



Deutsch SL  
GROUP  
PREMIUM SKINCARE



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## **1.0 Executive Summary**

The purpose of this business plan is to secure \$125,000 of private investment capital for the development of a unique skincare product line. Deutsch SL Group LLC (“the Company”) was founded by Matthew Deutsch with the intention of providing the general public with a wide range of skincare products that principally use avocado oil as the base ingredient. This input has proven to moisturize skin will also assisting in the healing process. The formulation will also include aloe as well as other components that will make the product line sun protection friendly. The Company is based in California.

### **Operations**

In regards to revenue generation, the company will principally produce its income from direct sales to consumers. The business will maintain an expansive online presence through a Shopify powered website. The Company anticipates a target pricing of \$15 to \$30 per item depending on the volume. The business will also implement an auto refill program that will produce highly recurring reams of revenue for the business.

As the brand name of MDLD Healing Skincare increases, the business will also engage in wholesale distribution of its products. While this will be a lower margin aspect of the Company’s operations, this will produce substantial revenue as major buyers from noted personal care retailers are expected to make large scale orders.

The third section of this skincare business plan will further document the operations of the business.

### **The Financing**

As noted above, the Company is currently seeking \$150,000 for a private investor. The funds will be will use for the following:

- Initial skincare product inventories
- Marketing
- Working capital

The business would be an excellent candidate for ongoing expansion financing on an as needed basis. Given the highly predictable streams of revenue that will be produced from direct-to-consumer sales as well as wholesale distribution, the Company could easily secure additional equity capital or a revolving credit facility to further fuel the growth of the business.

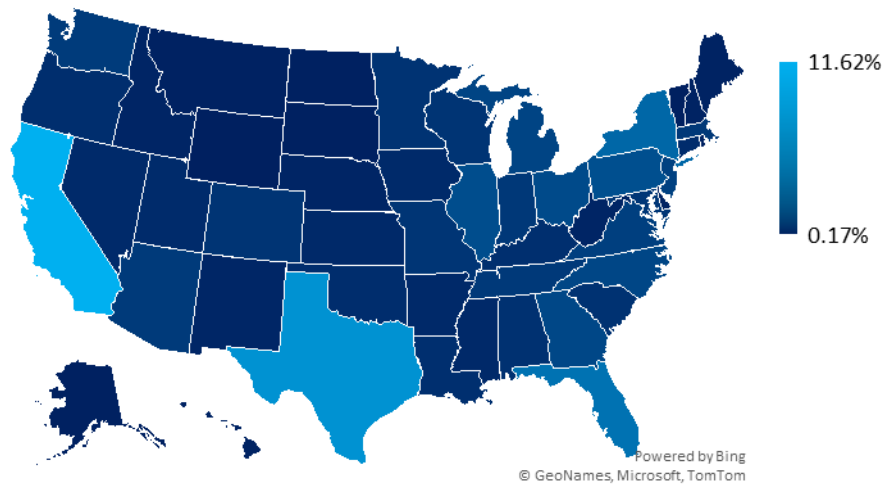
### **The Future**

Over the next five years, management will continually expand the number of products that are offered through the Deutsch SL Group ecosystem. This will include new formulations

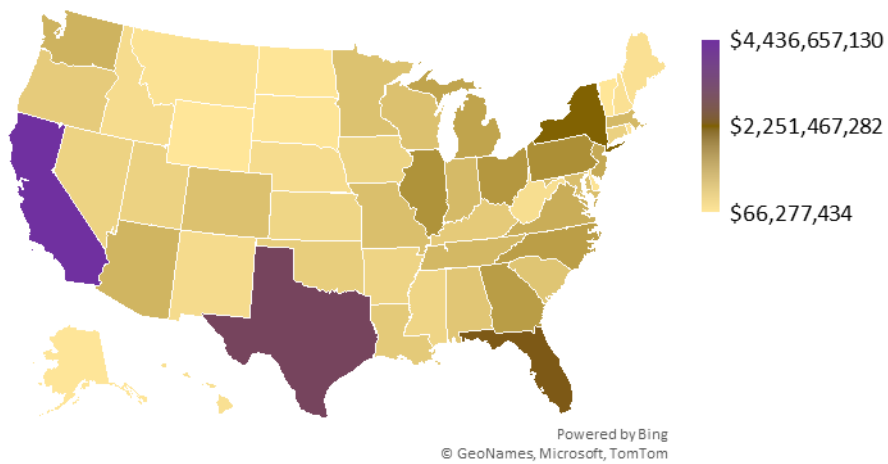
that specifically seek to revitalize and nourish the skin. The Company may also expand its operations to include complementary products for hair care.

## Market Overview

Demand by Population Size



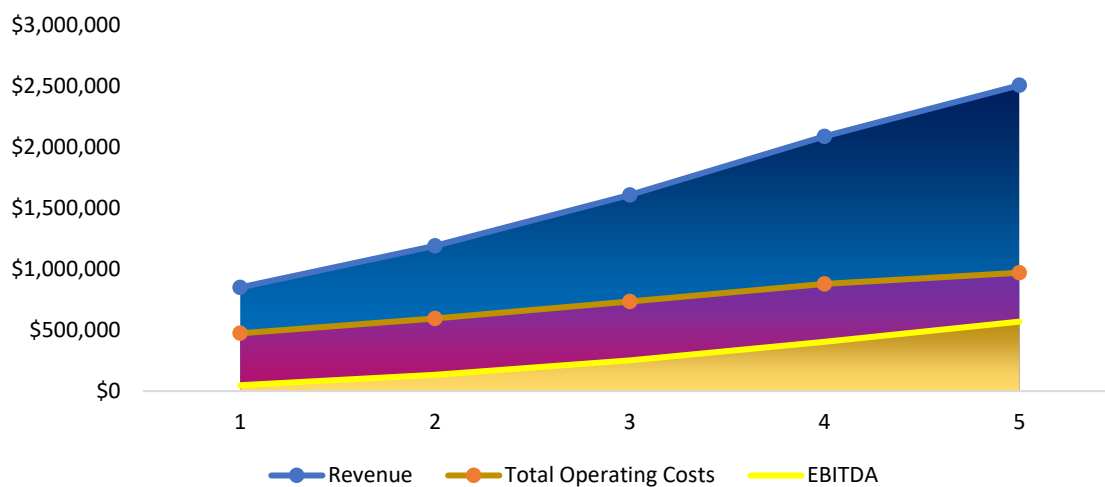
Market Value by State



## Revenue Forecasts

Proforma Profit and Loss					
Year	1	2	3	4	5
<b>Revenue</b>	\$850,500	\$1,190,700	\$1,607,445	\$2,089,679	\$2,507,614
Cost of Revenue	\$328,050	\$459,270	\$620,015	\$806,019	\$967,223
<b>Gross Profit</b>	\$522,450	\$731,430	\$987,431	\$1,283,660	\$1,540,392
Total Operating Costs	\$473,992	\$596,598	\$734,744	\$879,093	\$970,567
<b>EBITDA</b>	<b>\$48,458</b>	<b>\$134,832</b>	<b>\$252,686</b>	<b>\$404,567</b>	<b>\$569,825</b>

### Revenue, Operating Costs, EBITDA



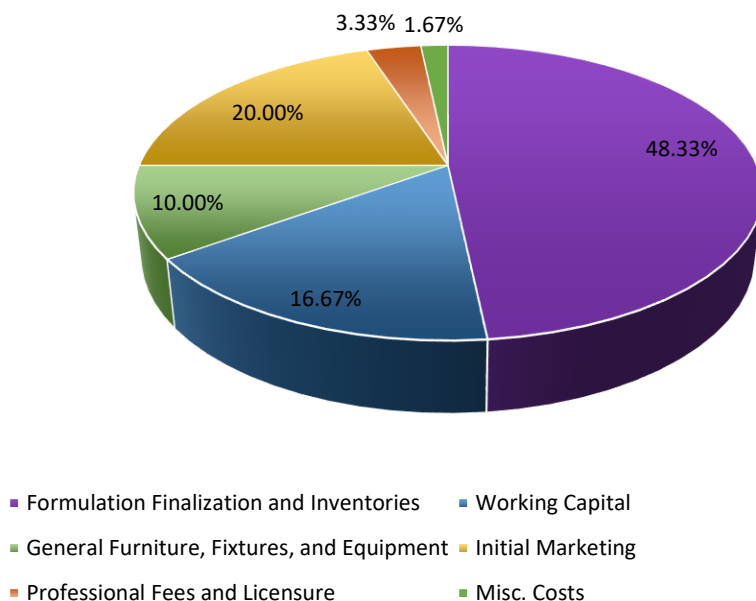
## 2.0 The Financing

### 2.1 Funds Required

The \$150,000 of private investment will be allocated as follows:

Use of Funds	
Formulation Finalization and Inventories	\$72,500
Working Capital	\$25,000
General Furniture, Fixtures, and Equipment	\$15,000
Initial Marketing	\$30,000
Professional Fees and Licensure	\$5,000
Misc. Costs	\$2,500
<b>Total</b>	<b>\$150,000</b>

Use of Funds Overview



### 2.2 Management and Investor Equity

The exact ownership percentage that Management will share with an investor will be determined during negotiation.

