

LearningRx Information Kit

The One-on-One Brain Training Franchise



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Congratulations on taking the first step towards an opportunity that will not only impact your life, but the lives of many kids and adults you will help in your community as well. There are very few opportunities that can have such a lasting impact on lives while also allowing you to grow a business. In fact, we recently surveyed our franchisees and asked them to describe LearningRx. In two words, their answer was, "life changing!"

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1. What Makes LearningRx Unique



One-on-one Brain Training

LearningRx trainers work one to one with students. This allows them to individualize the program to the student's needs for the best results.



100,000 Client Lives Changed

LearningRx has helped more than 100,000 individuals sharpen their cognitive skills to help them think faster, learn easier, and perform better.



9.6 out of 10

We ask graduates: "On a scale of 0 to 10, how likely are you to refer your friends and family to LearningRx?" and the average client rating is a 9.6 out of 10!



21 point IQ change

The average IQ increase for nearly 18,000 clients is 15 points. In our most recent randomized control trial, participants saw an average increase of 21 points.



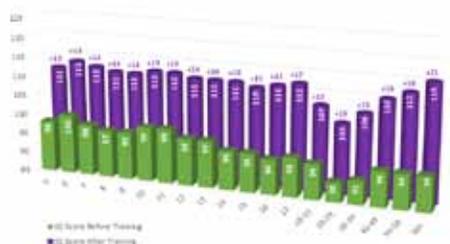
20+ research studies...

...you can visit gibsonresearchinstitute.org for more information on our completed and ongoing research studies on all things brain science.



35 years research

All LearningRx programs are based on current research. To find out more about our completed peer-reviewed research and ongoing projects, please visit www.learningrx.com/research-science.



Brain Training Works for Everyone

LearningRx programs have made a significant difference for individuals from age 5 to age 60 and above. Across the board, LearningRx clients saw an increase in IQ, or General Intellectual Ability (GIA). In fact, the client group who saw the largest IQ gain was aged 50 and above! One-on-one brain training has made a difference for kids and adults of all ages who wanted to learn easier, think faster, and perform better.

To learn more about one-on-one training results on 17,998 past clients, visit www.learningrx.com/results.

2. Who Are Our Clients?

LearningRx has helped clients think faster and more efficiently. What does that mean for our clients? Our brain training programs actually change the way they think and that improves every aspect of their life. New skills give students a huge boost in confidence as well as doing better academically, and socially. Our programs have benefitted many people:

- Reading/Dyslexia and Auditory Processing
- ADHD
- Struggling Students
- Learning Disability
- Preschoolers
- Speech and Language Disorders
- Autism, Asperger's and Pervasive Developmental Disorder
- Enhancement
- Traumatic Brain Injury
- Professionals
- Senior Adults

3. How Does One-on-One Brain Training Work?

LearningRx is a pioneer and leader in the field of one-on-one brain training, and is currently the largest one-on-one brain training company in the world. Here's how it works: LearningRx partners each client with a personal trainer for intense mental workouts. Our procedures train all major cognitive skills, including working memory, attention, executive function, processing speed, logic & reasoning, and visual & auditory processing.

The 7 Key Ingredients of Effective Brain Training



Brain training must be practiced. Because brain training builds skills, it can't be taught in the classroom. It must be practiced, like learning to play tennis or the piano.



Brain training that gets the best results is done one-on-one with a personal trainer. Teaming with an experienced trainer provides accountability, motivation and—ultimately—life changing results.



Brain training exercises need to be intense, requiring concentrated repetitions in order to train skills quickly.



Brain training exercises need to be targeted in order to address specific weak cognitive skills.



Brain training exercises need to be done in a particular sequence. Small challenging steps don't overwhelm the client, but allow the trainer to continually challenge the client incrementally and keep them engaged in the training.



Brain training exercises must be progressively loaded. Loading incorporates multitasking and is a fast-track way to take a new skill and make it a more automatic skill.



