Cardone Capital, blending education with practical application.
- **Scale:** Cardone claims to manage over \$4 billion in real estate assets through Cardone Capital, and his educational platform reportedly serves tens of thousands of students. His sales training and real estate programs generate significant revenue, likely in the hundreds of millions annually, though exact figures are private.
- **Influence:** Cardone's brash style and emphasis on leveraging debt for large-scale investments appeal to ambitious entrepreneurs, making him a dominant force among those targeting multifamily properties.

### Robert Kiyosaki

- **Contribution:** Robert Kiyosaki, author of the iconic *Rich Dad Poor Dad* (over 32 million copies sold worldwide), is arguably the most influential figure in real estate education. His books, seminars, and Cashflow board game focus on financial literacy, with real estate as a cornerstone of wealth creation. The Rich Dad Company offers workshops and coaching, promoting strategies like the BRRRR method (Buy, Rehab, Rent, Refinance, Repeat).
- **Scale:** Kiyosaki's net worth is estimated at \$100 million, with much of his income derived from book sales and educational programs. The Rich Dad brand has reached millions globally, and its seminars—often priced from hundreds to thousands of dollars—generate substantial revenue, potentially in the tens of millions annually.
- **Influence:** His accessible, narrative-driven approach has inspired a generation of investors, particularly those interested in rental properties and passive income, cementing his status as a household name.

### Than Merrill

- **Contribution:** Than Merrill, a former NFL player turned real estate investor, founded FortuneBuilders, one of the largest real estate education companies in the U.S. FortuneBuilders offers workshops, coaching, and software tools, focusing on practical skills like house flipping and wholesaling. Merrill also gained visibility through A&E's *Flip This House*.
- **Scale:** FortuneBuilders reportedly generates over \$50 million annually, with thousands of students attending its high-ticket seminars (often costing \$1,000-\$30,000). While smaller than Robbins or Cardone's empires, it's a major player in hands-on real estate training.
- **Influence:** Merrill's focus on actionable strategies and systems appeals to beginners and intermediate investors, though his high-priced programs have drawn mixed reviews regarding value versus cost.

### Comparative Analysis and Market Position

- **Market Reach:** Kiyosaki likely has the broadest reach due to *Rich Dad Poor Dad*'s global success, followed by Robbins, whose fame transcends real estate. Cardone and Merrill target more niche, action-oriented audiences.
- **Revenue Potential:** Robbins' diversified empire dwarfs the others in total revenue, but Cardone and Kiyosaki dominate in real estate-specific earnings. Merrill's FortuneBuilders, while significant, operates at a smaller scale.
- **Approach:** Robbins inspires broadly, Kiyosaki educates conceptually, Cardone pushes aggressive action, and Merrill provides tactical training. Together, they cover the spectrum from motivation to execution.

### Conclusion

The real estate education business is a thriving, multi-billion-dollar industry fueled by demand for financial independence. Tony Robbins, Grant Cardone, Robert Kiyosaki, and Than Merrill are among the dominant players, each leveraging their unique strengths—Robbins' mass appeal, Cardone's real estate empire, Kiyosaki's foundational teachings, and Merrill's practical focus. While their collective influence is undeniable, the market also includes other notable names (e.g., Tai Lopez, Anson Young), but these four stand out for their scale, recognition, and impact.

[Source: Edited Grok [https://grok.com/share/bGVnYWN5\\_e80e5cb6-c21e-40ea-a651-39d3e4ff02ac](https://grok.com/share/bGVnYWN5_e80e5cb6-c21e-40ea-a651-39d3e4ff02ac) ]



### **Social Housing Real Estate Strategy:**

Whitney Sellers has a long history of passion and experience in educating, investing and operating in the social housing space:

LinkedIn video of Whitney's vision and passion for social housing:

[https://www.linkedin.com/posts/barry-kostiner\\_impactinvesting-nasdaq-reits-activity-6926940048827281408-uLQY?utm\\_source=share&utm\\_medium=member\\_desktop](https://www.linkedin.com/posts/barry-kostiner_impactinvesting-nasdaq-reits-activity-6926940048827281408-uLQY?utm_source=share&utm_medium=member_desktop)

### **Background on Real Estate and Public Offering Strategy**

18 min video summarizing benefits and implementation of using real estate investments to seed larger real estate investment vehicles / REITs:

<https://www.dropbox.com/s/xbt2p49weqmmb8d/4REITstrategyExplanation22mar22.mp4?dl=0>



## 5. Vertical IV Background: Wellness & Nutraceuticals

### **Background on the Wellness Industry and Mindvalley**

The wellness industry has experienced significant growth in recent years, driven by increasing consumer interest in health, personal development, and holistic well-being. Valued at over \$4.5 trillion globally as of 2017 (according to the Global Wellness Institute), the industry encompasses sectors like mental wellness, physical activity, healthy eating, and personal care. Within this expansive market, the workplace wellness segment alone was valued at \$53 billion in 2022, with a projected compound annual growth rate (CAGR) of 4.47% through 2030. This growth reflects a shift toward preventive health, self-improvement, and mental resilience, fueled by societal challenges like work-related stress and a desire for meaningful personal transformation.

Mindvalley, founded in 2002 by Vishen Lakhiani and headquartered in Kuala Lumpur, Malaysia, has emerged as a key player in the wellness education space. Positioning itself as "a global school for humanity," Mindvalley focuses on personal growth, offering courses—or "Quests"—that cover topics such as mindfulness, spirituality, productivity, relationships, and biohacking. The company has grown rapidly, quadrupling its revenue since 2016 and reaching an estimated \$95 million annually with a community spanning 195 countries. Mindvalley's mission is to disrupt traditional education by delivering transformative learning experiences, aiming to impact one billion lives by 2038. Its proprietary Quest platform, which blends microlearning, community engagement, and cutting-edge technology, boasts completion rates 500% higher than typical online courses, setting it apart in the edtech and wellness space.

### **Mindvalley's Competitors**

Mindvalley operates in a competitive landscape where wellness education intersects with e-learning and personal development platforms. Its primary competitors include:

1. **MasterClass:** Valued at \$2.8 billion, MasterClass offers premium courses taught by celebrities and experts across diverse fields, including wellness topics like cooking and meditation. While it shares Mindvalley's focus on high-quality content, MasterClass emphasizes star power over community-driven transformation.
2. **Udemy:** A broad e-learning platform, Udemy provides affordable, self-paced courses, including wellness and personal development offerings. Unlike Mindvalley's curated, holistic approach, Udemy's model prioritizes volume and accessibility over structured transformation.
3. **Gaia:** Focused on spirituality, wellness, and alternative health, Gaia competes directly with Mindvalley's niche. It offers video content, documentaries, and courses, appealing to a similar spiritually inclined audience but with less emphasis on interactive learning technology.

