

VARIABLES, ESTIMATES, ASSUMPTIONS						
STAFFING						
	MANAGEMENT	FIXED STAFF	Annual	Count	Total comp	
CEO	150,000	Admin & Clerical	30,000	3	90,000	
CIO	100,000	Technical Support	60,000	6	360,000	
CIO-Asst	90,000	Marketing	70,000	1	70,000	
CFO	75,000	Training	50,000	1	50,000	
		Legal Officer	60,000	1	60,000	
Mgt Total	415,000					
Mgt Count	4		Fixed Staff Total	12	630,000	
		VARIABLE STAFF				
		Accounting,Billing	30,000			
		Staff Count		1	per every 5000 Issuing Offices	
OTHER INTERNAL COSTS						
	Benefits & Payroll Taxes	20% of Total Compensation				
	Admin & Other Operating Expenses	60% of Payroll & Benefits				
REVENUE SHARING						
Revenue per Policy	\$	%				
Underwriter Share*	10.00	35.7143%	* Underwriter Share at this level begins in Year 5.			
Issuing Office Share	10.00	35.7143%	Prior to Year 5, Underwriters receive less and FSH receives the difference, according to the following			
FSH Share*	8.00	28.5714%	schedule:			
Total	\$ 28.00	100.0000%		0%	Underwriter Share - Year 1	
				0%	Underwriter Share - Year 2	
				12%	Underwriter Share - Year 3 (\$3.36)	
				24%	Underwriter Share - Year 4 (\$6.72)	
CAPITAL REQUIREMENT						
Capital Needed						
For Organization & Development	\$	5,977,988	Includes all costs of Technology Development and Organizers costs - advanced and continuing			
For Operating Working Capital	\$	6,000,000	Includes 3 times the maximum year end cumulative operating cash deficit (after rounding up to even millions)			
Total	\$	11,977,988				
Amount of Capital Borrowed	100%	Term	5 year Bullet	Interest Rate	7.5%	
MISCELLANEOUS						
Industry Policies per Year		10,000,000	Industry Issuing Offices		20,000	
Direct Origination	40%		Rate of Annual Policy Growth		2%	
Agent Origination	60%					
Inflation	2.5%	Length of "Year 0"	9 Months			
Federal & State Income Tax Rate	41%	Portion of Net Income Paid as Dividends:				
			Years 1 - 4	Variable		
			Years 5 - 8	90%		
			Years 9 - 12	95%		
			Years 13 - 20	98%		
December 2, 2001						



Note: This data attempts to estimate and forecast performance and is necessarily speculative, forward-looking, and subject to variables over which FSH will have no control. FeeSimpleHosting makes no representations regarding its accuracy.