Brain training, to be effective, requires immediate, accurate feedback. Instant, effective reinforcement and adjustments keep training focused and intense.

To view the 7 Key Ingredients of Effective Brain Training Webinar, visit www.learningrx.com/webinars

4. Current Research

The mission of the Gibson Institute is to conduct empirical research on LearningRx and BrainRx cognitive training programs and assessments, and to communicate the latest research findings to the education and cognitive science communities. Our mission also includes providing opportunities for students, faculty, and researchers to participate in research projects that utilize our cognitive training and assessment instruments. Finally, our mission is to inform the practices of cognitive trainers through rigorous testing of training programs and procedures in both the laboratory and ecologically-valid training environments.

The Gibson Institute is directed by Amy Moore, an educational psychologist with over 20 years of diverse experience in educational leadership, program evaluation, and curriculum development for private, non-profit, and government organizations. She holds a master's degree in early childhood education and a PhD in educational psychology with an emphasis on quantitative research. In addition to coordinating the research for LearningRx, Dr. Moore specializes in cognitive assessment and quantitative data analysis.



In a 2015 peer-reviewed randomized controlled trial, study participants saw an average IQ increase of 21 points when compared to the control group.



According to completed and ongoing research projects, LearningRx brain training programs lead to real-life transfer effects. Beyond improved cognitive skills, research participants have reported increased performance and self-confidence, as well as behavioral changes that have improved school, work, and life.



Research activities related to cognitive training and cognitive skill development include pre-test/post-test quasi-experimental and experimental designs, prediction studies on archived student data, and pilot testing of new and revised cognitive training procedures delivered one-on-one by cognitive trainers or through interaction with a digital delivery platform.



Modern Brain Journal is your source for the latest news and research on brain training and fitness, the brain and behavior, and brain health. The quarterly journal features research highlights from the fields of neuroscience, neurology, psychology, psychiatry, medicine, cognitive science, and education. Modern Brain Journal is the official publication of the Gibson Institute of Cognitive Research.

You can review all of the current and completed peer-reviewed research conducted by the Gibson Institute at at: www.gibsonresearchinstitute.org/research-areas/research-summaries/

Age-Related Cognitive Decline

Cognitive and Real-Life Outcomes for 292 Older Adults with Subjective Attention and Memory Complaints

Moore, A.L., Carpenter, D., Miller, T., & Ledbetter, C. (2018). *ThinkRx Cognitive Training for Adults over Age 50: Clinician-Caregiver Partners in Delivery as Effective as Clinician-Only Delivery*. Manuscript in peer review



The study evaluated differences in cognitive outcomes and real-life improvements between two methods of delivering the ThinkRx cognitive training intervention: professional delivery solely by a clinician versus a partnership model where a caregiver or spouse delivers half of the intervention at home. The sample included records from 292 participants ranging in age from 51 to 95 (mean = 60.77, SD = 9.04). Both methods resulted in significant pretest to post-test gains across all six cognitive skills measured including working and long-term memory, processing speed, visual processing, auditory processing, and fluid reasoning.

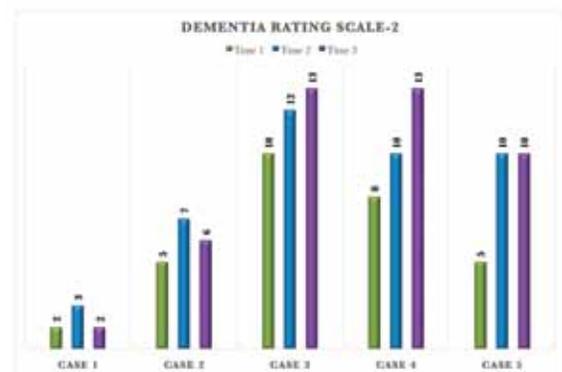
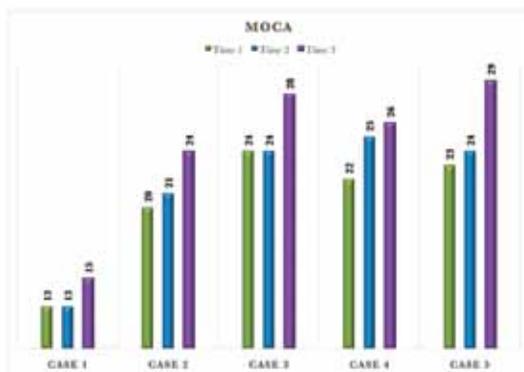
Real-Life Improvements:

- Mood
- Life skills
- Attention
- Memory
- Focus
- Cognitive efficiency

Outcomes for Mild Cognitive Impairment: Clinical Trial NCT#02943187

James, R., Moore, A.L., Carpenter, D., Miller, T., & Ledbetter, C. (2018). *Multidisciplinary intervention for treating mild cognitive impairment (MCI)*. Manuscript in peer review.

The study evaluated cognitive, MRI, and functional outcomes for five cases of varying severity of MCI using a multidisciplinary intervention with 72 hours of LearningRx cognitive training, low grain/low-sugar diet, exercise, sleep optimization, and nutritional supplements. Results showed no cognitive decline over the one-year period as measured by the MoCA and DRS-2. fMRI results revealed improved connectivity in all cases. Four of five cases noted clinical improvement and the fifth noted no functional decline. In the charts below, Time 1 is before any intervention, Time 2 is after 3 months of diet/exercise/supplement/sleep changes but before cognitive training, and Time 3 is after cognitive training.

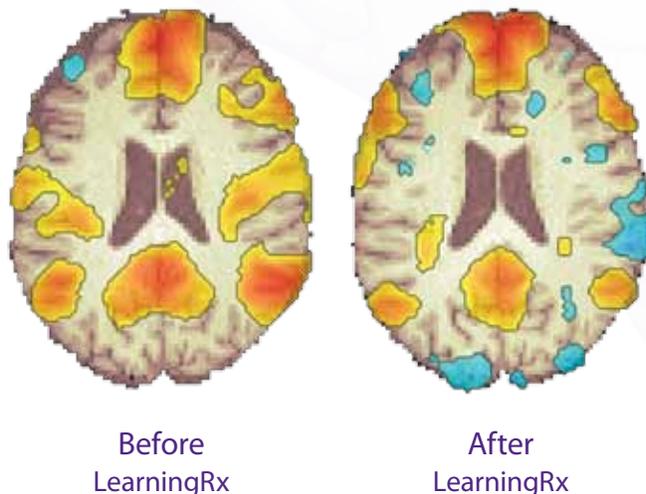


Traumatic Brain Injury

Cognitive and MRI Outcomes in a Severe Traumatic Brain Injury Case Study

Moore, A.L., & Ledbetter, C. (2018). MRI, qEEG, & neuropsychological outcomes following cognitive rehabilitation training for severe traumatic brain injury: A clinical case study. Presentation at Brain Injury Summit, Jan 2018, Vail, CO.

58-year-old male with severe brain injury started LearningRx training 8 years after his accident. The scans show his DMN before and after 60 hours of LearningRx one on one brain training. Results from the Woodcock Johnson IV -Tests of Cognitive Abilities showed increases in IQ score of 22 points, from 111 to 132. He also noted the following improvements: problem-solving & focus, staying on task is easier, motivation for life is back, no longer on Aricept for memory, returned to high-level career field.