4. **Headspace:** A leader in mindfulness and meditation apps, Headspace targets mental wellness but lacks the broader personal growth curriculum Mindvalley provides. Its strength lies in simplicity and accessibility rather than comprehensive transformation.
5. **Coursera:** Partnering with universities and organizations, Coursera offers professional and wellness-related courses. It caters to a more academic audience, contrasting with Mindvalley's New Age, experiential focus.

Mindvalley differentiates itself through its emphasis on community, daily microlearning, and a spiritually infused curriculum, carving a unique niche amid these competitors.

#### **Mindvalley's Business Model**

Mindvalley's business model revolves around a subscription-based, technology-driven platform that delivers personal transformation at scale. Key components include:

- **Revenue Streams:** The core offering is the Mindvalley Membership (around \$2/day), granting unlimited access to 100+ Quests, meditations, and exclusive events. Additional revenue comes from premium programs, live events (e.g., Future Human 2025 summit), and workplace wellness solutions via "Mindvalley for Business," which serves companies like Deloitte, Cisco, and ExxonMobil.
- **Value Proposition:** Mindvalley promises life-changing education that traditional systems overlook, targeting individuals (especially ages 35–50, often women) seeking purpose, resilience, and spiritual growth. Its workplace arm addresses corporate needs for employee engagement and stress reduction.
- **Delivery Mechanism:** The Quest platform uses a gamified, app-mediated approach with 20-minute daily lessons, community interaction, and AI-guided curricula. This automation ensures scalability while maintaining a personal feel, eliminating the need for direct human interaction.
- **Customer Acquisition:** Mindvalley leverages a freemium model with free masterclasses and YouTube content (Mindvalley Talks) to draw users into its ecosystem, upselling them to subscriptions. Word-of-mouth referrals from satisfied users and partnerships (e.g., with Emirates Airlines) further drive growth.
- **Scalability:** By digitizing delivery and focusing on evergreen content from thought leaders like Tony Robbins and Sadhguru, Mindvalley achieves efficiency (revenue per employee: \$22,277) and global reach without physical infrastructure constraints.

This model blends education, technology, and wellness, positioning Mindvalley as both a consumer-facing platform and a B2B solution for workplace well-being.

#### **Connection Between Wellness Education and the Nutraceutical Industry**

The wellness education industry and the nutraceutical industry (which includes supplements, functional foods, and botanicals) are closely intertwined, sharing a focus on preventive health and self-optimization. Here's how they connect:

- **Shared Audience:** Both target health-conscious consumers seeking to enhance physical and mental well-being. Mindvalley's courses on biohacking, diet, and longevity (e.g., "The Longevity Blueprint") align with nutraceuticals' promise of improved health through targeted nutrition.

- **Complementary Offerings:** Wellness education platforms like Mindvalley often educate users on lifestyle changes that nutraceuticals support. For instance, a Quest on brain health might recommend nootropics or omega-3 supplements, driving demand for nutraceutical products.
- **Market Trends:** The Global Wellness Institute identifies "brain-boosting nutraceuticals and botanicals" as a mental wellness subsector, reflecting a \$1.5 trillion wellness market trend (per McKinsey, 2021). Mindvalley's content amplifies this by teaching consumers how to integrate such products into daily routines.
- **Partnership Potential:** Nutraceutical companies could collaborate with wellness education platforms to co-create content or bundle products with courses, enhancing credibility and sales. While Mindvalley doesn't directly sell nutraceuticals, its teachings indirectly bolster the industry by fostering an informed, receptive consumer base.
- **Holistic Approach:** Both industries promote a proactive, personalized approach to health—education provides the knowledge, while nutraceuticals offer tangible tools. This synergy fuels growth in both sectors as consumers increasingly prioritize self-care over reactive medicine.

In summary, Mindvalley exemplifies how wellness education can thrive within the broader industry, competing with diverse players through a unique, scalable model. Its influence extends to related fields like nutraceuticals, where education drives demand for products that promise to actualize the lifestyle changes it teaches. As of March 20, 2025, Mindvalley remains a dynamic force in this evolving landscape.

[Source: Edited Grok [https://grok.com/share/bGVnYWN5\\_cadf6f38-9b8e-4cd4-b342-71d838aaec53](https://grok.com/share/bGVnYWN5_cadf6f38-9b8e-4cd4-b342-71d838aaec53) ]

## 6. Vertical V Background: Online Degrees

### **Legacy Degree Discussion:**

- power of technology is unbundling
- Application of this concept to our degree completion business:
- separation of accreditation from content

We are not interested in competing with Coursera, Udemy and Kahn Academy. Content should be free or very low cost. Students today want popular content, not academic - can be similar content, but different style and digital delivery.

### **Legacy Degree business model:**

Online degree completion (<\$12K): 113 credits x \$50 + 7 credit capstone from [Excelsior] for \$4k

**Core focus:** how do we help students that drop out of traditional 4 year universities complete their degree?

**Proposal:** don't market them to work with us to go to Excelsior (historical Legacy Degree business model), but offer low cost, faster degree completion path while staying within university guidance and financial aid system.

**Outline of university partnership strategy proposal:**

- Enter into agreement with [Kean / FAU] to accept up to 60 credits via Legacy Degree
- We will work with [Kean / FAU] to keep the students in the financial aid system, and work with [Kean / FAU] to offer a 6 credit career guidance-focused course each semester
- This will allow [Kean / FAU] to justify partnering with online degree program to keep students within their ecosystem, issue an [Kean / FAU] degree (perhaps under a modified brand) and improve their completion statistics
- We can then use this strategy to attract students from other universities

**Part 2: Certification / sales strategy**

The other side of unbundling is guiding students to receive the knowledge they need in the format they want. Low cost certification provides the knowledge and career path that is tailored to each individual student. **Parallel Paths to Student Engagement:**

- A) Certifications from tech companies: Google, Azure, IBM, etc
- B) Create our own programs for digital marketing and business in partnership with Gentech and compelling speakers like Jay Abraham and Tony Jeary. We will offer accreditation in parallel with consumer content (e.g. offer 10 module Jay Abraham marketing content for \$1,500; additional \$1,500 provides 30 credits through Legacy Degree with proctored tests that comply with accreditation requirements)
- C) Form partnerships with vocational programs, especially in health care: path to BSN and clinical MSW
- D) Marketing strategy: see [The Starfish and the Spider](#)  
Build an army of students to become our social influencer team to sell our programs and advise other students
- D) Build partnerships with other universities, potentially starting with FAU, to help their students who do not complete.

