

03 December 2009

Vic Davidson, Chairman
Vic Davidson Music & Pro Multi-Media, Inc.
208 East 51st Street, Suite 373
New York, NY 10022

FINANCIAL ADVISOR/INVESTOR
FINANCIAL INSTITUTION
STREET ADDRESS
CITY, STATE, ZIP

Subject: Direct Business Loan or Debt-Equity Request for either 1.) \$250,000.00; or, 2.) \$5,000,000.00

Dear FINANCIAL ADVISOR/INVESTOR:

We are requesting a direct business qualified loan or a debt-equity investment of either 1.) \$250,000.00 for 10% dividends; or, 2.) \$5,000,000.00 for 40% dividends; either amount payable in 5 – 10 years, or thereupon maturity, whichever is the sooner. The owner(s) VIC DAVIDSON, CHAIRMAN (and others herein and/or attached) have experience in this industry including performance and promotional, in various aspects of entertainment, small business consulting, and institutional financial services. Please review resumes or biographies attached. Our program design is unique and innovative. Backed with two United States Patents and numerous United States Congressional Resolutions, we have ideally resolved a centuries old problem of phenomenal proportions. The communities that will be served are predominantly Childrens' Arts in Education, in municipal and private institutions, worldwide. The sheer magnitude of the necessity is immense, and our products and programs are imminently poised, in fact, directly designed, to fulfill each and every requirement, therein, without reservation.

The market for this business is exclusive, albeit, to include the entire music industry, from students, to professionals, hobbyists, patrons, celebrities and fans, as well as anyone wishing to demonstrate their appreciation for music study, performance and achievement. Musicians comprise approximately 4% of the global population, while audience and patrons comprise approximately 15%. Our market, therefore, is potentially 20% of the global population, annually.

Our target market is predominantly the educational system, that is, music students, and patrons of music education. Because professional studies and scientific research demonstrates the intrinsic value of music in education, each year, more and more children are being introduced to music and music educational programs. This is clearly an enhanced upward trend, poised to increase, year after year. While education is our main focus, retailers such as Borders Books & Music, Barnes & Noble, Virgin Megastores, Guitar Centers, Sam Ash, Target, and Walmart, are planned outlets for our products. Finally, professional orchestras, their patrons and supporting philanthropists, as well as celebrities and their fans, will incur extensive good will with our products. We estimate potentially one billion exclusive consumers for our products and programs exist, worldwide, annually, if not greater.

The competition is limited to other, dissimilar, clocks or watches, or other gifts and educational souvenirs. Our program includes patents, and premium manufacture to exclusive consumers. We may have, therefore, cornered our objective niche. Our patrons will be well served in their participation. Our program is designed to enhance and increase the interest, intrigue, pride and participation in music performance and appreciation. Our products are designed as lifetime commemorative souvenirs and reference items that celebrate and acknowledge professional and academic achievement, as well as specific performance advancement.

We have invested approximately \$250,000.00 of our own personal money, to date, and currently burn a rate of approximately \$2,000 per month, since conceptually identified in 1997. Our collateral consists of business assets, our website, and two United States Patents, having a fair market value of \$ _____ , as well as personal assets have a value of \$ _____ .

Attached is our business plan to emphasize our request. Please feel free to call VIC DAVIDSON (212) 779-4650 for additional information.

Sincerely,

VIC DAVIDSON

GENERAL

VIC DAVIDSON MUSIC & PRO MULTI-MEDIA, INC.
208 EAST 51ST STREET, SUITE 373
NEW YORK, NY 10022
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PROFESSIONAL RELATIONSHIPS (No Contracts)

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I L M, Ph.D

OWNER(S)

Victor I. Della Rossa (dba VIC DAVIDSON)
Founder, Chairman, President, CEO
208 East 51st Street, Suite 373, New York, NY 10022
Phone : (212) 779-4650
SSN : 573-13-7380

VIC DAVIDSON is the business and products conceptual, ideological, philosophical and directive, founder, and continues to advocate toward the success of the objectives outlined in this agenda.

VIC DAVIDSON retains 100% ownership of Vic Davidson Music & Pro Multi-Media, Inc. and all assets, including Patents, Intelligence, Business Design, Planned Program Implementation, and incidental circumstances, i.e., pertinent email, websites, telephone, facsimile communications, as well as all legal and financial considerations in effect past or present from 1997, to this date, currently.

VIC DAVIDSON has experience in Talent Representation and Promotions, and Talent Related Products development, including all aspects of performances (recorded and live stage productions) and promotions, including numerous and variable product(s) development, advocacy, promotions and distribution.