### 2.3 Exit Strategies

As skincare products is a highly competitive industry, there is a substantial demand for companies that have established a strong foothold in this market. In all likelihood, the Company will be sold to a larger skincare and personal care product conglomerate that is seeking to expand their portfolio of brands. In this event, the Company will coordinate these efforts with a qualified investment bank in order to ensure that the business receive a fair market price will also ensuring a seamless transition.

### 3.0 Operations

As noted, the executive summary, the Company will primarily generate its revenues on a direct-to-consumer basis through its expansive line of avocado infused skincare products. The Company's product line will be certified as organic, as these types of products are highly in demand among consumers.

The Company's website will be a state-of-the-art platform that showcases all products offered by the business while also integrating e-commerce functionality. The business will use Shopify as its e-commerce engine. This platform will also have subscription-based features so that individuals can receive a specific quantity of products that will be automatically delivered to them on a monthly basis.

Starting towards the end of the first year of operation, the Company will conduct extensive direct outreach with personal care stores, beauty stores, and other related retailers that will carry MDLD Healing Skincare products within their respective locations. This will drastically expand the revenue of the business well also contributing to a greater degree of brand visibility. It is fully expected that customers that have purchased the Company's skincare products at retail stores may also acquire these product products from the website as well.

## **4.0 Overview of the Organization**

### **4.1 Registered Name**

Deutsch SL Group LLC. The business is registered as a limited liability company in the State of California.

### **4.2 Commencement of Operations**

Full scale revenue generating operations are expected to commence in the second quarter of next year once the capital has been secured and the formulations have been finalized.

### **4.3 Mission Statement**

To provide an exceptional line of skin care products that seek to nourish and improve skin health.

### **4.4 Vision Statement**

To become widely recognized as a preeminent skincare line within the United States.

### **4.5 Organizational Objectives**

- Adhere to all regulations regarding the production and distribution of products that are meant for a human use.
- Implement numerous marketing campaigns that will draw the attention of a wide spectrum of demographics that will use the Company's skincare products.
- Provide sales staff with highly competitive compensation packages for each new wholesale purchase order that they acquire.
- Continue expand the scope of products offered to the general public, including the potential integration of hair care products.
- Acquire endorsement from a noted internet personality or celebrity.
- Continue to conduct direct outreach campaigns with dermatologists that will support the use of the MDLD Healing Skincare product line.

## 5.0 Market and Industry Analysis

### 5.1 External Environmental Analysis

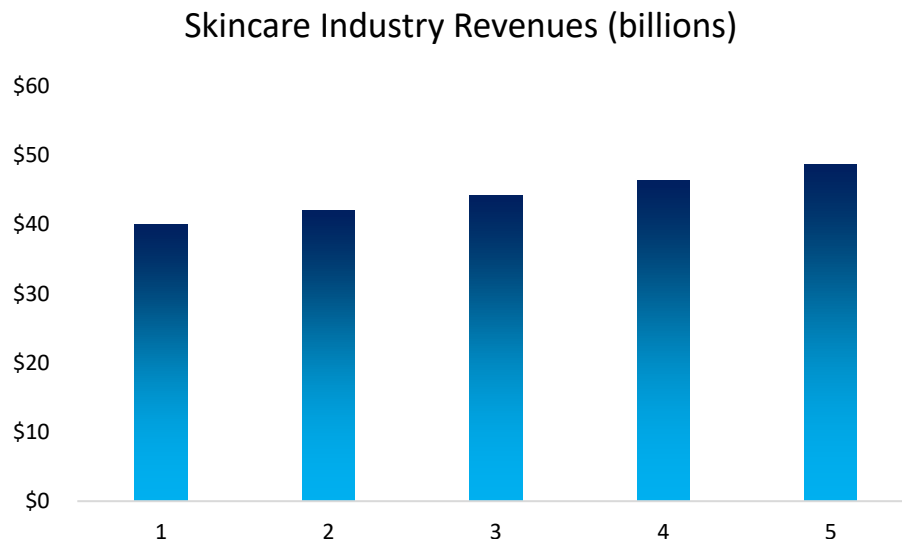
This section of the skincare business plan will document the current economic climate, the industry, the demographics of the Company's consumers, and the ongoing competition at the business will face.

At this time, the economic climate within the United States is moderate as a result of changing trade policies as well as adjustments to national economic policy. As a result of this, the inflation rate has been higher than expected. However, the Federal Reserve, as well as other government agencies are applying appropriate fiscal policy that will ensure that inflation comes down while also fostering ongoing economic expansion.

The business will be able to remain economically viable even during challenging business climates. The demand for quality skincare products that are cost-effective and assist with ensuring skin health typically remain strong in an economic climate. The multiple distribution channels that Deutsch SL Group will use for further contribute to the economic stability of the business.

### 5.2 Industry Analysis

As of this year, there are 5,200 companies that are actively involved with the production and distribution of skincare products. These businesses aggregately produced \$41 billion revenue while providing jobs for 72,000 people.



A major shift in this industry has occurred as many skincare product producers now directly sell their products on a direct-to-consumer basis. As has been noted throughout this document, Deutsch SL Group will capitalize on this trend through its Shopify based e-

commerce platform. This will be complimented by the direct outreach campaigns that the Company will undertake in order to drive wholesale distribution.

### **5.3 Customer Profile**

Any individual that has an interest in maintaining good skin health is a potential customer of Deutsch SL Group. The MDLD Healing Skincare product line will have wide applicability for both men and women. This will be one of the primary differentiating factors that will be noted during the course of its marketing operations. Generally, these consumers will have an annual household income of \$75,000 and will typically reside within 100 miles of a major metropolitan area.

### **5.4 Competitive Analysis**

The ongoing competition that Deutsch SL Group will face as it introduces its MDLD Healing Skincare branded line of products is substantial. As noted above, this industry produces over \$41 billion a year and has numerous market agents that provide competing products. The Company will maintain a major differentiating factor by having avocado oil as its primary ingredient.

## **6.0 Key Strategic Issues**

### **6.1 Sustainable Operations**

Deutsch SL Group will have sustainable operations as a result of the following:

- The Company will use numerous direct consumer strategies that will drive substantial revenue growth in the coming years.
- An experienced CEO, Matthew Deutsch, who will be able to effectively brand MDLD Healing Skincare products as premium skincare goods.
- Limited competition among skincare enterprises that focus equally on the needs of both men and women.
- The Company will be able to scale its operations through celebrity endorsement.

### **6.2 Basis of Growth**

The Company will expand via the following methods:

- Continued expansion of the number of skincare products offered under this brand name.
- Expansion of operations to include hair care products.
- Establish ongoing relationships with international trade brokers that allow the business to enter international markets.

## 7.0 Marketing Plan

### 7.1 Marketing Objectives

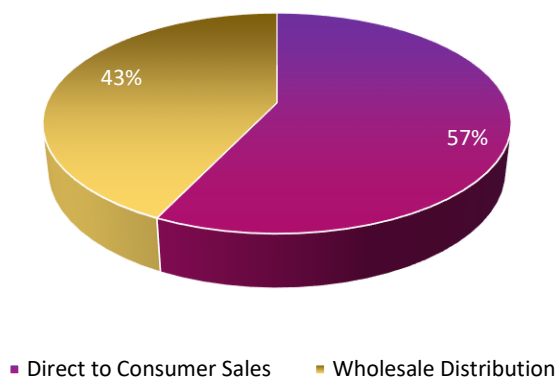
- Develop a substantial sales network that will conduct direct outreach with personal care stores that will carry the companies in inventories.
- Implement numerous online marketing strategies that will allow the business to be found quickly when searches for specialized skincare products are required.
- In time, seek celebrity endorsement in order to increase the brand visibility profile.

### 7.2 Revenue Forecasts

Yearly Sales Forecast					
Year	1	2	3	4	5
Direct to Consumer Sales	\$486,000	\$680,400	\$918,540	\$1,194,102	\$1,432,922
Wholesale Distribution	\$364,500	\$510,300	\$688,905	\$895,577	\$1,074,692
<b>Totals</b>	<b>\$850,500</b>	<b>\$1,190,700</b>	<b>\$1,607,445</b>	<b>\$2,089,679</b>	<b>\$2,507,614</b>

Gross Profit					
Year	1	2	3	4	5
<b>Total</b>	<b>\$522,450</b>	<b>\$731,430</b>	<b>\$987,431</b>	<b>\$1,283,660</b>	<b>\$1,540,392</b>

### Revenue Generation



### 7.3 Revenue Assumptions

#### Year 1

- Deutsch SL Group will launch operations through its MDLD Healing Skincare branded line.
- Revenue will reach \$850,000.