**Statistics:**

<https://www.collegefactual.com/colleges/florida-atlantic-university/>

During the 2017-2018 academic year, there were 25,457 undergraduates at FAU with 16,617 being full-time and 8,840 being part-time. When it comes to finishing their studies on time, those seeking a bachelor's degree from FAU have a four-year graduation rate of 28%. This is comparable to the national average of 33.3%

<https://www.collegefactual.com/colleges/kean-university/>

During the 2017-2018 academic year, there were 11,686 undergraduates at Kean with 9,400 being full-time and 2,286 being part-time.

The on-time graduation rate is the percent of first-time, full time students who obtain their bachelor's degree in four years or less. This rate is 21% for first-time, full-time students at Kean, which is lower than the national rate of 33.3%.

**Community Focus: Athletes, and Disadvantaged communities including minorities, recovering from substance abuse, veterans and**

**Application of Legacy Degree to Athletes and Minority Communities:**

Each year, there are roughly 180,000 athletic scholarships available for the NCAA's D-I and D-II schools. The NCAA requires that a student-athlete meet certain academic requirements in high school, before becoming eligible for an athletic scholarship.

The average career of an NFL player is 3.3 years. To succeed in life, athletes need financial skills and education, and career path to support their families for many years beyond their NFL career.

Fewer than 2 percent of NCAA student-athletes go on to be professional athletes, and even fewer become athletes with full careers. In reality, most student-athletes depend on academics to prepare them for life after college. Education is important. There are more than 460,000 NCAA student-athletes, and most of them will go pro in something other than sports.

We were in negotiations with Cris Carter to lead our athlete / minority education business. Cris prepared a video explaining his passion for bringing the Legacy Degree business to minority community and athletes:



<https://youtu.be/4hfl2H-x9H8?si=X6UfYldC5rLKCtl>

Note: we no longer have a relationship with Cris Carter, and we will work with Chelsea to build relationships with multiple influencers and thought leaders in the athletic and minority communities.

Here is a 6 min video of Barry Kostiner's presentation of the Legacy Degree business at Nasdaq:

<https://youtu.be/GXxYV-U4CDQ?si=ewu1TsMEMqtwK4rl>

| Legacy Degree Model                      |           |              |     |
|------------------------------------------|-----------|--------------|-----|
| Legacy Solutions Terms on Legacy Degree  |           |              |     |
| Split of revenues on first \$100k/month: | 25        | \$/50 credit | 50% |
| Thereafter                               | 35        |              | 70% |
| Annual Credit Revenue Break Point        | 1,200,000 |              |     |
| Breakdown of \$10K upfront sale          |           | #Credits     |     |
| Fee for 3rd party university             | 2,500     |              |     |
| Coaching Fee                             | 2,500     |              |     |
| Credits                                  | 4,500     | 90           |     |
| My Readiness Coach                       | 100       |              |     |
| Legacy Club Subscription                 | 100       |              |     |
| Testing & Proctoring                     | 540       |              |     |
| Total                                    | 10,240    |              |     |

| Legacy Results Degree Sales Model         |           |           |            |            |            |            |  |
|-------------------------------------------|-----------|-----------|------------|------------|------------|------------|--|
|                                           | 2025      | 2026      | 2027       | 2028       | 2029       | 2030       |  |
| Legacy Degree Sales / month               | 25        | 40        | 100        | 150        | 200        | 200        |  |
| Gross Legacy Results Sales on Coopersmith | 3,072,000 | 4,915,200 | 12,288,000 | 18,432,000 | 24,576,000 | 24,576,000 |  |
| Test Sales Revenue                        | 1,350,000 | 2,160,000 | 5,400,000  | 8,100,000  | 10,800,000 | 10,800,000 |  |
| Net to Coopersmith                        | 645,000   | 888,000   | 1,860,000  | 2,670,000  | 3,480,000  | 3,480,000  |  |
| Net to Legacy Results                     | 705,000   | 1,272,000 | 3,540,000  | 5,430,000  | 7,320,000  | 7,320,000  |  |

## Overview of Affiliate Marketing Business Model – Partnership with Lead Content Provider (“LCP”)

**Objective:** to create independent Nasdaq listed education, digital marketing and community platform company led by LCP's brand and content, sitting on top of LEAI (Rich Dad, Poor Dad historical real estate and investment education business), together with access to infrastructure and resources from affiliate businesses: News Engine Legacy Inc (“NELI”), Legacy Live, and Breakout. LCP will identify Brand Ambassador to take lead in

branding of consumer facing messaging, and lead to interface with multiple affiliate partners.

Initial Motivation Providers in discussion include:

- Tony Jeary: [www.tonyjeary.com](http://www.tonyjeary.com)
- Jay Abraham: [www.jayabraham.com](http://www.jayabraham.com)

Potential 3<sup>rd</sup> parties with available affiliate content:

- Brian Tracy: [www.briantracy.com](http://www.briantracy.com)
- Tom Hopkins: [www.tomhopkins.com](http://www.tomhopkins.com)

## Revenue Model

LECT's affiliate marketing strategy will focus on 3 revenue streams:

- a) Social media platform / subscription services,
- b) Education affiliate sales of \$10k offers from: i) internal content from LCP and identified affiliate marketing opportunities, ii) LEAI and iii) Legacy Live's four quadrants: real estate, trading / finance, entrepreneurship / management, and wellness education, and
- c) Pathway to accredited degree completion in partnership with Legacy Degree / Coopersmith.

All three of these revenue paths will benefit from AI and digital marketing infrastructure developed in partnership with LMI (Studio Seven, News Engine, EOR, etc.) and Legacy Live / Breakout / Twlv20.

Comps for subscription model: Clubhouse, Triller, iHeart

Comps for affiliate sales: Rich Dad / LEAI history, Mindvalley, bnbFormula

Comps for degree completion: Coursera (\$3B mkt cap; -\$170M NI), Distressed: ASPU, 2U

## Illustrative Projections (conservative base case for 2026):

- Subscriptions: 100,000 customers x \$10/month = \$12M / yr
- Affiliate sales: 100 sales / month x \$2,500 origination fee = \$3M / yr
- Degree completion: 1,000 students x 2 courses/mnth (6 credits) x \$25/credit = \$1.8M/yr
- Annual Revenue: \$16.8M = \$6.72M EBITDA @ 40% net margin
- \$201.6M enterprise value at 30 PE



**Each significant affiliate marketing relationship can be incubated to be its own Nasdaq offering, using a Reg CF offering as the first step before following the Nasdaq path of LECT:**

10 min Background on working with Dalmore on Reg CF offering on path to Nasdaq:

<https://www.dropbox.com/scl/fi/094rbzhhy37wiwujugdhw/Dalmore-Barry-2023-12-21-GS.mp4?rlkey=o7x1cuzvyq4vpcjakltno7fme&dl=0>