VIC DAVIDSON has considerable experience in small business finance, design, enhancement, and consultation, and has assisted numerous small business achievements into the multimillions in assets and capital.

VIC DAVIDSON has created this business structure, concept, design, and all marketing and promotional considerations solely in his own personal intelligence and includes all products designs and purposes, to meet industry demographic perspectives and requirements. This includes all aspects of his developed and planned forward website(s) and all promotional materials presented or named in this schedule, separate from the otherwise well-known trademark or franchise advocacy of the established, longstanding, professional, union and non-profit organizations.

VIC DAVIDSON has awarded profit-share investment to family and friends, among which, taxation and debt obligations exist, to date. These obligations must be accounted into the implementation and restructuring of the business in the extent of responsibilities, in the forward moving implementation objectives, and profit maintenance.

Reasons

VIC DAVIDSON MUSIC & PRO MULTI-MEDIA, INC. was founded 11 August 2000 with the purpose to assist the development of talent and talent related products that enhance the entertainment objectives of aspiring individuals. Administrative and financial difficulties have delayed my objective to directly sponsor and manage the development and employment of prospective commercial talent. Currently, however, my talent related products, backed with two United States Patents and Congressional Resolutions, have become the centerpiece and primary focus and priority in our company. This is due the nature of profitability and potential extensive productivity and longevity of performance these products present, and the opportunity to produce revenue across an increasing spectrum of the music industry, including education, professional performance, accessory wholesale and retail and digital reference media. My products are poised to assist the funding in education, specifically, music students and professional music educational and performance institutions, globally. In fact, the coordinated value of my patents with the larger organizations in successful advocacy have the potential to create a financial stimulus to the entire music industry, from educational advancement, to professional performance, to instrument manufacture, and from student to celebrity representation. Current research is consistent with the extensive reach of the patrons and participants in the institutions mentioned. Therefore, the balance of this plan will focus entirely in the value and implementation of my twice patented Music Circle of 5ths Time Dial (MC5TD) to both local and global music industry markets.

Products and Services

VIC DAVIDSON began providing services to talent (actors, models, artists, musicians) as an online portfolio development and promotional resource. Then, his twice-patented products to enhance the music education and performance venue objectives became the obvious venture with a priority and primary purpose. The success of this venture and these products will enable his talent development plans to commence, respective to demand. The patents awarded VIC DAVIDSON include a reference identification of the foundation of music, that is, the 12 Keys of Music or The Circle of 5ths. This is a chart that represents music in the same form as the multiplication table to mathematics. So, the affinity to the music industry, and specifically music students and patrons, is secure, much as the Mickey Mouse Watch to the Mickey Mouse Club. The patents provide for all types of premium designs and auxiliary forms of clocks and watches combining the Music Circle of 5ths chart, including unique Neon or Chime clocks, Timex, Swatch, Tourneau, Movado, Bulova, Rolex watches, as well as screensavers and cell phone and pda downloads. These products will vary in price, from inexpensive \$35 - \$50 for children, to \$250.00 - \$500.00 college student, to \$1,200.00 - \$2,500.00 symphony orchestra models, to \$12,000 - \$25,000 Rolex Celebrity limited editions. My implementation plan, then, is to reach as many music students and patrons with the objective to purchase our premium timepiece, with personalized identification and marks, to enhance the institution of music to the student and patron. Furthermore, our services will become event management type services that will provide oversight to live music performance and venue requirements, as well as provide extensive employment opportunities and benefits as a yearly, music industry stimulus.

Purpose

The purpose of my twice-patented Circle of 5ths Time Dial, is to increase the value of the music institution to students and patrons of music, and is two-fold: 1.) as a novelty, similar to the Mickey Mouse watch to the Mickey Mouse club; and, 2.) as a reference of music, complete with online educational identification and study. The ultimate objective, then, is to create a franchise program in each institution of music that will increase the value of the institution, primarily in the financial objective of augmenting the resources through the purchases of our products. The educational system, and municipal orchestras, carry an immense magnitude of necessity to accumulate yearly resources to continue valuable music programs. Our products will enable any institution to participate in a franchise concern, similar to the Starbucks model, wherein the institution will receive extensive benefits of participation, i.e., rents or commissions, and employment related opportunities for students and patrons to receive high commissions and prizes, i.e., instruments, for performance and participation in design, marketing and sales of our products. There is a high margin of profit and return written into the participation that is virtually invaluable in our current economy and industry environment, and has created a niche market for our products and event management services.