## Year 2

- The Company will drastically expand the scope of its marketing campaigns.
- Revenue will reach \$1.1 million.

## Years 3-5

- Management may integrate new products into the line.
- Revenue will reach \$2.5 million by the fifth year of operation.

## 7.4 Marketing Strategies

Given the substantial competition within the skincare industry, Management will use numerous marketing strategies that will drive significant brand-name awareness in the coming years. As it relates to the Company's website, this platform will ever go substantial for engine optimization including the ongoing development of articles related to proper skincare. This will ensure that the business is able to generate a substantial amount of traffic to the website, which will drive substantial sales. The Company's search engine optimization campaigns were further throughout the life of the business.

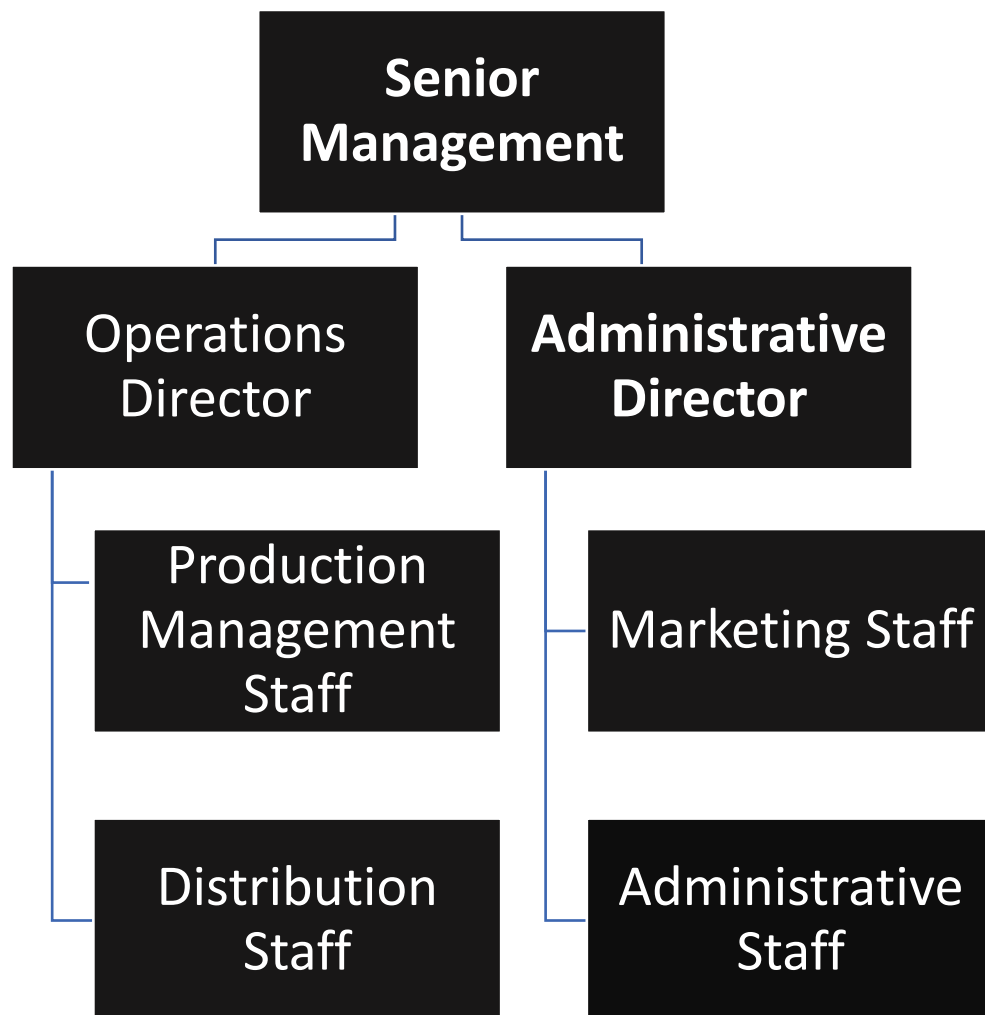
Beyond the Company's proprietary website, social media will be a special importance as many people have fall into the demographic profile frequently use social media platforms. On these pages, the Company will showcase the entire spectrum of MDLD Healing Skincare branded products. Links that go back to the Company's e-commerce website will be featured on each social media posting. The business will also have video driven content created that showcases use of the proprietary formulations.

In time, the Company will also see endorsement from a noted internet personality or celebrity. This will drastically increase brand visibility as they use the product as part of their lifestyle. These operations will be conducted in tandem with an agency that specifically deals with sourcing this type of endorsement.

Once the business generates substantial revenue, the Company will take a print advertisement in fashion and beauty drifted magazines in order to further increase the visibility of a brand.

## 8.0 Organizational Plan

### 8.1 Organizational Hierarchy

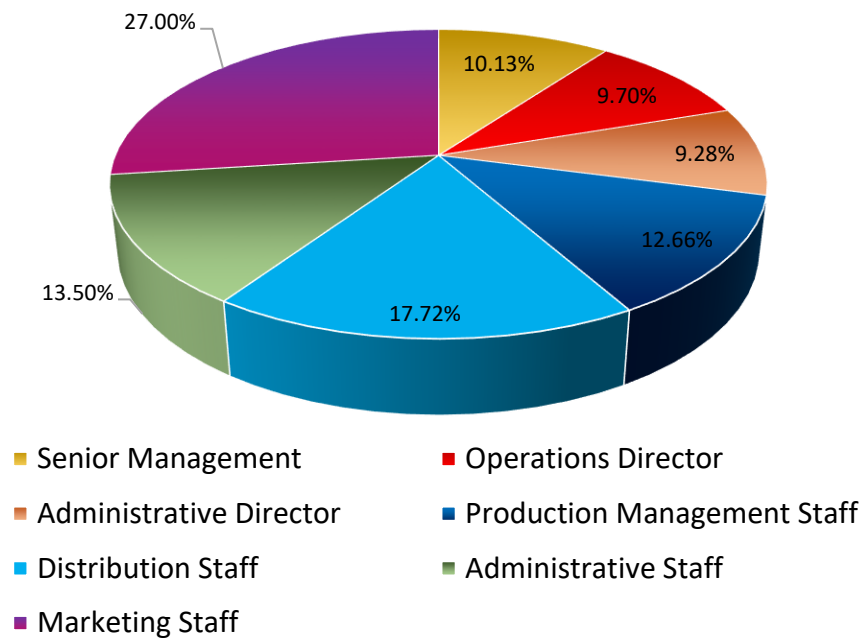


## 8.2 Personnel Costs

Personnel Plan - Yearly					
Year	1	2	3	4	5
Senior Management	\$60,000	\$60,600	\$61,206	\$61,818	\$62,436
Operations Director	\$57,500	\$58,075	\$58,656	\$59,242	\$59,835
Administrative Director	\$55,000	\$55,550	\$56,106	\$56,667	\$57,233
Production Management Staff	\$37,500	\$37,875	\$38,254	\$77,273	\$78,045
Distribution Staff	\$35,000	\$70,700	\$71,407	\$72,121	\$109,263
Administrative Staff	\$40,000	\$40,400	\$81,608	\$82,424	\$83,248
Marketing Staff	\$40,000	\$80,800	\$122,412	\$164,848	\$166,497
<b>Total</b>	<b>\$325,000</b>	<b>\$404,000</b>	<b>\$489,648</b>	<b>\$574,393</b>	<b>\$616,558</b>

Numbers of Personnel (Year End Headcount)					
Year	1	2	3	4	5
Senior Management	1	1	1	1	1
Operations Director	1	1	1	1	1
Administrative Director	1	1	1	1	1
Production Management Staff	1	1	1	2	2
Distribution Staff	1	2	2	2	3
Administrative Staff	1	1	2	2	2
Marketing Staff	1	2	3	4	4
<b>Total</b>	<b>7</b>	<b>9</b>	<b>11</b>	<b>13</b>	<b>14</b>

### Personnel Summary



## 9.0 Financial Plan

### 9.1 Underlying Assumptions

- The Company will acquire \$150,000 of private investment capital to establish operations.
- Deutsch SL Group will achieve a compounded annual growth rate of 31%, which will be heavily driven by the integration of new skincare products.
- The company will maintain its books on an accrual basis.

### 9.2 Financial Highlights

- Through direct-to-consumer sales, the Company will achieve contribution margins of 70%.
- For wholesale distribution, the business will generate gross profits of 50%.

### 9.3 Sensitivity Analysis

During a severe economic recession, the demand for premium skincare products may decline slightly. For many users, these products are considered to be an absolute necessity. The significant contribution margin generated from both direct-to-consumer sales as well as wholesale distribution will fully support the operations of Deutsch SL Group while ensuring that the business can remain profitable.