**Illustrative Affiliate Marketing Funnels & Analysis of Economics**



### Pro Forma Model of BNB Formula - UAE / Legacy Education Partnership

| Sale Amount          | \$9,997                   |            |                    |                |               |
|----------------------|---------------------------|------------|--------------------|----------------|---------------|
|                      | <u>Per Sale Economics</u> |            | <u>Daily Sales</u> | <u>Monthly</u> | <u>Annual</u> |
| Commissions          | \$2,649                   | 26.5%      | \$21,194           | \$508,647      | \$6,103,768   |
| Acquisition Costs    | \$2,299                   | 23.0%      | \$18,394           | \$441,468      | \$5,297,610   |
| FinFi Fees           | \$1,200                   | 12.0%      | \$9,597            | \$230,331      | \$2,763,971   |
| Fulfillment Costs    | \$350                     | 3.5%       | \$2,800            | \$67,200       | \$806,400     |
| Coaching Overhead    | \$100                     | 1.0%       | \$800              | \$19,194       | \$230,331     |
| BNB Formula Overhead | \$1,000                   | 10.0%      | \$7,998            | \$191,942      | \$2,303,309   |
| Interest on Ad Spend | \$69                      | 3.0%       | \$552              | \$13,244       | \$158,928     |
| <b>Gross Profit</b>  | <b>\$2,330</b>            | <b>21%</b> |                    |                |               |

|                                                                                                                             |                                                                                                                                                                     |
|-----------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Background on Model</b>                                                                                                  |                                                                                                                                                                     |
| Expected daily sales on \$20k ad spend                                                                                      | 8                                                                                                                                                                   |
| Expected daily upsale                                                                                                       | 1                                                                                                                                                                   |
| <b>Sale Amount</b>                                                                                                          | Gross sale price to customers                                                                                                                                       |
| Commissions                                                                                                                 | Payment to sales team. Expected 70 person team of setters, closers and finishers expected to grow to 100                                                            |
| Acquisition Costs                                                                                                           | Ad spend funded by UAE Partnership. Doubling current ad spend, doesn't guaranty doubling sales. Includes ad spend, media buyer and 3rd party creative team expenses |
| FinFi Fees                                                                                                                  | Cost of offering merchant financing to customers (additional opportunity for UAE Partnership) - currently at 12% with trusted partner                               |
| Fulfillment Costs                                                                                                           | Allocation of technology and content creation costs                                                                                                                 |
| Coaching Overhead                                                                                                           | Allocation of coaching expense per student for fulfillment                                                                                                          |
| BNB Formula Overhead                                                                                                        | Allocation to BNB Formula internal costs: General Operating Overhead and Business Expenses                                                                          |
| Interest on Ad Spend                                                                                                        | Return to UAE partnership for advancing ad budget                                                                                                                   |
| <b>% Refunds Expected</b>                                                                                                   |                                                                                                                                                                     |
| Note: any refunds will be retroactively subtracted from revenue calculations and profit sharing                             |                                                                                                                                                                     |
| Students have 90 days to ask for refunds                                                                                    |                                                                                                                                                                     |
| <b>Additional Opportunities</b>                                                                                             |                                                                                                                                                                     |
| UAE Partners may be interested in offering financing to customers, as an alternative to existing 12% merchant funding terms |                                                                                                                                                                     |
| Would require collections infrastructure                                                                                    |                                                                                                                                                                     |
| Note: there is an expected range on this model of +/- 30%                                                                   |                                                                                                                                                                     |
| <b>Customer Funnel</b>                                                                                                      |                                                                                                                                                                     |
| \$9.95 Book                                                                                                                 |                                                                                                                                                                     |
| \$197 deal analyzer                                                                                                         |                                                                                                                                                                     |
| \$97 video training                                                                                                         |                                                                                                                                                                     |
| Book a call                                                                                                                 |                                                                                                                                                                     |
| \$9,997 core education product                                                                                              |                                                                                                                                                                     |
| \$15k up sell - enhanced coaching and additional digital content                                                            |                                                                                                                                                                     |

**Laughlin: 40,000 customers with leading brand in corporate formation and asset protection for 50 years**

- [Laughlin USA - Fast Reliable Business Incorporation & LLC formation - Home](#)

- [Home | Magnify Your Wealth - magnifyyourwealth.com](https://magnifyyourwealth.com)
- Note: expected profit sharing is 50/50 on \$7,500 Magnify Your Wealth offer after return of costs of ad spend + 3%

| Product Description               | Retail                 | Affiliate Fee |
|-----------------------------------|------------------------|---------------|
| Corporations/LLCs                 | \$449 Plus Filing Fees | \$50          |
| Corporate Veil Protection Service | \$999                  | \$100         |
| Blue Print Strategy               | \$499                  | \$100         |
| Magnify Your Wealth Summit        | \$499                  | \$150         |
| Resident Agent Service            | \$149                  | \$20          |
| Record Book                       | \$149                  | \$10          |
| Ultimate BluePrint                | \$2500                 | \$400         |
| The Unshackled Owner              | \$7500                 | \$300         |
| Inner Circle                      | \$7500                 | \$500         |

## Political Funding

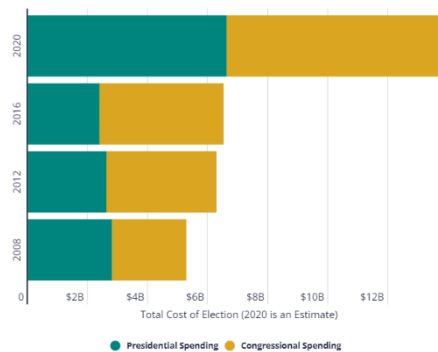
Digital Marketing is having a radical impact on the political world.

Small donor contributions, which are mostly generated by digital marketing, exceeded \$3B in the 2020 election cycle. The opportunity is astronomical. With a 10% revenue share and only 0.1% market penetration, we would have generated \$30M in 2020 (in a presidential election year).

### 2020 election to cost \$14 billion, blowing away spending records • OpenSecrets

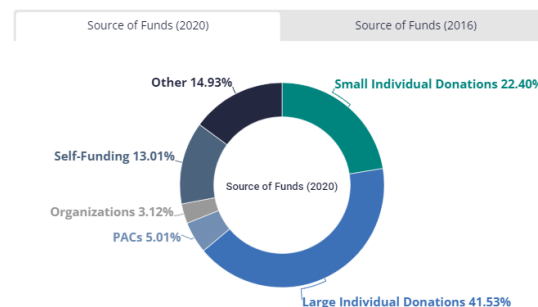
#### 2020 Election to Crush Spending Records

OpenSecrets projects total federal spending in the 2020 election will near \$14 billion, establishing itself as the most expensive election in U.S. history by a large margin.