Goals

Current goals (within the next year)

VIC DAVIDSON is intent upon creating the business administration identification and structure that will enable this corporation to advance to the introduction of a uniquely productive and profitable "franchise" type business. The administration will consist of a corporation naming the identifiable management team (i.e., CEO, CFO, COO, ESQ, CPA, IT, Marketing, Services, Support). The management team will then complete all necessary objectives of mission statement and concept protocol required to introduce and implement a beginning and continuing, duplicating "franchise" business.

The primary goal of management will be to begin the implementation of our business, that is, the introduction of our corporate protocol to the larger music industry environment within a structured implementation having the primary focus in education, performance venue, and retail events, that will be cooperatively managed with corporate and celebrity participation. In order to effectively create the personification of our corporation necessary to achieve management goals of implementation as such, financial arrangements must be implemented, such as grants, investments, loans and equity instruments. Documents are planned with a primary focus in debt-equity investment, grant applications and loans. Our primary financial goal is set at a minimum of \$250,000.00 for a 10% debt-equity consideration payable in either a 5 year or 10 year maximum, and a flexible maximum of \$5,000,000.00 for a 40% debt-equity consideration payable in a 5 year or 10 year maximum. Grants and loans may offset these debt-equity goals either prior to the agreement, during the agreement, and/or during our first through tenth year implementation.

The franchise program will include all training materials to implement a sales and marketing team surrounding the concept of premium manufactured products based in the design of VIC DAVIDSON's two United States Patents of the Music Circle of 5ths. This "franchise" will be duplicated in each qualified music institution that wishes to participate. Qualification will require legally licensed agreements across a spectrum of instruments cooperative within the concept of our franchise and the institution, i.e., logo and identification marks of the institution, our corporation, as well as celebrity signatures and sponsoring corporate identity. The idea of the "franchise" is to sell high value products in a fundraising type of business that will return the funds to the school for the purpose of supporting the music program. Ramifications of the "franchise" will include premium manufactured products identifiable to the specifications of the institution, with participation and performances cooperative with celebrity signature and performance, and corporate endorsement and sponsorship. Students and representatives of each institution will be awarded commissions and prizes commensurate with sales.

VIC DAVIDSON is intent upon creating numerous adjoining partnerships with established entities already functioning in a capacity in the industry that will quickly expand distribution and promotional efforts, and work within an established platform of advocacy and awareness. One such partnership, upon successful negotiation will create a network of approximately 3,000 institutions, virtually in a simultaneous implementation. This then, has the potential to incur a first year revenue of approximately \$150.Million. For instance, just 3,000 schools may commit to just one order of 200 units, which is only 10% of our base market of 30,000 high schools and colleges in the United States. There are an additional number of grade and middle schools in the U.S., and potentially one million schools, globally, with a necessity and desire to participate in our valuable "franchise" opportunity.

Long-term (over the next five years)

VIC DAVIDSON is intent upon an objective to create numerous retailer, manufacturer, as well as global union-affiliation partnerships. One large retailer already agreed to a monthly event, with potential to incur revenue above \$5,000,000.00 per month in a conservative estimate. Furthermore, another retailer already owns the contract to distribute premium timepieces to the educational system, and may find our product implementation to be an auxiliary measure of profitability. In a larger union-affiliation or partnership, combining instruments, corporations, manufacturers, retailers and celebrities, extensive independent employment opportunities – possibly thousands of jobs – will be created, with potentially millions in commissions and revenues paid to participating education and performance institutions, as well as union-affiliations, partnerships, and further to independent representatives within the benefiting institutions. Additionally, the resources produced, will be expended in further salary employment, the purchase of music instruments, and the development of performance venue and facility (travel and accommodations), creating an entire music industry stimulus, potentially valuable in billions per year in revenues.

Given the size of our market, that is the opportunity that exists within a few of the larger, global advocacy organizations with which our corporation is intent upon creating partnerships, VIC DAVIDSON is convinced that to reach \$1.Billion in revenue is, in fact, entirely plausible, especially in the case of our well-structured and thoughtfully planned implementation. Furthermore, we affirm that in this event, our minimum to maximum debt-equity may be repaid in an exponential value (potentially \$250K => \$100.Million) and then "rolled" into an IPO exit strategy similar to a Google type initial offering. Our ultimate objective is to meet the opportunity that is created in the advocacy of the larger, global organizations that support music in education, and music industry performance and promotional venues. This is similar to the Microsoft objective of creating a product that serves the personal computer platform(s).