### 9.4 Source of Funds

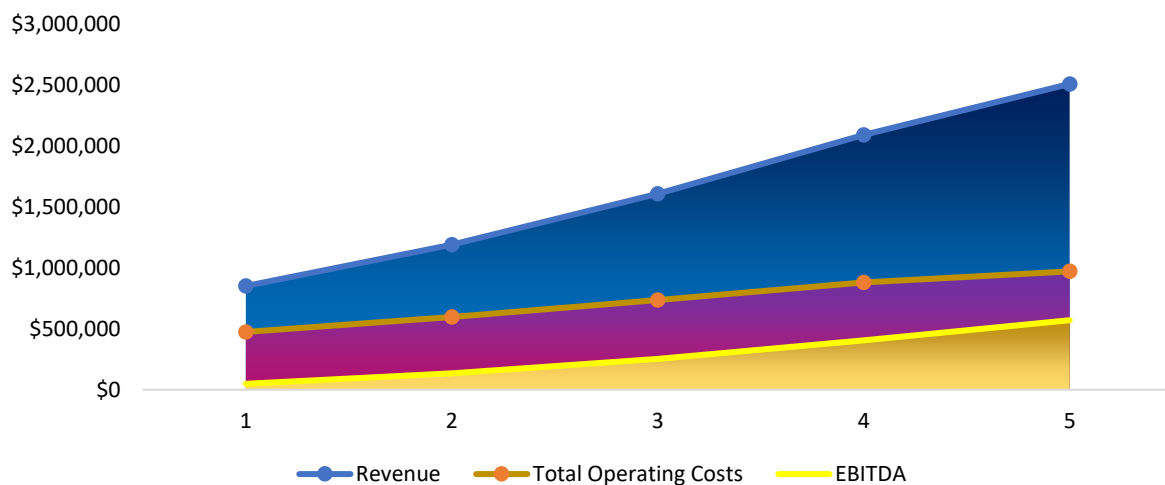
Financing	
Equity	
Equity Capitalization	\$125,000.00
<b>Total Equity Financing</b>	<b>\$125,000.00</b>
Banks and Lenders	
<b>Total Debt Financing</b>	<b>\$0.00</b>
<b>Total Financing</b>	<b>\$125,000.00</b>

## 9.5 Financial Proformas

### A) Profit and Loss Statement

Proforma Profit and Loss					
Year	1	2	3	4	5
<b>Revenue</b>	\$850,500	\$1,190,700	\$1,607,445	\$2,089,679	\$2,507,614
Cost of Revenue	\$328,050	\$459,270	\$620,015	\$806,019	\$967,223
Gross Margin	61.43%	61.43%	61.43%	61.43%	61.43%
<b>Gross Profit</b>	\$522,450	\$731,430	\$987,431	\$1,283,660	\$1,540,392
<b>Expenses</b>					
Payroll	\$325,000	\$404,000	\$489,648	\$574,393	\$616,558
Facility Costs	\$25,000	\$25,250	\$25,503	\$25,758	\$26,015
General and Administrative	\$17,010	\$23,814	\$32,149	\$41,794	\$50,152
Professional Fees and Licensure	\$2,500	\$2,525	\$2,550	\$2,576	\$2,602
Insurance	\$3,500	\$3,535	\$3,570	\$3,606	\$3,642
Marketing	\$42,525	\$59,535	\$80,372	\$104,484	\$125,381
Commissions	\$27,216	\$38,102	\$51,438	\$66,870	\$80,244
Misc. Costs	\$6,379	\$8,930	\$12,056	\$15,673	\$18,807
Payroll Taxes	\$24,863	\$30,906	\$37,458	\$43,941	\$47,167
<b>Total Operating Costs</b>	<b>\$473,992</b>	<b>\$596,598</b>	<b>\$734,744</b>	<b>\$879,093</b>	<b>\$970,567</b>
<b>EBITDA</b>	<b>\$48,458</b>	<b>\$134,832</b>	<b>\$252,686</b>	<b>\$404,567</b>	<b>\$569,825</b>
Federal Income Tax	\$9,389	\$30,574	\$59,568	\$96,997	\$137,690
State Income Tax	\$1,878	\$6,115	\$11,914	\$19,399	\$27,538
Interest Expense	\$0	\$0	\$0	\$0	\$0
Depreciation Expenses	\$10,900	\$12,535	\$14,415	\$16,578	\$19,064
<b>Net Profit</b>	<b>\$26,290</b>	<b>\$85,608</b>	<b>\$166,790</b>	<b>\$271,592</b>	<b>\$385,532</b>
<b>Profit Margin</b>	<b>3.09%</b>	<b>7.19%</b>	<b>10.38%</b>	<b>13.00%</b>	<b>15.37%</b>

Revenue, Operating Costs, EBITDA



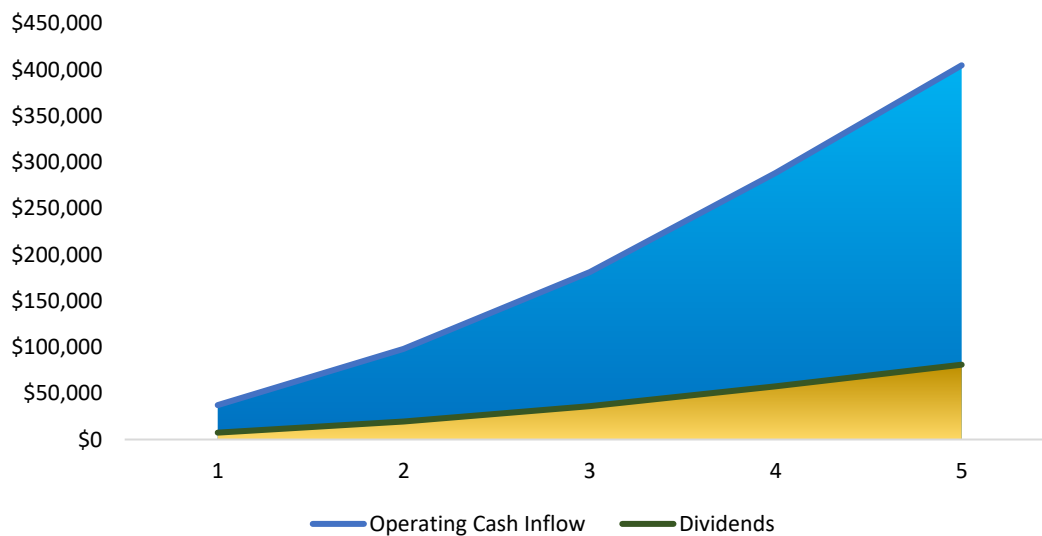
## B) Common Size Income Statement

Proforma Profit and Loss (Common Size)					
Year	1	2	3	4	5
<b>Revenue</b>	100.00%	100.00%	100.00%	100.00%	100.00%
Cost of Revenue	38.57%	38.57%	38.57%	38.57%	38.57%
<b>Gross Profit</b>	61.43%	61.43%	61.43%	61.43%	61.43%
<b>Expenses</b>					
Payroll	38.21%	33.93%	30.46%	27.49%	24.59%
Facility Costs	2.94%	2.12%	1.59%	1.23%	1.04%
General and Administrative	2.00%	2.00%	2.00%	2.00%	2.00%
Professional Fees and Licensure	0.29%	0.21%	0.16%	0.12%	0.10%
Insurance	0.41%	0.30%	0.22%	0.17%	0.15%
Marketing	5.00%	5.00%	5.00%	5.00%	5.00%
Commissions	3.20%	3.20%	3.20%	3.20%	3.20%
Misc. Costs	0.75%	0.75%	0.75%	0.75%	0.75%
Payroll Taxes	2.92%	2.60%	2.33%	2.10%	1.88%
<b>Total Operating Costs</b>	55.73%	50.10%	45.71%	42.07%	38.70%
<b>EBITDA</b>	5.70%	11.32%	15.72%	19.36%	22.72%
Federal Income Tax	1.10%	2.57%	3.71%	4.64%	5.49%
State Income Tax	0.22%	0.51%	0.74%	0.93%	1.10%
Interest Expense	0.00%	0.00%	0.00%	0.00%	0.00%
Depreciation Expenses	1.28%	1.05%	0.90%	0.79%	0.76%
<b>Net Profit</b>	3.09%	7.19%	10.38%	13.00%	15.37%