#### The Funding Behind Record-Breaking Spending

Small donors giving \$200 or less — and self-funding from wealthy individuals — accounted for a larger share of fundraising than in the 2016 election.



Regulators are awakening to the problem of social media giants operating under the free speech protections established for newspapers, while it has been demonstrated that significant bias and censorship is built into the platforms. “Lawfare” in combination with AI strategies will enable the “underdog” with limited financing to have their message heard.

### **Parallel Focus: Doing Well By Doing Good: The Power of Business & Government**

I was inspired by my presentation to family offices in Ghana. The magnitude of significant problems is too great to be addressed through charities. Africa has 200M children with no teachers! All the charity in the world is not enough to address this problem. BYJU's, the largest EdTech company globally, has been effective at providing education to developing countries using technology. The strategy is to distribute tablets which enable low level assistants to facilitate learning on tablets, thereby enabling student engagement without requiring the massive investment of traditional deployment of schools and teachers in developing regions.

The power of business in partnership with government is far greater than can be achieved with charity or business alone.

## **7. Synergistic Asset Roll Up Strategy**

LECT intends to build a diverse platform of education and technology-focused partnerships. In addition to receiving fees from providing services associated with such technologies, we believe that our technology platform provides us with a competitive advantage in the acquisition and operations of infrastructure assets and businesses. We have identified two initial categories of investment:

### **a) IT Services Acquisitions with Valuations Driven by AI**

We have prepared a paper analyzing the valuation drivers in the IT services industry. By leveraging our industry-leading expertise in AI applied to enterprise, we have identified a roll up strategy of low valuation IT Services businesses under \$10M. We will use the LECT platform to partner with funds to acquire mature cash flowing IT services businesses achieve a higher valuation through layering education and AI services.

### **b) Transitioning from Education to Asset Management: Real Estate & Trading**

Both Grant Cardone and Than Merrill are illustrations of transition from education to multi-\$B asset management businesses in real estate. Prior to following this path in real estate, we intend to build a trading platform that leverage's the expertise of FalconCo, in addition to other affiliate relationships.

## 8. AI applied to Digital Marketing, Social Media and Investor Relations

There is tremendous synergy in applying AI / digital marketing / social media to customer engagement (for both services and products) in parallel with management of capital markets. Built on our technology platform, we are leveraging relationships with Legacy Education Alliance and AI Dev Labs to build a platform company that leverages customer data with the digital expertise of our affiliates.

Underlying our 4 core education verticals is our focus on engaging with consumers. The same infrastructure used for education sales is also available for product sales and funding. Peter Brown Jr. is taking the lead on our engagement with

### **Basic Strategy to Attract Initial Investors for a Nasdaq Direct Listing (\$700,000 Minimum from 300+ Investors)**

To successfully raise \$700,000 from at least 300 initial investors for a Nasdaq direct listing, a structured and multi-channel approach is necessary. The strategy focuses on leveraging email marketing, personal networks, closed investment groups, and strategic relationships to ensure early traction.

#### **1. Friends & Family Round**

- Objective: Secure early commitments from personal and professional networks.
- Tactics:
- Leverage existing relationships to bring in “anchor investors” who validate the opportunity.
- Structure a Founding Investor Perk (e.g., discounted share price, future incentives).
- Conduct private investor calls with a clear investment deck, roadmap, and value proposition.
- Secure early commitments before launching broader marketing efforts.

#### **2. Closed Investment Groups & Investor Networks**



- Objective: Tap into pre-qualified investors who are actively seeking early-stage opportunities.
- Tactics:
- Engage with angel investor syndicates, family offices, and high-net-worth networks through targeted outreach.
- Leverage Nasdaq-preferred investment communities such as microcap investment forums and private capital networks.
- Present in investor pitch events, private investment webinars, and exclusive networking groups.
- Use existing contacts to secure warm introductions to potential investors.

### 3. Email Marketing Campaign

- Objective: Generate interest and convert retail investors through a structured email funnel.
- Tactics:
- Segmented email lists: Build a targeted list of active retail investors, accredited investors, and finance-focused audiences.
- Multi-step email sequence:
  1. Introduction Email – Overview of the Nasdaq listing, value proposition, and investment opportunity.
  2. Deep Dive Email – Key financials, business growth, and reasons to invest.
  3. Investor Testimonials & Case Studies – Highlight credibility and early investor traction.
  4. Limited-Time Offer/Call to Action – Drive urgency with an investment deadline.
  5. Retargeting & Follow-Ups: Personalized emails to non-responders and interested prospects

### 4. Strategic Partnerships & Influencer Endorsements

- Objective: Leverage third-party credibility and investor trust through key industry figures.
- Tactics:
- Partner with finance YouTubers, investment bloggers, and social media finance influencers to endorse the opportunity.
- Get featured in finance-focused newsletters, investment podcasts, and niche investor communities.

- Host a webinar or live Q&A session with a well-known market analyst or investment expert.
- Use LinkedIn outreach to engage investment professionals and retail investors actively looking for opportunities.

#### 5. Investor Conversion & Closing Strategy

- High-Touch Follow-Ups: Personalized investor calls, one-on-one Zoom meetings, and direct follow-ups for serious leads.
- Urgency Triggers: Limited investment windows, early-bird share pricing, and “first 300 investors” benefits.
- Legal & Compliance: Ensure all communications align with SEC regulations, Nasdaq listing rules, and investor disclosures.

#### Conclusion & Timeline

- Weeks 1-2: Secure early commitments from friends & family.
- Weeks 3-4: Engage closed investment groups & networks for larger commitments.
- Weeks 5-6: Launch full-scale email marketing & influencer campaigns to capture retail investors.
- Weeks 7-8: Close final investors, ensuring the minimum \$700K raise is met before the listing.

## 9. Monetization, Affiliate Relationship Terms & Preferred Equity

Key message: shareholdings are tightly controlled by GP, friends and family, and strategic investors that share the company’s vision and have a long-term commitment to the vision and mission of the company.

Syndication will be in partnership with investment banks and family offices who are strategic investors, not toxic funds. An active social media and digital media strategy augmented by AI will be used to update investors on activities and the vision of the company.

Through our partnership with a leading investment fund in trading and lending, the shares of our investors will be monetized via credit lines, with only limited direct sales into the market.

## Cross-Company Equity Holdings

The preferred equity on each Nasdaq offering balance sheet will be convertible to common equity of the affiliate at the time of each affiliate's equity offerings.

As part of our relationships with IP affiliates we will seek to have the opportunity to participate in up to 25% of each of their funding rounds. Our goal is to additionally lead the Nasdaq offering of our affiliate companies, where the offering of our marketing businesses will establish a significant higher value for the affiliates owning the IP.