So, as the environment and necessity in the industry exists for our product(s), as a more enhanced awareness of our "franchise" protocol is produced, the more extensive will be the participation, and therefore the higher the revenues and resources within the industry. Since we own the patents to the products, which are singular in concept, and may not be materially circumvented, our offer, herein, is genuinely a singular, and inimitable opportunity. The marriage of the concept of music to the concept of time is a singular event, and is not easily duplicated, if in any reasonable or considerable variation to our standards and objectives, as identified in this plan. The commercial market and environment for our products is relatively new, recently generating extensive awareness, scientific study, as well as Congressional Resolution within the educational and price categories within our business concept. This environment, as such, requires imminent attention, specific direction, identifiable structure, and an enhancement in opportunity to sustain current productivity, and then to advance in performance and appreciation. This, then, is the entire objective of our business. To provide the platform from which the entire music industry has the ability to manage a simple, yet exponentially advantageous advancement, working within the structure of our franchise protocol, using the extensive value of our products to accrue, utilize and manage necessary resources. To date, this prospect is currently unavailable and/or unattainable, or otherwise tediously and arduously achieved in either a minimal or ineffective rate within the global environment, reviewing the magnitude of the necessity.

Ultimately, upon the development of an IPO, we may need to follow the example of Sears & Roebucks, Co., and the either partner or purchase direct manufacturing and service rights as possibly a Timex subsidiary, a call center, website host, and more.

Industry

The music industry has grown in leaps and bounds from Beethoven, Bach, Chopin, Mendelssohn, Tschaikovsky, and most recently, with the advent of the Beatles, Led Zeppelin, Michael Jackson, and classical instrumental virtuosos, such as Itzhak Perlman, Ivo Pogorelich, Andre Previn and Claudio Abaddo, among thousands more. The trends, including classical, modern rock-n-roll, popular contemporary, alternative, rythm and blues, and gospel, have produced the highly popular events as Talent Search, Mickey Mouse Club, American Idol, America's Got Talent, and more. Additionally, scientific research and Congressional Resolution demonstrate irrefutable evidence that music performance and appreciation is imminently valuable to children, raising their skills and aptitudes in core subjects, and limiting behavioral problems. Movements among prenatal and infant learning circles have produced Disney's Baby Einstein program, among others, that actually teach toddlers the concepts of music in an online format. The media industry surpassed agriculture as the #1 export in the late 1980's, and as the global population grows, so will the awareness of the value of music to students, families, and communities. It's common sense to have children study music, which can easily replace unsupervised and reckless activities, and produces a team environment of study and communication that is fun, exciting, productive, and boosts self-

esteem, self-confidence, and humanitarian values. My products are twice patented for utility and design, and therein exactly poised to accept responsibility for exactly this environment, in an ever increasing awareness, with a global population directly attuned to this unique value.

Legal Business Description C Corp. EIN 06-1617838

State. What state is your business organized in? New York USA What states will you operate in? United States, Europe, Canada,

Type of business Retail, Wholesale, Service, Manufacturing, Contracting.

Business Status. New Business, New Concept/Ideology, Innovative Marketing Design, Premium Product distribution(s)

Date Incorporated. 11 August 2000 – Present (Restructure Imminent to Ensure no Discrepancy)

Managers

• How many departments and managers do you need? What are their functions?

CEO - Myself, COO – Lisa, Kim, Noel, CFO - Gus, CPA – Elliott +1, ESQ – Aaron +1, (Ins. Co. \$5.Million – Note: No one would kill me just for \$5.Million, would they? Seriously, who would do something like that? Hmm . . . ☺)

• If there are gaps in your management team, explain how they will be filled. Lenders also like to see a back-up plan. If you die or can no longer work, who will run the business and repay the company's debts? One solution is to buy enough life insurance to cover the business debt.

Employees

• How many part-time and full-time employees are needed to run the company? *It's a good idea to develop an organizational chart (example below).* CEO – 1, COO – 3, CFO – 1, CPA – 2, ESQ – 2 :: (9 Full-Time) Partnerships with larger organizations will account for – potentially thousands – part-time, temporary (independent 1099 representatives) planned to assist the direct marketing campaigns required to achieve the success of our franchise protocol.

• How and where will you find employees and keep them?

The nature of the commission-based sales incentives will enhance the viability of our program participation to virtually all music institutions, non-profit arts foundations, as well as public retail, performance and educational venues. Our primary interest remains in recruiting large organizational partnerships which share human resources. Furthermore, the program is designed to be extensive commission-based, as well as individually valuable and sustainable, and therein support the longevity desired of each participant, whether temporary or full-time.