## C) Cash Flow Analysis

Proforma Cash Flow Analysis - Yearly					
Year	1	2	3	4	5
Cash From Operations	\$37,190	\$98,143	\$181,205	\$288,170	\$404,596
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
<b>Operating Cash Inflow</b>	<b>\$37,190</b>	<b>\$98,143</b>	<b>\$181,205</b>	<b>\$288,170</b>	<b>\$404,596</b>
<b>Other Cash Inflows</b>					
Equity Investment	\$125,000	\$0	\$0	\$0	\$0
Increased Borrowings	\$0	\$0	\$0	\$0	\$0
Sales of Business Assets	\$0	\$0	\$0	\$0	\$0
A/P Increases	\$1,000	\$1,050	\$1,103	\$1,158	\$1,216
<b>Total Other Cash Inflows</b>	<b>\$126,000</b>	<b>\$1,050</b>	<b>\$1,103</b>	<b>\$1,158</b>	<b>\$1,216</b>
<b>Total Cash Inflow</b>	<b>\$163,190</b>	<b>\$99,193</b>	<b>\$182,307</b>	<b>\$289,328</b>	<b>\$405,812</b>
<b>Cash Outflows</b>					
Repayment of Principal	\$0	\$0	\$0	\$0	\$0
A/P Decreases	\$700	\$735	\$772	\$810	\$851
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$87,500	\$49,072	\$90,602	\$144,085	\$202,298
Dividends	\$7,438	\$19,629	\$36,241	\$57,634	\$80,919
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
<b>Total Cash Outflows</b>	<b>\$95,638</b>	<b>\$69,435</b>	<b>\$127,615</b>	<b>\$202,529</b>	<b>\$284,068</b>
<b>Net Cash Flow</b>	<b>\$67,552</b>	<b>\$29,758</b>	<b>\$54,692</b>	<b>\$86,798</b>	<b>\$121,744</b>
<b>Cash Balance</b>	<b>\$67,552</b>	<b>\$97,310</b>	<b>\$152,002</b>	<b>\$238,801</b>	<b>\$360,544</b>

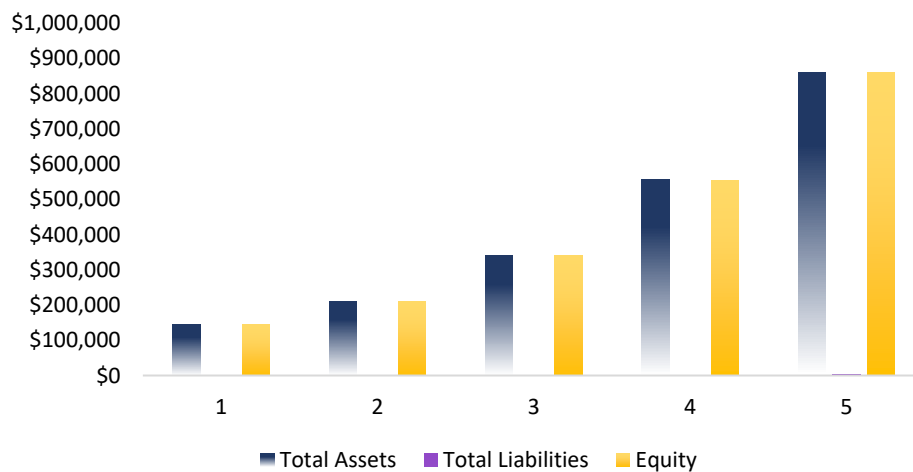
### Cash Flow Analysis



## D) Balance Sheet

Proforma Balance Sheet - Yearly					
Year	1	2	3	4	5
<b>Assets</b>					
Cash	\$67,552	\$97,310	\$152,002	\$238,801	\$360,544
Fixed Assets	\$87,500	\$136,572	\$227,174	\$371,259	\$573,557
Accumulated Depreciation	(\$10,900)	(\$23,435)	(\$37,850)	(\$54,428)	(\$73,492)
<b>Total Assets</b>	<b>\$144,152</b>	<b>\$210,447</b>	<b>\$341,326</b>	<b>\$555,632</b>	<b>\$860,610</b>
<b>Liabilities and Equity</b>					
Accounts Payable	\$300	\$615	\$946	\$1,293	\$1,658
Long Term Liabilities	\$0	\$0	\$0	\$0	\$0
Other Liabilities	\$0	\$0	\$0	\$0	\$0
<b>Total Liabilities</b>	<b>\$300</b>	<b>\$615</b>	<b>\$946</b>	<b>\$1,293</b>	<b>\$1,658</b>
<b>Equity</b>	<b>\$143,852</b>	<b>\$209,832</b>	<b>\$340,380</b>	<b>\$554,339</b>	<b>\$858,952</b>
<b>Total Liabilities and Equity</b>	<b>\$144,152</b>	<b>\$210,447</b>	<b>\$341,326</b>	<b>\$555,632</b>	<b>\$860,610</b>

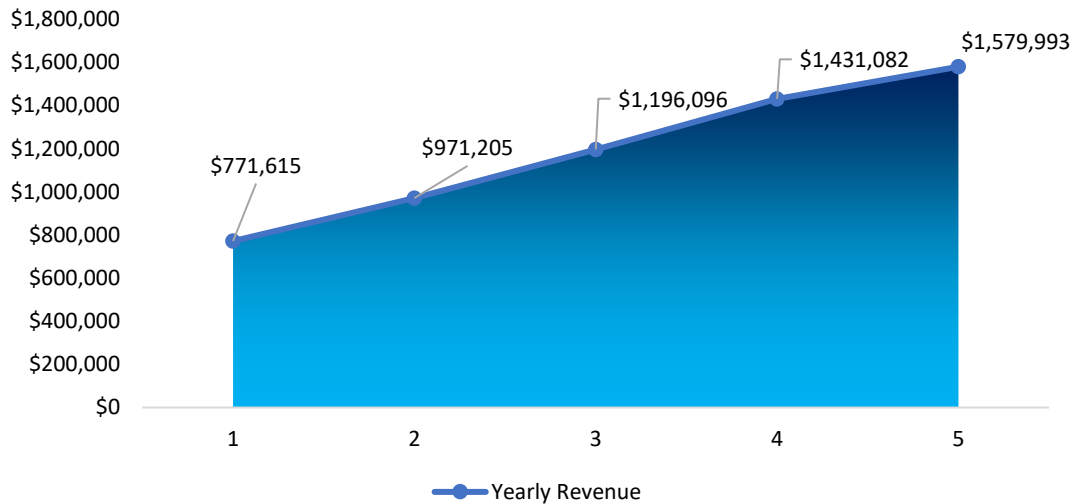
### Balance Sheet



## 9.6 Breakeven Analysis

Break Even Analysis					
Year	1	2	3	4	5
Monthly Revenue	\$64,301	\$80,934	\$99,675	\$119,257	\$131,666
Yearly Revenue	\$771,615	\$971,205	\$1,196,096	\$1,431,082	\$1,579,993

### Breakeven Analysis



## 9.7 Business Ratios

Business Ratios - Yearly					
Year	1	2	3	4	5
<b>Revenue</b>					
Sales Growth	0.0%	40.0%	35.0%	30.0%	20.0%
Gross Margin	61.4%	61.4%	61.4%	61.4%	61.4%
<b>Financials</b>					
Profit Margin	3.09%	7.19%	10.38%	13.00%	15.37%
Assets to Liabilities	480.51	342.19	360.91	429.71	519.16
Equity to Liabilities	479.51	341.19	359.91	428.71	518.16
Assets to Equity	1.00	1.00	1.00	1.00	1.00
<b>Liquidity</b>					
Acid Test	225.17	158.23	160.72	184.68	217.50
Cash to Assets	0.47	0.46	0.45	0.43	0.42

## **Appendix A – SWOT Analysis**

### **Strengths**

- The Company is taking a unique approach to its marketing by targeting both men and women for use of its skincare line.
- A Founder and CEO, Matthew Deutsch, that has extensive experience with the development of proprietary personal care products.
- The Company can easily scale into international markets by establishing ongoing relationships with trade brokers.
- The Company can bring products under this age brand name to market with minimal lead time.

### **Weaknesses**

- Substantial operational complexities given that these products must undergo substantial testing.
- Significant cost related to marketing.

### **Opportunities**

- Expansion of the Company's inventory to include a wide range of hair care products.
- Acquisition of celebrity endorsement will substantially increase for invisibility.

### **Threats**

- Inflation could cause the acquisition of input inventories to increase significantly.
- Skincare product distribution is an extremely competitive industry.

## Appendix B – Critical Risks

### Development Risk – Low

The initial formulations that will be used in the MDLD Healing Skincare branded product line have already been developed. The primary matter that needs to be addressed before establishing its marketing campaigns is the acquisition of the private investment sought in this document.

### Financing Risk – Moderate

The \$150,000 a capital required will be principal used for the acquisition of initial inventories as well as the initial marketing operations. Given the competition in this field, there is a slightly higher degree of risk as associated with its investment. These risks will be tempered given the substantial contribution margins generated from each skincare product sale.

### Marketing Risk – Low

The Company will use the marketing strategies in chapter seven in order to drive substantial traffic to the company of Shopify enable website. This will be conducted in tandem with implementing numerous other marketing strategies that will create significant brand awareness.

### Management Risk – Low

Matthew Deutsch is a highly experienced personal care products entrepreneur, and he will be able to effectively launch the operations of Deutsch SL Group and the MDLD Healing Skincare branded product line to profitability.