The analog is to the relationship between Coca Cola corp (NYSE: KO, <https://finance.yahoo.com/quote/KO/>) and Coca Cola Consolidated (largest bottling affiliate) (Nasdaq: Coke, <https://finance.yahoo.com/quote/COKE/>). Where KO with a market cap of \$311M and PE of 29.4 ('24 Revenue: \$37B, Net Inc: \$10.6B) has a much higher valuation when compared with COKE with a market cap of \$12.3B and PE of 20.1 ('24 Revenue: \$6.9B, Net Inc: \$0.6B).

## \$10M Preferred Equity Terms

In order to meet Nasdaq minimum balance sheet requirements, a company needs to have net assets on its balance sheet of \$5M. Link to Nasdaq listing requirements:

<https://listingcenter.nasdaq.com/assets/initialguide.pdf>

Our Preferred Equity structure enables LECT to meet the Nasdaq balance sheet requirements. Terms:

- Maturity in 3 years
- Accrues 0.5% / month interest (no cash payments)
- Convertible to common shares at \$200M valuation
- Conversion as leakout provisions to be determined
- **Trading affiliate of EIP will handle sale of converted shares**
- **Cash will be advanced to affiliate in exchange for investment in affiliate – Terms TBD** (e.g. ROFR on up to 25% of each raise by affiliate at best terms offered to investors)
- Recommendation: set up automatic monthly conversion of \$500k/month starting 9 months after Nasdaq listing on the condition that monthly volume exceeds \$5M
  - o Work with affiliate company <https://www.quantmatix.com/>

Preferred equity will be used as currency for future acquisitions. The retail monetization of preferred equity by EIP results in avoiding control from 3<sup>rd</sup> party funds while increasing liquidity.

## Initial Preferred Equity Ownership



- Proceeds are used by LEAI to pay liabilities

## 10. Nasdaq Capital Markets Economic Model

| Reg D & Nasdaq Uplist Analysis               |        |                      |             |            |                 |               |
|----------------------------------------------|--------|----------------------|-------------|------------|-----------------|---------------|
| Strategy for Reg D on path to Nasdaq listing |        |                      |             |            |                 |               |
| 11 Mar '25                                   |        |                      |             |            |                 |               |
|                                              |        | Nasdaq Offering      |             |            |                 |               |
| Reg D Round Equity (\$M)                     |        | Equity Owners        | \$M         | Shares     | \$250M Scenario | \$1B Scenario |
| Pref Equity                                  | 10.00  | Pref Equity          | 10.0        | 1,250,000  | 8,954,155       | 35,816,619    |
| GP                                           | 170.00 | GP                   | 170.0       | 21,250,000 | 152,220,630     | 608,882,521   |
| Seed Inv A (\$1M)                            | 5.00   | Seed Inv A (\$1M)    | 5.0         | 625,000    | 4,477,077       | 17,908,309    |
| Seed Inv B (\$2.5M)                          | 5.00   | Seed Inv B (\$2.5M)  | 5.0         | 625,000    | 4,477,077       | 17,908,309    |
| S-1 Offering                                 | 10.00  | S-1 Offering         | 10.0        | 1,250,000  | 8,954,155       | 35,816,619    |
| Total                                        | 200.0  | Total                | 200.0       | 25,000,000 | 179,083,095     | 716,332,378   |
|                                              |        |                      |             |            |                 |               |
| Valuation IPO                                | 200.0  | SAR's Allocations    | %           | SAR's      | \$250M Scenario | \$1B Scenario |
| IPO Price                                    | \$8.00 | Barry Kostiner       | 9.9%        | 2,475,000  | 12,977,226      | 66,164,905    |
| Reg D Price                                  | \$1.60 | Issac Qureshi        | 9.9%        | 2,475,000  | 12,977,226      | 66,164,905    |
| Premium                                      | 20%    | Founder Employees    | 9.9%        | 2,475,000  | 12,977,226      | 66,164,905    |
| SAR Grant Price                              | \$1.92 | Employee Pool TBD    | 9.9%        | 2,475,000  | 12,977,226      | 66,164,905    |
| Shares (M)                                   | 25     |                      |             |            |                 |               |
|                                              |        | Total                | 39.6%       | 9,900,000  | 51,908,905      | 264,659,622   |
|                                              |        |                      |             |            |                 |               |
|                                              |        |                      | 100% Vested |            |                 |               |
|                                              |        | Shares               | 25,000,000  |            |                 |               |
|                                              |        | SAR's                | 9,900,000   |            |                 |               |
|                                              |        | Shares Outstanding   | 34,900,000  |            |                 |               |
|                                              |        |                      |             |            |                 |               |
|                                              |        |                      | Price       | Gain       |                 |               |
|                                              |        | SAR's Value - \$250M | 7.16        | 5.24       |                 |               |
|                                              |        | SAR's Value - \$1B   | 28.65       | 26.73      |                 |               |

- Illustration of SAR's documentation [[Chipotle Link](#)]
- Illustration of Convertible Preferred Equity Documentation [[LEAI Link](#)]

## 11. Management Structure & Compensation

## Board of Directors

- Barry Kostiner (Chairman & CEO) plus affiliate TBD
- 3 Independent Board Members



### **Management Compensation / Expenses:**

- Outside of Bowarr fees, expenses will be tightly limited prior to initial \$10M S-1 funding, expected by year end 2025
- Legal & Accounting (outsources by Issac Qureshi): \$20k/month
- PCAOB Audit: \$10k/month
- Travel & Other Overhead: \$20k/month
- Investor Relations budget: \$20k/month
- AI / Social Media / Digital Marketing: \$20k/month
  - o 50% allocated to LEAI, including Zac Mclean
- Barry Kostiner - \$10k/month [Financial Management]
- Issac Qureshi - \$10k/month [Financial Management / Outsourcing]
- Rachel Kostiner - \$2.5k/month [Legal & Strategy Analyst]
- Chana Kostiner - \$2.5k/month [IT Analyst]
- Sol Campbel's FINRA-registered broker dealer, Catalina Capital Partners, will act to syndicate investments in stock and PIPEs of LCV in parallel with brokers identified by FalconCo
- Total overhead expected to be approximately \$100k/month after completing Nasdaq listing
- Capital will be allocated for D&O self insurance

### **Advisory Board**

- TBD

## **12. Exhibits** [\[Dropbox Link\]](#)

0. Legacy Education Investor Presentation: Sept '23
1. Capital Markets Strategy
  - a. Family Office Book Chapter on Kostiner Background & Vision
  - b. Kostiner Presentation to Family Offices in 2022
  - c. Qureshi Book on: "Agglomeration"
  - d. Illustration of application of capital market strategies to distress Nasdaq listing
2. Legacy Education Background
  - a. LEAI 3rd Party Database Presentation & Valuation