The larger organizations in our primary interest of union-affiliations and partnerships are established, albeit not limited to, for example, VH1 Save the Music Foundation, Ford Foundation, Americans for The Arts, American Federation of Musicians, National Association of Music Merchandisers, Music Educators National Conference, among others. Also, instrument and timepiece manufacturers include, but not limited to, Steinway/Roland, Gibson/Baldwin, Fender, Yamaha, Timex, Swatch, Casio, Tourneau, Movado, Bulova, et.al. Celebrity participation will be our "feather in the cap" marketing incentive, and provide extensive value to our products, i.e., limit depreciation, as well as provide direct financial commission value to the participating celebrity. Finally, local colleges and high school (student bodies) will likely employ, say, the top 10% of business and music students to achieve the highest consideration possible in returns, each semester. Retailers are likely to include Borders Books, Barnes & Noble, Guitar Center, Sam Ash, Target, Walmart, and all similar outlets of any size, with interested music patrons.

The minimum return of one single order is from \$10,000.00 - \$50,000.00 ROI for each 200 unit order. My commissions for sales will pay 20% (or \$2,500) per order, as well as a similar commission to each celebrity participant, and a similar mitigated commission payable to individual representatives marketing individual items (approximately 5% per each item sale).

Costs

• Include managers' job descriptions, salaries, benefits and resumes in the **APPENDIX**.

1. CEO – \$40,000.00 – Myself – Design program implementation and approved fundraising protocol to our planned primary partnerships (VH1, AFM, NAMM, MENC, etc.), educational communities, professional orchestras, auxiliary non-profit organizations (PTA, JayCees), retailer outlets, and the end consumer. Design company protocol for managing events, design and marketing services, systems analysis, equipment maintenance, office placement, cost of goods and distribution commissions, payment and shipping schedules for outsource and in-house services, management and productivity incentives, competitions, website functions, development and distribution of collective auxiliary products (i.e., performance recordings, publishing), etc.
2. COO – \$40,000.00 – Operations Managers (Lisa, Kim, Noel) will initiate negotiations and onsite demonstrations of our products and services to our planned primary partners, educational directors, orchestra managers, auxiliary organizations, retailers, instrument and timepiece manufacturers, as well as end consumer distribution managers. Orientation of company protocol will be delegated to our planned partnership and auxiliary representatives, which have an estimated number into hundreds of thousands per United States and International regions (note: given the 250 AFM Music Union Offices in U.S., as well as international locations).
3. CFO – \$40,000.00 – CSA @Bank will structure, oversee and approve all payments for professional and outsourced services, advertising and productions, event management and staffing, salaries, commissions, insurances and bonuses to employees and partnership representatives, payment for capital, land and equipment, and insurances, as well as oversee investment of income appropriate to company protocol, including all foundation, philanthropy, capital gains, and taxation provisions. May advise alternative resources, such as insurances, grants, licensee proposals, grant applications, government interventions, as well as economic trends and financially productive cooperatives.

4. CPA – \$40,000.00 – E O W will work directly with CFO to structure significant improvements and security of resources and capital necessary to sustain productivity and profitability, while developing and maintaining our necessary cooperatives, partnerships and representative agreements, quarterly taxation schedules, and payments for all services rendered and received, as well as management of all income and receivables, balance sheets, auxiliary resource applications, credit applications and scores, insurances, and income appropriation, i.e., from which source payable or receivable, and to which account, i.e., investment or accessible cash.
5. ESQ – \$40,000.00 – A S will coordinate with CEO and CFO the licensing and cooperative negotiations required with prospective partners, representatives, affiliates, employees, and auxiliary relationships with government agencies or other advocacy, and oversee the legal protocol and stipulations of all activity related to our events, event management, insurances, event security protocol, product pricing and negotiable mitigated commissions to partners and representatives, as well as all product and event concerns of time and accessibility, worthiness and warranties, as well as any damages to anything or anyone related to any of our company objectives or events. Responsible for the prevention and/or litigation and discovery of infringements, pilferage, vandalism, illegal use of company marks or process, and negligent or accidental damages.

- How much are you going to pay each employee? Direct Company Employees will begin with \$40,000.00 and mitigated commissions per sales per region. Partnership Auxiliary Representatives (including celebrity signatures) will receive commissions and bonuses to be negotiated and mitigated up to 20% per each order, or an estimated \$2,500.00 per order of 200 individual units (\$2,500.00 for 300 orders = \$750,000.00; for 3,000 = \$7.5Million; for 30,000 = \$75.Million). Individual representatives, such as students marketing single or individual products at point of purchase sales will receive approximately 5% commission for each item sold. Prizes will be awarded for the most sales, promotional considerations, as well as performance reliability.

