

From: Mitch Rubin <[REDACTED]>

To: "[REDACTED]" <[REDACTED]>, "[REDACTED]" <[REDACTED]>, "[REDACTED]" <[REDACTED]>

Subject: RE: Business Model

Date: Tue, 26 May 2009 14:13:12 +0000

Attachments: laserscupltfinancial_modelrev2.pdf; laserscupltfinancial_modelrev2(1).pdf;
laserscupltfinancial_modelrev2.xlsx

I have attached a revised forecast/pro forma model for the LaserSculpt business that encompasses the various discussions I have had with Andy, Kurt and Steven. The highlights of this model are:

A close ratio for procedures of 7.5% of net valid leads.

Elimination of all lead fees and appointment fees. All doctor deals are presumed to be based upon a target of 50% of revenue

\$695,000 of fees already received are amortized into revenue over the initial year. \$400,000 of this is NLS deal with the Michael Dart group.

Media cost is budgeted at an MER of 2.25 improving to 2.50

Head count significantly increased to allow for additional IT, accounting and client management/customer service personnel.

A revenue recognition delay of one month from media expenditure to recognized revenue.

Product sales revenues beginning in December at 3% of revenues and growing 1% per month capping at 15% of revenue. Gross margins on product sales net of sales and distribution costs are 40.5%

The revised budget does not yet include depreciation of capital expenditures. I will be working on the balance sheet and cash flow, which based on discussions will assume a monthly fee paid in advance from doctors that will be driven from prior month media at the forecasted multiple, hence there will be no account receivables from doctors.

Thoughts and comments are welcome. I have attached both a pdf file for printing as well as the Excel workbook.

Mitch

Mitchell B. Rubin

Office: [REDACTED]

Cell: [REDACTED]

Fax: [REDACTED]

EFTA00780225

mail to: [REDACTED]

This e-mail message is intended only for the named individual(s) or entity to which it is addressed above, and may contain information that is confidential, privileged, attorney work product or exempt from disclosure under applicable law. If you are not a named recipient(s), you are hereby notified that any dissemination, distribution or copying of this e-mail is strictly prohibited. If you have received this message in error, please immediately notify the sender by return e-mail and delete this e-mail message from your computer. Thank you.

From: [REDACTED] [mailto:[REDACTED]]
Sent: Thursday, May 14, 2009 11:15 AM
To: Mitch Rubin; [REDACTED]
Subject: Business Model

I have attached a sample of a model that I have experienced for reference.

Andy

[Dell Mini Netbooks: Great deals starting at \\$299 after instant savings!](#)