- b. Tax Relief Marketing Materials
  - c. Grant Cardone Real Estate Investing eBook
  - d. Trade With The Bull Manual
- 3. Asset Acquisition & Rollup Strategy
  - a. From IT Services to AI valuation Presentation
  - b. AI vs Enterprise IT Barrier Case Study
- 4. Grassroots Leadership Organization Vision: Spider & Starfish Book Extract

## 12. Video Links

- Barry Kostiner CNBC interview 2007 [\[Link\]](#)
- Barry Kostiner Nasdaq Presentation on Online Education [\[Link\]](#)
- Coopersmith Online Degree Video Content [\[Link\]](#)
- Praeger on University Deterioration Short [\[Link\]](#)
- Jordan Peterson Shorts on Higher Education
  - o What does a university education do? [\[Link\]](#)
  - o Legacy Education Ad – Peterson on University Problems 3 min [\[Link\]](#)
- Grant Cardone Inappropriate Short \$400k income [\[Link\]](#)
- Social Media Influencer Transformation from Ads to Education [\[Link\]](#)
- Legacy Degree Ads
  - o Jordan Peterson 3 min Tik Tok [\[Link\]](#)
  - o Pres Biden on PPP vs Student Loans [\[Link\]](#)
  - o Pres Trump on University Failure [\[link\]](#)
  - o Cris Carter on Power of Legacy Degree [\[Link\]](#)

## 13. Management Bio

**Barry Kostiner** is the CEO of Legacy Education Alliance, a financial and real estate education business focused on building an EdTech platform, acquiring an online degree business and uplisting to Nasdaq.

Barry graduated from MIT with an SB in Electrical Engineering with a minor in History, and an SM in Management Science / Operations Research, with his thesis sponsored by the Harvard Kennedy School of Government. Barry spent much of his career in energy risk management and deal structuring, including working in energy trading and derivatives sales at Goldman Sachs / J Aron and Merrill Lynch. With the recent explosion in public company valuations and small cap trading, Barry is advising family offices on taking private investments public, and structuring significant global energy and infrastructure projects.



**Michael Bresler** is a dynamic leader in financial technology, operational excellence, and AI-driven innovation, with a proven track record of transforming investment research, content delivery, and customer acquisition strategies. His career spans pivotal roles at Agora, where he spearheaded the modernization of financial content businesses, and automated research workflows.

At Agora, One of Michael's initiatives was leading the design and implementation of a Portfolio Management investment tracking system, replacing outdated spreadsheet-driven processes with a scalable platform. This transformation increased operational efficiency, improved data accuracy, and provided analysts with real-time insights, revolutionizing how investment decisions were made. Beyond technology, he played a critical role in refining customer engagement strategies, enhancing premium research products, and optimizing financial content monetization. His deep understanding of the financial publishing industry allowed him to develop innovative ways to drive revenue including segmented content strategies, and dynamic pricing models.

In addition to his success in financial education, Michael has led operational automation initiatives that streamlined content production, regulatory compliance, and customer experience. He developed automated research workflows that reduced the time to market for investment reports and trade recommendations while ensuring consistency, accuracy, and compliance. His expertise in customer service, optimizing subscription billing, and reducing churn through predictive investment performance analytics helped scale financial publishing businesses efficiently.

Michael also has extensive experience in developing strategic partnerships.

Looking ahead, Michael sees Tackle Trading and similar platforms as prime opportunities to reshape the future of financial education and newsletter businesses. His expertise in AI-driven content delivery, investment education, and scalable growth models can help build a next-generation financial content ecosystem—one that moves beyond static newsletters and instead delivers interactive, personalized, and community-driven financial learning experiences. By integrating real-time AI insights, brokerage partnerships, and immersive learning tools, these platforms can provide traders and investors with unparalleled access to market intelligence, mentorship, and education.

With a deep-rooted passion for innovation, Michael is committed to leading the evolution of financial content businesses into the AI-driven future, ensuring they remain relevant, engaging, and impactful in an ever-changing digital landscape.

### **Tim Chaffin – Real Estate Coaching**

Tim has personally trained over 1400 students one-on-one in person in their investment market traveling to and working in every state in the U.S. for the last 20+ years. We are committed to our students success not only financially but in life, relationships, health and well being. You get back what you put out to others.

### **Igor Dimitrijevski – Day Trading Coaching**

Igor transitioned from a seasoned IT Services professional to a successful real estate entrepreneur under the guidance of Tim Chaffin. More recently, Igor has combined his IT expertise and financial education to focus on applying AI technologies to day trading strategies. Igor coaches students on day trading in addition to offering access to his automated trading platform.

### **Peter Brown Jr – Political Funding Vertical**

Peter A Brown Jr. is a blessed father of four children, the oldest of four, and the first in his family to graduate from college.

Throughout his adult life, he has been involved with and worked for individuals and organizations dedicated to improving the quality of life for residents in the community. His career has primarily focused on both the public and private financial sectors.

His career began as the Chief of Staff for a State Senator, which eventually led him to work on Wall Street for companies such as Citibank, Wells Fargo, JPMorgan Chase, AXA Advisors, and PNC. During this period, he worked with UHNW (Ultra High Net Worth) clients and international businesses, specializing in asset accumulation and risk management.

Simultaneously, He held public office roles, serving as Chairman of the Finance, Recreation, and Redevelopment committees. Additionally, he spent ten years as Chairman of the Special Improvement District. After retiring from office, he became a subcontractor working with a Federal Grants writer on public transportation and public health infrastructure projects.

In 2021, his family relocated from New Jersey, and he currently holds the position of Fiscal Planning and Budget Analysis Manager at DART.

## 14. Case Study: Nano Nuclear Energy's Direct Listing on Nasdaq

### Company Overview

Nano Nuclear Energy Inc. (NNE) is an innovative company specializing in the development of portable nuclear microreactors, nuclear fuel fabrication, transportation, and consulting services. Their flagship products, 'ZEUS' and 'ODIN', are designed to provide clean, on-demand energy solutions.

### Direct Listing Process and Timeline

Nano Nuclear Energy successfully went public through a direct listing on the Nasdaq Capital Market under the symbol 'NNE' on May 8, 2024. The process was efficiently executed within a 12-month timeframe:

#### 1. Preparation Phase (Months 1-2):

- **Internal Assessment:** Conducted a thorough evaluation of financial health, corporate governance, and operational readiness to meet public company standards.
- **Team Assembly:** Engaged experienced legal advisors, financial consultants, and auditors to guide the direct listing process.

#### 2. Regulatory Compliance (Months 3-5):

- **SEC Registration:** Prepared and submitted the necessary registration statement to the Securities and Exchange Commission (SEC), detailing financial statements and business operations.
- **SEC Review:** Addressed any comments or requests from the SEC to ensure full compliance with regulatory requirements.