- What are the employee benefits and their costs? Benefits To Be Announced (Basic Health, Travel, Bonuses). Costs of company employees will be incurred for Travel, Accommodation, Event Registration, etc., and is estimated at approximately \$100,000.00 - \$250,000.00 for the first year. This will expense travel and accommodations to from 300 – 3,000 educational communities, and facilitate meetings with all planned relationships in each location. Independent franchise representatives will be paid a commission for sales (approximately 5% per each item sale) in a 1099 Independent Contractor relationship.

- What employee training is needed and how much will it cost? Orientation of the Franchise will include standard franchise operational parameters, (i.e., products, marketing brochures, websites, representatives, performances, celebrities, manufacturer, financial and partnership sponsors), including the values and prospects warranted and prospected. Each franchise will include products, website representation, and performance capacity, with variations respective to the identification of genre(s) in the institution. How will it occur? Implementation of the franchise will commence upon the formal introduction and process of the agreement of the institution and our company. One example, for instance, will be to have an auditorium event in local high schools, where a celebrity or instrument sponsor will perform a musical concert, i.e., Steinway endorse performance, and then make a presentation of the franchise opportunity to the students, complete with prizes and commission schedules, cd's or dvd's and online reference materials for all who wish to register and participate.

General

- Describe any resources available from outside the business. *For example, you may use an accountant for financial reporting.*

1. MRW LLC – \$50,000.00 – We have planned to work with the Accounting Firm due to the extensive experience in global entertainment, small business development, as well as financial maintenance. Furthermore, they are familiar with our company and objectives and have a partnership interest in the development of our program objectives.
2. PR LLP – \$50,000.00 – The global reach and prominence is required in our extensive event management and distribution protocol, and will be cost-effective to the overall company protocol, vision and direction, including licensing, partnership, management, and business structure, as well as employment, representative and product manufacture and placement agreements.
3. Instrument Manufacturers such as Steinway/Roland, Gibson/Baldwin, Fender, Yamaha, Casio, as well as TimePiece manufacturers, such as Timex, Swatch, Tourneau, Movado, Bulova, and Celebrities, such as Bono, Celine Dion, Elton John, Billy Joel, Paul Schaeffer of the David Letterman Late Show Band, Alicia Keys, Shakira, Britney Spears, Paris Hilton, Kenny G, Itzhak Perlman, may all become sponsors of local schools and municipal orchestras, and work in cooperation with our potential partnerships with, most notably, VH1 Save the Music Foundation, and American Federation of Musicians. Also, Congressional Representatives, and City Honorables, such as Mike Huckabee, and NYC Mayor Mike Bloomberg also have an interest in sponsoring or hosting music events in public forums, i.e., morning television shows. Public figures also may play an important part in generating awareness, i.e., Oprah Winfrey, John Bon Jovi, John Varvatos, President and First Lady Obama.

- Some functions can be outsourced. The monthly cost for this service is included in the **APPENDIX**.

For example, you can outsource a direct mail program to a marketing firm.

1. \$25,000.00 :: MMS Education (<http://www.MMSEducation.Com>) Complete Marketing & Fulfillment to Education – this organization has extensive experience and both human and intelligence resources available to assist the development and implementation of all products and protocols within the educational system. Their enhanced and online development CRM System may be implemented successfully to include a 3-tier website (public front, fulfillment platform, administrative base),

as well as extensive intelligent targeted marketing and product design, ordering, fulfillment, and maintenance of website and followup or additional business relationships. Our website planned will be a 2.0 Social Network site, such as MySpace or Facebook, and combine an Amazon/Ebay type fulfillment platform. This is for the purpose of each institution to design and keep track of all business and products designed specifically for sales within the institution. Also, it will assist our goals of competitive performance, and enhance instrument and commission distribution within VH1 Save the Music Foundation, American Federation of Musicians, and more.