### Valuation Risk – Low

The valuation risk is offset by:

- The Company can divest MDLD Healing Skincare branded skincare products domestically and internationally.
- The substantial profitability of the business will allow for reinvestment into expanded marketing operations.
- The business can bring complementary products to the market with minimal lead time.

### Exit Risk - Low

Once a business achieves the size showcase in this document, there would be a substantial demand among other personal care product distribution business businesses to acquire the operations of the Company. These efforts will be conducted in tandem with a qualified investment bank.

## Appendix C – Expanded Profit and Loss Statements

Profit and Loss Statement (First Year)							
Months	1	2	3	4	5	6	7
<b>Revenue</b>	<b>\$61,250</b>	<b>\$63,000</b>	<b>\$64,750</b>	<b>\$66,500</b>	<b>\$68,250</b>	<b>\$70,000</b>	<b>\$71,750</b>
Cost of Revenue	\$23,625	\$24,300	\$24,975	\$25,650	\$26,325	\$27,000	\$27,675
<b>Gross Profit</b>	<b>\$37,625</b>	<b>\$38,700</b>	<b>\$39,775</b>	<b>\$40,850</b>	<b>\$41,925</b>	<b>\$43,000</b>	<b>\$44,075</b>
<b>Expenses</b>							
Payroll	\$27,083	\$27,083	\$27,083	\$27,083	\$27,083	\$27,083	\$27,083
Facility Costs	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083
General and Administrative	\$1,418	\$1,418	\$1,418	\$1,418	\$1,418	\$1,418	\$1,418
Professional Fees and Licensure	\$208	\$208	\$208	\$208	\$208	\$208	\$208
Insurance	\$292	\$292	\$292	\$292	\$292	\$292	\$292
Marketing	\$3,544	\$3,544	\$3,544	\$3,544	\$3,544	\$3,544	\$3,544
Commissions	\$2,268	\$2,268	\$2,268	\$2,268	\$2,268	\$2,268	\$2,268
Misc. Costs	\$532	\$532	\$532	\$532	\$532	\$532	\$532
Payroll Taxes	\$2,072	\$2,072	\$2,072	\$2,072	\$2,072	\$2,072	\$2,072
<b>Total Operating Costs</b>	<b>\$39,499</b>	<b>\$39,499</b>	<b>\$39,499</b>	<b>\$39,499</b>	<b>\$39,499</b>	<b>\$39,499</b>	<b>\$39,499</b>
<b>EBITDA</b>	<b>-\$1,874</b>	<b>-\$799</b>	<b>\$276</b>	<b>\$1,351</b>	<b>\$2,426</b>	<b>\$3,501</b>	<b>\$4,576</b>
Federal Income Tax	\$676	\$696	\$715	\$734	\$753	\$773	\$792
State Income Tax	\$135	\$139	\$143	\$147	\$151	\$155	\$158
Interest Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Depreciation Expenses	\$908	\$908	\$908	\$908	\$908	\$908	\$908
<b>Net Profit</b>	<b>-\$3,594</b>	<b>-\$2,542</b>	<b>-\$1,490</b>	<b>-\$439</b>	<b>\$613</b>	<b>\$1,665</b>	<b>\$2,717</b>

Profit and Loss Statement (First Year Cont.)						
Month	8	9	10	11	12	Year 1
<b>Revenue</b>	<b>\$73,500</b>	<b>\$75,250</b>	<b>\$77,000</b>	<b>\$78,750</b>	<b>\$80,500</b>	<b>\$850,500</b>
Cost of Revenue	\$28,350	\$29,025	\$29,700	\$30,375	\$31,050	\$328,050
<b>Gross Profit</b>	<b>\$45,150</b>	<b>\$46,225</b>	<b>\$47,300</b>	<b>\$48,375</b>	<b>\$49,450</b>	<b>\$522,450</b>
<b>Expenses</b>						
Payroll	\$27,083	\$27,083	\$27,083	\$27,083	\$27,083	\$325,000
Facility Costs	\$2,083	\$2,083	\$2,083	\$2,083	\$2,083	\$25,000
General and Administrative	\$1,418	\$1,418	\$1,418	\$1,418	\$1,418	\$17,010
Professional Fees and Licensure	\$208	\$208	\$208	\$208	\$208	\$2,500
Insurance	\$292	\$292	\$292	\$292	\$292	\$3,500
Marketing	\$3,544	\$3,544	\$3,544	\$3,544	\$3,544	\$42,525
Commissions	\$2,268	\$2,268	\$2,268	\$2,268	\$2,268	\$27,216
Misc. Costs	\$532	\$532	\$532	\$532	\$532	\$6,379
Payroll Taxes	\$2,072	\$2,072	\$2,072	\$2,072	\$2,072	\$24,863
<b>Total Operating Costs</b>	<b>\$39,499</b>	<b>\$39,499</b>	<b>\$39,499</b>	<b>\$39,499</b>	<b>\$39,499</b>	<b>\$473,992</b>
<b>EBITDA</b>	<b>\$5,651</b>	<b>\$6,726</b>	<b>\$7,801</b>	<b>\$8,876</b>	<b>\$9,951</b>	<b>\$48,458</b>
Federal Income Tax	\$811	\$831	\$850	\$869	\$889	\$9,389
State Income Tax	\$162	\$166	\$170	\$174	\$178	\$1,878
Interest Expense	\$0	\$0	\$0	\$0	\$0	\$0
Depreciation Expenses	\$908	\$908	\$908	\$908	\$908	\$10,900
<b>Net Profit</b>	<b>\$3,769</b>	<b>\$4,820</b>	<b>\$5,872</b>	<b>\$6,924</b>	<b>\$7,976</b>	<b>\$26,290</b>

Profit and Loss Statement (Second Year)					
	Year 2				
Quarter	Q1	Q2	Q3	Q4	Year 2
<b>Revenue</b>	\$288,745	\$294,698	\$300,652	\$306,605	\$1,190,700
Cost of Revenue	\$111,373	\$113,669	\$115,966	\$118,262	\$459,270
<b>Gross Profit</b>	<b>\$177,372</b>	<b>\$181,029</b>	<b>\$184,686</b>	<b>\$188,343</b>	<b>\$731,430</b>
<b>Expenses</b>					
Payroll	\$101,000	\$101,000	\$101,000	\$101,000	\$404,000
Facility Costs	\$6,313	\$6,313	\$6,313	\$6,313	\$25,250
General and Administrative	\$5,775	\$5,894	\$6,013	\$6,132	\$23,814
Professional Fees and Licensure	\$612	\$625	\$638	\$650	\$2,525
Insurance	\$884	\$884	\$884	\$884	\$3,535
Marketing	\$14,437	\$14,735	\$15,033	\$15,330	\$59,535
Commissions	\$9,526	\$9,526	\$9,526	\$9,526	\$38,102
Misc. Costs	\$2,166	\$2,210	\$2,255	\$2,300	\$8,930
Payroll Taxes	\$7,495	\$7,649	\$7,804	\$7,958	\$30,906
<b>Total Operating Costs</b>	<b>\$148,207</b>	<b>\$148,835</b>	<b>\$149,464</b>	<b>\$150,092</b>	<b>\$596,598</b>
<b>EBITDA</b>	<b>\$29,165</b>	<b>\$32,194</b>	<b>\$35,222</b>	<b>\$38,251</b>	<b>\$134,832</b>
Federal Income Tax	\$7,414	\$7,567	\$7,720	\$7,873	\$30,574
State Income Tax	\$1,483	\$1,513	\$1,544	\$1,575	\$6,115
Interest Expense	\$0	\$0	\$0	\$0	\$0
Depreciation Expenses	\$3,134	\$3,134	\$3,134	\$3,134	\$12,535
<b>Net Profit</b>	<b>\$17,134</b>	<b>\$19,979</b>	<b>\$22,825</b>	<b>\$25,670</b>	<b>\$85,608</b>