#### 3. Market Preparation (Months 5-7):

- **Investor Relations:** Developed comprehensive investor relations strategies, including hosting an Investor Day to communicate the company's vision and performance metrics.
- **Public Disclosures:** Ensured all financial reports and disclosures were up-to-date and accessible to potential investors.

#### 4. Listing Execution (Months 7-9):

- **Nasdaq Application:** Submitted the listing application to Nasdaq and coordinated with exchange officials to finalize listing details.
- **Commencement of Trading:** Shares began trading publicly on May 8, 2024, with the opening price determined by market demand.

### Key Statistics

- **Opening Price:** \$4.00 per share
- **Shares Outstanding at Listing:** Approximately 37.07 million
- **Day-One Market Capitalization:** Approximately \$148.28 million

### Benefits of Direct Listing

- **Cost Efficiency:** By opting for a direct listing, Nano Nuclear Energy avoided underwriting fees typically associated with traditional IPOs, resulting in significant cost savings.
- **No Share Dilution:** As no new shares were issued, existing shareholders maintained their ownership percentages, preserving shareholder value.
- **Immediate Liquidity:** The absence of a lock-up period allowed existing shareholders to sell their shares immediately upon listing, providing flexibility and liquidity.

### Valuation Impact

Since the direct listing, Nano Nuclear Energy's stock has experienced substantial growth. Over the past year, shares have surged approximately 457.6%, reflecting strong investor confidence and market demand.

### Methodology and Considerations

- **Strategic Planning:** The company conducted extensive market analysis to determine the optimal timing and structure for the direct listing.
- **Stakeholder Communication:** Maintained transparent and consistent communication with stakeholders to manage expectations and convey the company's strategic vision.
- **Regulatory Adherence:** Ensured all actions were in strict compliance with SEC regulations and Nasdaq listing requirements.

### Conclusion

Nano Nuclear Energy's successful direct listing on Nasdaq serves as a compelling example for other companies considering this pathway. The process highlighted the benefits of cost savings, preservation of shareholder value, and immediate liquidity. The company's significant post-listing



valuation increase underscores the potential of direct listings as a viable alternative to traditional IPOs.



## 15. NASDAQ/NYSE DIRECT EXCHANGE LISTING PROCESS & FEES

The Client agrees to pay the following fees with respect to the above (the “Fees”):

- Due Diligence.
- Delaware/Wyoming or Nevada company restructure or formation.
- Building the corporate minutes, corporate governance, and all other related documentation.
- Structuring the company to qualify for the NASDAQ or NYSE listing.
- Advising on a mini offering under Reg D/Reg S.
- Structure pre-listing bridge finance if needed.
- Securing an “ELOC” from, equity line of credit for up to 350 million.
- Advising on business combination and IP acquisitions as needed (Acquisitions).
- Filing, approving, and conducting full “S-1 registration statement” or Reg A.
- Advising and conducting the 15c-211 with FINRA and the market maker.
- NASDAQ or NYSE listing application.

The total fee for the service is **\$695,000**.and this is broken down into the following tranches.

- \$95,000 Initial deposit. Initiate the Delaware (or desired jurisdiction) holding, due Diligence, building the corporate minutes, corporate governance, structuring and all other related documentation. Ensuring proper corporate committees and requisite filing with the relevant state agency, as well as assessment of corporation's capital structure; creation of initial shareholder table. Review and/or drafting the necessary board of director’s minutes, bylaws, resolutions, or consent agreements as per the NASDAQ requirements. The group shall retain up to 10% of the initial cap table in lieu of shares. Fully refundable should approval not be obtained.
- \$95,000 At filing form “D” Reg “D” mini-offering, drafting filing sub agreements for



“Reg D”; structure the shareholder’s base, managing the digital shareholder’s process, structuring the free float required by NASDAQ. (The mini offering), in addition to setting up the company for bridge financing as needed.

- \$80,000 At closing the Reg “D” and or structuring and securing the credit line including all required agreements, for a line of credit to go in effect post-listing for up to 350 million.
- \$80,000 At the initial S-1 filing, and the asset acquisition between the operating company and the holding including all required agreements if needed.
- \$85,000 Post approving the S-1 and or the 8A under 1934 Act.
- \$85,000 Post approving the 15c211 with FINRA.
- \$95,000 Post approving the NASDAQ application and listing
- \$80,000 At structuring and securing the credit line including all required agreements, for a line of credit to go in effect post-listing for up to 350 million.

## 16. NASDAQ/NYSE DIRECT EXCHANGE LISTING FAQs

### **How long will it take to get listed?**

This is really dependent on how fast we can move through the stages. Working at maximum speed this can be achieved within 6 months but we usually like to advise to allow between 9-12 months.

### **At what price will the listing start?**

The objective is to list at \$8 per share and this would be approved by the SEC at the first stage of the process.

### **What are the risks?**

The main risk is the fact that you don’t actually list or do not have the ability to fully finance the project.

### **What happens if the stock price goes lower?**

Nothing happens except that the value (market cap) of the listed entity would reduce. Any borrowing or credit lines would remain unaffected should this happen

**How does the company gain liquidity?**

This would either be through credit lines which currently offer 20% value per share (interest rates around 4%) or there are specialist share purchasers who would purchase shares with a 15% discount plus a 4% share premium

**Q What is the difference from a SPAC?**

A. A SPAC is a shell company with no dedicated operational model except to aim to purchase a company (no target has been identified and nor is this allowed), you only have 2 years to obtain the target, the majority

of the shares/equity are held by the sponsors and advisers, so you lose control. Alongside this the fees

are much higher to operate and to actually list (approx. \$1.5m), the legislation and rules a lot more

complex and they are designed essentially for the advisers to make the most money! A direct listing is

quite the opposite.

**Q. Do you have an example?**

A. Please review Nano Nuclear Energy Inc

<https://www.nasdaq.com/market-activity/stocks/nne>

**Q. How can we get the initial 300 subscribers?**

A. We usually recommend that this is started with family & friends as well as associates, employees a etc. A shares will be sold at \$1 and the expected listing will be at \$8, this is a compelling potential ROI. For simplicity reasons just think of it s only 700 subscribers at \$1,000 each would cover your total costs.

Please also bear in mind that we do have relationships with agencies who specialise in obtaining direct listing subscribers and these agencies will wither charge a set fee or take stock option.

**Q. What happens post-listing?**

A. After listing the aim is to get liquidity into the company (and founders) and this can take around 60 days. With this the objective is to ensure the company continues to move smoothly, there is a clear marketing communication strategy in place and the entity remains compliant at all times. We can assist in all these matters moving forwards as your trusted partner.