2. \$10,000.00 :: USA Info (<http://www.USAInfo.Com>) – Industry Lead Generation/Fulfillment – this organization keeps overwhelming records of all public and private figures, and may research and provide extensive lists of directors of all music programs within a certain region, with specific criteria (faculty and department), as well as limited or full contact information. This intelligence is invaluable to our objectives for the purpose of coordinating our marketing goals with MMS Education and our call centers.
3. \$15,000.00 :: Call Centers (SC – Mark Smithling, New Prospect Biz, SF) – numerous call centers nation-wide provide a unique opportunity to augment the support structure of our MMS Education and USA Info network. In the case of an example of effective calling services, consider the value of reaching 30,000 high schools and colleges within the United States. If one or two centers employ just 10 persons who call 3 schools per hour (20 minute calls), 8 hours a day, the reach works out to be a schedule of 250 phone calls per day. In a 4 day, 20 week schedule, we actually exceed the 30,000 target. Imagine that schedule each semester, and possibly, duplicated in numerous categories, i.e., grade schools, middle schools, reaching 1 million schools, globally, performance venues, celebrities, instrument manufacturers, and more.
4. \$15,000.00 :: Fundraising Organizations (PTA, Fundraising.Com) – extensive fundraising organizations already exist with a potential yearly distribution within the educational system boasting more than 400,000 fundraising events annually. One such organization admitted our product and concept, and is awaiting a requested 3,000+ brochures and franchise dvd kit to send to educational directors, student life clubs, and more.
5. \$50,000.00 :: Premium Design Equipment or Outsource Designer Studio (Commensurate with Office Space) – the ultimate objectives of maintaining our website and fulfillment, as well as design capacity will require our computer network to be state of the art, and up to date with the standard design and business development and accounting software available. A preliminary instatement of one to five computers will be our implementation objective, and be a scalable solution equipped with a server capacity to sustain online network and telephony systems and protocols.
6. \$50,000.00 :: Draw Distribution Commissions (VH1, AFM, NAMM, MENC, PTA, Et.Al.) – Non Profit Fundraising will require commissions for sales as well as event management. In a net 30, 60, 90 payment schedule, our independent and salary representatives will require payment well before the payment for product in many cases, and we will need funds from which to draw, respectively.
7. \$50,000.00 :: Initial Premium Product Manufacture (Timex, Swatch, Casio) – College/High School Music Dept. – orders for our products will require initial payment, that will require funds far in advance of the net 30/60/90 payment protocol, perhaps 6 months to one year in advance, in some cases.
8. \$50,000.00 :: Retail Orders (Net 90 Days FOB) – Borders, B&N, Guitar Center, Sam Ash, Target, Walmart – typically, retailers will sustain a net 30/60/90 day payment schedule, and many manufacturers will recognize the credit of major retailers. Albeit, in some cases, we will need to ensure a preliminary or auxiliary deposit prior to, say, a 10,000 unit order, totaling above \$1.Million to manufacture.
9. \$50,000.00 :: Studio Instrument Rentals – this company is a national event production company, and has the ability to provide equipment and personnel to produce professional musical events on-demand, in any size venue, with any instruments, with complete audio/visual capacity for audience participation, as well as recording for posterity.

HOW WILL YOUR BUSINESS OPERATE?

• How will the product be produced and sold? A number of products are possible within the patented protection, and will require many various timepiece manufacturers and removable media designers. For instance, Timex, Swatch and Casio have the ability to manufacture in price points that are useful to all educational venues from grade, middle, high school, and some municipal colleges. Tourneau, Movado, Bulova, and Rolex, then, have achieved extensive distribution in both private university and professional orchestra, and the celebrity venues. Products, as such, will be manufactured to order, with a minimum of 200 units per order, and require an upfront manufacturer deposit of ½ upon assignment and ½ to deliver. In many cases, the entire deposit may be required due the extensive artwork and individual nature of the custom end product. Unless damages occur or defects prior to delivery, the products will not have a return allowance in many cases, unless otherwise specified prior to manufacture.

In the case of removable media, we will highly recommend and favor this product due the extensive rewards for subscription based screensavers, pda/cell downloads, reference materials, and personalized enhancements and maintenance benefits to the institutions. For instance, a school may charge \$10 or \$25 yearly subscription, which has a distribution cost of \$0.10 or \$0.25 each, and produce \$100,000 with merely 500 – 1,000 orders per year.

How will your services be rendered? Predominantly, in the case of schools, an auditorium event will showcase the opportunity, and deliver the franchise materials necessary to implement the project within the institution, including all personalization and identification protocol, sales and marketing objectives, and commensurate financial schedules. In the case of municipal or retailer showcase events, typically, the public may access the institutions website and storefront for information, brochures, rules of participation and identification, i.e., patronage insignias, product samples, artist and celebrity endorsements, sponsorship prizes, and participation benefits. In the case of larger union-affiliations and partnerships, students and professionals may access local offices of the unions which will reciprocate the participation values and parameters within the requested venues.