Profit and Loss Statement (Third Year)					
	Year 3				
Quarter	Q1	Q2	Q3	Q4	Year 3
<b>Revenue</b>	\$389,805	\$397,843	\$405,880	\$413,917	\$1,607,445
Cost of Revenue	\$150,354	\$153,454	\$156,554	\$159,654	\$620,015
<b>Gross Profit</b>	<b>\$239,452</b>	<b>\$244,389</b>	<b>\$249,326</b>	<b>\$254,263</b>	<b>\$987,431</b>
<b>Expenses</b>					
Payroll	\$122,412	\$122,412	\$122,412	\$122,412	\$489,648
Facility Costs	\$6,376	\$6,376	\$6,376	\$6,376	\$25,503
General and Administrative	\$7,796	\$7,957	\$8,118	\$8,278	\$32,149
Professional Fees and Licensure	\$618	\$631	\$644	\$657	\$2,550
Insurance	\$893	\$893	\$893	\$893	\$3,570
Marketing	\$19,490	\$19,892	\$20,294	\$20,696	\$80,372
Commissions	\$12,860	\$12,860	\$12,860	\$12,860	\$51,438
Misc. Costs	\$2,924	\$2,984	\$3,044	\$3,104	\$12,056
Payroll Taxes	\$9,365	\$9,365	\$9,365	\$9,365	\$37,458
<b>Total Operating Costs</b>	<b>\$182,733</b>	<b>\$183,368</b>	<b>\$184,004</b>	<b>\$184,640</b>	<b>\$734,744</b>
<b>EBITDA</b>	<b>\$56,719</b>	<b>\$61,021</b>	<b>\$65,322</b>	<b>\$69,624</b>	<b>\$252,686</b>
Federal Income Tax	\$14,445	\$14,743	\$15,041	\$15,339	\$59,568
State Income Tax	\$2,889	\$2,949	\$3,008	\$3,068	\$11,914
Interest Expense	\$0	\$0	\$0	\$0	\$0
Depreciation Expenses	\$3,604	\$3,604	\$3,604	\$3,604	\$14,415
<b>Net Profit</b>	<b>\$35,781</b>	<b>\$39,725</b>	<b>\$43,669</b>	<b>\$47,614</b>	<b>\$166,790</b>

Profit and Loss Statement (Fourth Year)					
	Year 4				
Quarter	Q1	Q2	Q3	Q4	Year 4
<b>Revenue</b>	\$506,747	\$517,195	\$527,644	\$538,092	\$2,089,679
Cost of Revenue	\$195,460	\$199,490	\$203,520	\$207,550	\$806,019
<b>Gross Profit</b>	<b>\$311,287</b>	<b>\$317,706</b>	<b>\$324,124</b>	<b>\$330,542</b>	<b>\$1,283,660</b>
<b>Expenses</b>					
Payroll	\$143,598	\$143,598	\$143,598	\$143,598	\$574,393
Facility Costs	\$6,439	\$6,439	\$6,439	\$6,439	\$25,758
General and Administrative	\$10,135	\$10,344	\$10,553	\$10,762	\$41,794
Professional Fees and Licensure	\$625	\$637	\$650	\$663	\$2,576
Insurance	\$902	\$902	\$902	\$902	\$3,606
Marketing	\$25,337	\$25,860	\$26,382	\$26,905	\$104,484
Commissions	\$16,717	\$16,717	\$16,717	\$16,717	\$66,870
Misc. Costs	\$3,801	\$3,879	\$3,957	\$4,036	\$15,673
Payroll Taxes	\$10,985	\$10,985	\$10,985	\$10,985	\$43,941
<b>Total Operating Costs</b>	<b>\$218,539</b>	<b>\$219,362</b>	<b>\$220,185</b>	<b>\$221,007</b>	<b>\$879,093</b>
<b>EBITDA</b>	<b>\$92,748</b>	<b>\$98,344</b>	<b>\$103,940</b>	<b>\$109,535</b>	<b>\$404,567</b>
Federal Income Tax	\$23,522	\$24,007	\$24,492	\$24,977	\$96,997
State Income Tax	\$4,704	\$4,801	\$4,898	\$4,995	\$19,399
Interest Expense	\$0	\$0	\$0	\$0	\$0
Depreciation Expenses	\$4,144	\$4,144	\$4,144	\$4,144	\$16,578
<b>Net Profit</b>	<b>\$60,378</b>	<b>\$65,391</b>	<b>\$70,405</b>	<b>\$75,419</b>	<b>\$271,592</b>

Profit and Loss Statement (Fifth Year)					
	Year 5				
Quarter	Q1	Q2	Q3	Q4	Year 5
<b>Revenue</b>	\$608,096	\$620,635	\$633,173	\$645,711	\$2,507,614
Cost of Revenue	\$234,551	\$239,388	\$244,224	\$249,060	\$967,223
<b>Gross Profit</b>	<b>\$373,545</b>	<b>\$381,247</b>	<b>\$388,949</b>	<b>\$396,651</b>	<b>\$1,540,392</b>
<b>Expenses</b>					
Payroll	\$154,139	\$154,139	\$154,139	\$154,139	\$616,558
Facility Costs	\$6,504	\$6,504	\$6,504	\$6,504	\$26,015
General and Administrative	\$12,162	\$12,413	\$12,663	\$12,914	\$50,152
Professional Fees and Licensure	\$631	\$644	\$657	\$670	\$2,602
Insurance	\$911	\$911	\$911	\$911	\$3,642
Marketing	\$30,405	\$31,032	\$31,659	\$32,286	\$125,381
Commissions	\$20,061	\$20,061	\$20,061	\$20,061	\$80,244
Misc. Costs	\$4,561	\$4,655	\$4,749	\$4,843	\$18,807
Payroll Taxes	\$11,792	\$11,792	\$11,792	\$11,792	\$47,167
<b>Total Operating Costs</b>	<b>\$241,165</b>	<b>\$242,149</b>	<b>\$243,134</b>	<b>\$244,119</b>	<b>\$970,567</b>
<b>EBITDA</b>	<b>\$132,380</b>	<b>\$139,098</b>	<b>\$145,815</b>	<b>\$152,532</b>	<b>\$569,825</b>
Federal Income Tax	\$33,390	\$34,078	\$34,767	\$35,455	\$137,690
State Income Tax	\$6,678	\$6,816	\$6,953	\$7,091	\$27,538
Interest Expense	\$0	\$0	\$0	\$0	\$0
Depreciation Expenses	\$4,766	\$4,766	\$4,766	\$4,766	\$19,064
<b>Net Profit</b>	<b>\$87,546</b>	<b>\$93,438</b>	<b>\$99,329</b>	<b>\$105,220</b>	<b>\$385,532</b>

## Appendix D – Expanded Cash Flow Analysis

<b>Cash Flow Analysis (First Year)</b>								
Month	1	2	3	4	5	6	7	8
Cash From Operations	-\$2,686	-\$1,634	-\$582	\$470	\$1,521	\$2,573	\$3,625	\$4,677
Cash From Receivables	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Operating Cash Inflow</b>	-\$2,686	-\$1,634	-\$582	\$470	\$1,521	\$2,573	\$3,625	\$4,677
<b>Other Cash Inflows</b>								
Equity Investment	\$125,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Increased Borrowings	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sales of Business Assets	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A/P Increases	\$83	\$83	\$83	\$83	\$83	\$83	\$83	\$83
<b>Total Other Cash Inflows</b>	<b>\$125,083</b>	<b>\$83</b>	<b>\$83</b>	<b>\$83</b>	<b>\$83</b>	<b>\$83</b>	<b>\$83</b>	<b>\$83</b>
<b>Total Cash Inflow</b>	<b>\$122,398</b>	<b>-\$1,551</b>	<b>-\$499</b>	<b>\$553</b>	<b>\$1,605</b>	<b>\$2,657</b>	<b>\$3,708</b>	<b>\$4,760</b>
<b>Cash Outflows</b>								
Repayment of Principal	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
A/P Decreases	\$58	\$58	\$58	\$58	\$58	\$58	\$58	\$58
A/R Increases	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$87,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Dividends	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Cash Outflows</b>	<b>\$87,558</b>	<b>\$58</b>	<b>\$58</b>	<b>\$58</b>	<b>\$58</b>	<b>\$58</b>	<b>\$58</b>	<b>\$58</b>
<b>Net Cash Flow</b>	<b>\$34,839</b>	<b>-\$1,609</b>	<b>-\$557</b>	<b>\$495</b>	<b>\$1,546</b>	<b>\$2,598</b>	<b>\$3,650</b>	<b>\$4,702</b>
<b>Cash Balance</b>	<b>\$34,839</b>	<b>\$33,230</b>	<b>\$32,673</b>	<b>\$33,168</b>	<b>\$34,714</b>	<b>\$37,313</b>	<b>\$40,963</b>	<b>\$45,665</b>

<b>Cash Flow Analysis (First Year Cont.)</b>					
Month	9	10	11	12	Year 1
Cash From Operations	\$5,729	\$6,781	\$7,832	\$8,884	\$37,190
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
<b>Operating Cash Inflow</b>	<b>\$5,729</b>	<b>\$6,781</b>	<b>\$7,832</b>	<b>\$8,884</b>	<b>\$37,190</b>
<b>Other Cash Inflows</b>					
Equity Investment	\$0	\$0	\$0	\$0	\$125,000
Increased Borrowings	\$0	\$0	\$0	\$0	\$0
Sales of Business Assets	\$0	\$0	\$0	\$0	\$0
A/P Increases	\$83	\$83	\$83	\$83	\$1,000
<b>Total Other Cash Inflows</b>	<b>\$83</b>	<b>\$83</b>	<b>\$83</b>	<b>\$83</b>	<b>\$126,000</b>
<b>Total Cash Inflow</b>	<b>\$5,812</b>	<b>\$6,864</b>	<b>\$7,916</b>	<b>\$8,968</b>	<b>\$163,190</b>
<b>Cash Outflows</b>					
Repayment of Principal	\$0	\$0	\$0	\$0	\$0
A/P Decreases	\$58	\$58	\$58	\$58	\$700
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$0	\$0	\$0	\$0	\$87,500
Dividends	\$0	\$0	\$0	\$7,438	\$7,438
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
<b>Total Cash Outflows</b>	<b>\$58</b>	<b>\$58</b>	<b>\$58</b>	<b>\$7,496</b>	<b>\$95,638</b>
<b>Net Cash Flow</b>	<b>\$5,754</b>	<b>\$6,806</b>	<b>\$7,857</b>	<b>\$1,471</b>	<b>\$67,552</b>
<b>Cash Balance</b>	<b>\$51,418</b>	<b>\$58,224</b>	<b>\$66,081</b>	<b>\$67,552</b>	<b>\$67,552</b>