• What months, days, and hours will your business be open? 24/7 - 365. Is the business seasonal? Due to extensive awareness of public and larger union-affiliation advocacy, numerous Congressional Resolutions as well as professional organizations and public entities and foundations have developed specific demonstrations coordinated with educational advancement. For instance, Classical

Music Month is established in Congress to be the month of September (beginning of the school year) and is simultaneously considered to be National Jazz and National Piano month, as well. Furthermore, the month of April (spring break) is the anniversary of Resolution 355 which mandates music and the arts as core curriculum in municipal education. These Resolutions enhance the marketability of our products for gift purchasing, i.e., Macy's Day Parade, Christmas and Holiday gifts, as well as Spring Break performances in local and offsite venues. If so, show how you will adjust your time, schedule, inventory, and personnel. All events will be coordinated within the pre-designated structure of the larger union-affiliation and partnership schedules (i.e., a Steinway/Roland event, sponsored by Timex, VH1 Save the Music, and, possibly Alicia Keys, playable at Carnegie Hall). Our ultimate concept is to produce 1 or 2 similar or greater events (Ozzfest) within a structure of 250 major cities (number of AFM offices) each year.

• What furniture, fixtures, equipment and machinery is needed? Event management events may be easily managed within the available SIR framework of productions. TimePiece manufacturers already own and manage premium design custom protocol. Our individual offices may be developed in partnership with the larger union-affiliations and partnerships, albeit will require the initial computer network and possibly limited equipment for a small headquarter office. Transportation may also be required, and may be accommodated in the purchase of an RV or Van to coordinate events and promotions. Will it be bought, leased, or rented? In the initial implementation, all services will be expended upon delivery, as indicated in the schedule already noted, herein. Include proposed purchases in your

APPENDIX.

SUPPLIERS

• If you need suppliers and other companies to complete your product or service:

- What and how much will you need? Timex is our primary resource for product, and requires 200 unit orders.
- Where will you get these products and services? Timex will deliver products to the institutions directly upon full payment for order.
- How much will they cost? Each order of 200 units will cost \$12,000.00 base price, or \$18,000.00 with celebrity signature.
- What system will you use for materials processing and inventory control? In-house computer network will coordinate with outsourced MRW and PR protocols and quarterly requirements.

• Include in the **APPENDIX** details about your suppliers, including names, addresses, products or services supplied, costs/quotes, delivery/shipping fees and turnaround, terms of sales, contracts, and a purchasing plan.

• If you've requested financial, managerial, or technical assistance from your suppliers, include details in the **APPENDIX**.

LOCATION

• What kind of space does your business need? Initially, our identification is planned to be a 250 square foot office in Rock, costing \$5,000.00 per month. Our primary headquarter computer will begin network capacity, and scale appropriate to the growth objectives and actual implementation and success of our business.

Why is the area and location desirable? Rock is central to our outsourced CPA and Esq. services, as well as professional television and larger union-affiliation projections and plans for enhancement of the awareness of our business objectives.

Does this location affect your costs? The cost structure will be similar in any location, albeit rational to the amount of square feet in space and conditions. The small space is not an adversarial effect in the beginning implementation, and as we progress, the income generated may ideally be expended in larger union-affiliation and partnership networking that will enhance our benefits, respectively. This then, will create a useful organized approach that may enable our participation in the form of onsite management, which will be imminently more convenient in direct event and franchise management objectives.

How much are utilities, taxes, and other expenses? Initially, a monthly burn of \$5,000.00 - \$10,000.00 will suffice, and then scale respective our planned union-affiliation and partnerships.

Is it easily accessible? Yes. Is public transportation available? Yes. Is there adequate parking? Yes.

Does your business comply with zoning laws? Yes.

Do you own or lease the building? Lease. Include zoning statements from local government in the **APPENDIX** and approval letters from local and state inspectors. If owned, provide a copy of the deed in the **APPENDIX**. If leased, the term of the lease must be renewable to match the loan period you are requesting. Include a copy of the lease (or proposed lease) with terms, conditions, length, and cost in your **APPENDIX**.

Are improvements, renovations, furniture, fixtures, equipment or machinery necessary? Included. Show quotes in the **APPENDIX**.

Retailers: Borders Books and Music, Barnes & Noble, Guitar Center, Sam Ash, Target, Walmart.

> Research and show traffic patterns in the **APPENDIX**.

> What other businesses are in your immediate area? HMV Records,

Wholesalers, manufacturers and other businesses: Timex, Swatch Casio, Tourneau, Movado, Bulova, Rolex, Steinway/Roland, Gibson/Baldwin, Fender, Yamaha,

> Are you located near your customers and suppliers? Yes.

> Do you have easy access to major highways, railways, and airports? Yes.

• Provide photos and a summary of your location including a floor plan, blueprint or plot plan (if building) in the **APPENDIX**.

APPENDIX

> = > = > [01 AFM PRESIDENT THOMAS F LEE](#) < = < = <

click => <http://www.fifthtime.com/01afmpresident.pdf>

***** => [02 IMPLEMENTATION EXCERPT](#) <= *****

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