Cash Flow Analysis (Second Year)					
	Year 2				
Quarter	Q1	Q2	Q3	Q4	Year 2
Cash From Operations	\$20,268	\$23,113	\$25,958	\$28,804	\$98,143
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
<b>Operating Cash Inflow</b>	<b>\$20,268</b>	<b>\$23,113</b>	<b>\$25,958</b>	<b>\$28,804</b>	<b>\$98,143</b>
<b>Other Cash Inflows</b>					
Equity Investment	\$0	\$0	\$0	\$0	\$0
Increased Borrowings	\$0	\$0	\$0	\$0	\$0
Sales of Business Assets	\$0	\$0	\$0	\$0	\$0
A/P Increases	\$255	\$260	\$265	\$270	\$1,050
<b>Total Other Cash Inflows</b>	<b>\$255</b>	<b>\$260</b>	<b>\$265</b>	<b>\$270</b>	<b>\$1,050</b>
<b>Total Cash Inflow</b>	<b>\$20,523</b>	<b>\$23,373</b>	<b>\$26,223</b>	<b>\$29,074</b>	<b>\$99,193</b>
<b>Cash Outflows</b>					
Repayment of Principal	\$0	\$0	\$0	\$0	\$0
A/P Decreases	\$178	\$182	\$186	\$189	\$735
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$49,072	\$0	\$0	\$0	\$49,072
Dividends	\$0	\$0	\$0	\$19,629	\$19,629
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
<b>Total Cash Outflows</b>	<b>\$49,250</b>	<b>\$182</b>	<b>\$186</b>	<b>\$19,818</b>	<b>\$69,435</b>
<b>Net Cash Flow</b>	<b>-\$28,727</b>	<b>\$23,191</b>	<b>\$26,038</b>	<b>\$9,256</b>	<b>\$29,758</b>
<b>Cash Balance</b>	<b>\$38,825</b>	<b>\$62,016</b>	<b>\$88,054</b>	<b>\$97,310</b>	<b>\$97,310</b>

Cash Flow Analysis (Third Year)					
	Year 3				
Quarter	Q1	Q2	Q3	Q4	Year 3
Cash From Operations	\$39,385	\$43,329	\$47,273	\$51,217	\$181,205
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
<b>Operating Cash Inflow</b>	<b>\$39,385</b>	<b>\$43,329</b>	<b>\$47,273</b>	<b>\$51,217</b>	<b>\$181,205</b>
<b>Other Cash Inflows</b>					
Equity Investment	\$0	\$0	\$0	\$0	\$0
Increased Borrowings	\$0	\$0	\$0	\$0	\$0
Sales of Business Assets	\$0	\$0	\$0	\$0	\$0
A/P Increases	\$267	\$273	\$278	\$284	\$1,103
<b>Total Other Cash Inflows</b>	<b>\$267</b>	<b>\$273</b>	<b>\$278</b>	<b>\$284</b>	<b>\$1,103</b>
<b>Total Cash Inflow</b>	<b>\$39,652</b>	<b>\$43,602</b>	<b>\$47,552</b>	<b>\$51,501</b>	<b>\$182,307</b>
<b>Cash Outflows</b>					
Repayment of Principal	\$0	\$0	\$0	\$0	\$0
A/P Decreases	\$187	\$191	\$195	\$199	\$772
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$90,602	\$0	\$0	\$0	\$90,602
Dividends	\$0	\$0	\$0	\$36,241	\$36,241
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
<b>Total Cash Outflows</b>	<b>\$90,790</b>	<b>\$191</b>	<b>\$195</b>	<b>\$36,440</b>	<b>\$127,615</b>
<b>Net Cash Flow</b>	<b>-\$51,137</b>	<b>\$43,411</b>	<b>\$47,357</b>	<b>\$15,062</b>	<b>\$54,692</b>
<b>Cash Balance</b>	<b>\$46,173</b>	<b>\$89,584</b>	<b>\$136,941</b>	<b>\$152,002</b>	<b>\$152,002</b>

Cash Flow Analysis (Fourth Year)					
	Year 4				
Quarter	Q1	Q2	Q3	Q4	Year 4
Cash From Operations	\$64,522	\$69,536	\$74,549	\$79,563	\$288,170
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
<b>Operating Cash Inflow</b>	<b>\$64,522</b>	<b>\$69,536</b>	<b>\$74,549</b>	<b>\$79,563</b>	<b>\$288,170</b>
<b>Other Cash Inflows</b>					
Equity Investment	\$0	\$0	\$0	\$0	\$0
Increased Borrowings	\$0	\$0	\$0	\$0	\$0
Sales of Business Assets	\$0	\$0	\$0	\$0	\$0
A/P Increases	\$281	\$287	\$292	\$298	\$1,158
<b>Total Other Cash Inflows</b>	<b>\$281</b>	<b>\$287</b>	<b>\$292</b>	<b>\$298</b>	<b>\$1,158</b>
<b>Total Cash Inflow</b>	<b>\$64,803</b>	<b>\$69,822</b>	<b>\$74,842</b>	<b>\$79,861</b>	<b>\$289,328</b>
<b>Cash Outflows</b>					
Repayment of Principal	\$0	\$0	\$0	\$0	\$0
A/P Decreases	\$197	\$201	\$205	\$209	\$810
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$144,085	\$0	\$0	\$0	\$144,085
Dividends	\$0	\$0	\$0	\$57,634	\$57,634
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
<b>Total Cash Outflows</b>	<b>\$144,281</b>	<b>\$201</b>	<b>\$205</b>	<b>\$57,843</b>	<b>\$202,529</b>
<b>Net Cash Flow</b>	<b>-\$79,479</b>	<b>\$69,622</b>	<b>\$74,637</b>	<b>\$22,018</b>	<b>\$86,798</b>
<b>Cash Balance</b>	<b>\$72,524</b>	<b>\$142,145</b>	<b>\$216,782</b>	<b>\$238,801</b>	<b>\$238,801</b>

Cash Flow Analysis (Fifth Year)					
	Year 5				
Quarter	Q1	Q2	Q3	Q4	Year 5
Cash From Operations	\$92,312	\$98,204	\$104,095	\$109,986	\$404,596
Cash From Receivables	\$0	\$0	\$0	\$0	\$0
<b>Operating Cash Inflow</b>	<b>\$92,312</b>	<b>\$98,204</b>	<b>\$104,095</b>	<b>\$109,986</b>	<b>\$404,596</b>
<b>Other Cash Inflows</b>					
Equity Investment	\$0	\$0	\$0	\$0	\$0
Increased Borrowings	\$0	\$0	\$0	\$0	\$0
Sales of Business Assets	\$0	\$0	\$0	\$0	\$0
A/P Increases	\$295	\$301	\$307	\$313	\$1,216
<b>Total Other Cash Inflows</b>	<b>\$295</b>	<b>\$301</b>	<b>\$307</b>	<b>\$313</b>	<b>\$1,216</b>
<b>Total Cash Inflow</b>	<b>\$92,607</b>	<b>\$98,504</b>	<b>\$104,402</b>	<b>\$110,299</b>	<b>\$405,812</b>
<b>Cash Outflows</b>					
Repayment of Principal	\$0	\$0	\$0	\$0	\$0
A/P Decreases	\$206	\$211	\$215	\$219	\$851
A/R Increases	\$0	\$0	\$0	\$0	\$0
Asset Purchases	\$202,298	\$0	\$0	\$0	\$202,298
Dividends	\$0	\$0	\$0	\$80,919	\$80,919
Preferred Equity Payment	\$0	\$0	\$0	\$0	\$0
<b>Total Cash Outflows</b>	<b>\$202,505</b>	<b>\$211</b>	<b>\$215</b>	<b>\$81,138</b>	<b>\$284,068</b>
<b>Net Cash Flow</b>	<b>-\$109,897</b>	<b>\$98,294</b>	<b>\$104,187</b>	<b>\$29,160</b>	<b>\$121,744</b>
<b>Cash Balance</b>	<b>\$128,903</b>	<b>\$227,197</b>	<b>\$331,384</b>	<b>\$360,544</b>	<b>\$360,544</b>