MRI images of the Default Mode Network (DMN)

Cognitive and Real-Life Improvements for Soldiers with TBI following LearningRx Brain Training

Ledbetter, C., Moore, A.L., Mitchell, T. (2017). Cognitive effects of ThinkRx cognitive rehabilitation training for eleven soldiers with brain injury: A retrospective chart review. *Frontiers in Psychology*, 8(825). doi: 10.3389/fpsyg.2017.00825

The study examined the cognitive outcomes following ThinkRx, a clinician-delivered cognitive rehabilitation training program for soldiers recovering from traumatic brain injury (TBI) and acquired brain injury (ABI). We examined outcomes of 11 cases who had completed an average of 80 hours of ThinkRx cognitive rehabilitation training delivered by clinicians and supplemented with digital training exercises. Outcome measures included scores from six cognitive skill batteries on the Woodcock Johnson – III Tests of Cognitive Abilities. Participants achieved gains in all cognitive skills tested and achieved statistically significant changes in long-term memory, processing speed, auditory processing, and fluid reasoning with very large effect sizes. Clinically significant changes in multiple cognitive skills were also noted across cases.

Real-Life Improvements:

- Confidence & perseverance
- Tolerance and patience
- Concentration, attention & focus
- Memory
- Social skills
- Interest in learning
- Organizational skills
- Math and language skills

5. LearningRx Support

Franchise Support

Once you are a LearningRx franchisee, you will be placed in the capable hands of our LearningRx support team. The goal of the LearningRx support team is to make sure that each and every franchisee has the tools needed to meet his or her personal goals and run a thriving, successful business. Because each franchisee comes to us with a different background and different skills, they work on an individual basis to make sure that you are reaching your specific goals. As a franchisee, you can expect valued relationships, friendly help, training, coaching sessions, and honest feedback. We support our franchisees in a number of ways:

- **The LearningRx University** over 200 hours of training videos and quizzes for you and your staff
- **Franchise Training** 10 Days at the LearningRx Headquarters in Colorado Springs
- **Onsite Grand Opening and Ribbon Cutting Celebration** with a LearningRx Executive - Also includes advanced consultation training
- **2-3-Day Onsite training & support** to fine-tune your center's operations and create an action plan (typically within 6 months of opening)
- **The LearningRx Helpdesk** available by phone or email during business hours with a typical 24-hour or less turnaround
- **Monthly Marketing and Sales Coaching** for first 12 months and beyond
- **Quarterly Menu Calls** covering topics like phone training, lead follow-up, networking, profitability, hiring, etc.
- **Bi-weekly newsletters** covering topics like PR, Marketing, Operations, Upcoming events, etc.
- **Monthly webinars** to provide system-wide updates
- **2-day Training Intensive** for master trainers and directors to fine-tune brain training skills



- **Annual Convention** held every July in Colorado Springs

LearningRx Franchisees and Staff at Annual Convention in Colorado Springs, CO

- **Performance/Growth Groups** covering topics like hiring trainers, starting a second center, marketing calendar share, networking, improving close ratios

Support Team

The LearningRx support team includes a former franchisee, former center directors, and brain trainers who have first-hand experience with every aspect of running a LearningRx center. From center startup and hiring to marketing, networking, and consultations, our support staff are a wealth of knowledge. The Support Team is passionately committed to the success of each and every franchisee in our system.

The team also has experts to help you in the following areas:

- Center Operations (hiring, training, administration, etc.)
- QuickBooks Online
- The LearningRx Hub (this is our internal client management system, which houses all of your key business metric goals, client data, vendor and professional contact information, etc.)

- SproutLoud (centralized marketing system which includes printables, email templates, and more)
- Assessments (using the Gibson Test of Cognitive Skills)
- Consultations (including making program recommendations)
- Over 200 brain training procedures across 8 programs



“Our goal is for each franchisee to have a profitable center where everyone leaves saying: ***I love this place, I love these people, and they have a program that works.***”

—Karen Anderson, Director of Support

We will work with you to discover how we can best support you in reaching this goal together!



Center Marketing & Grand Opening Launch Plan

As part of your initial investment, you will allocate funds

(\$12,000–\$33,000) towards a marketing launch. The launch may include direct mail, magazine, radio, print ads, PPC, web directory listings, public relations, and grand opening plans. You will work closely with the Home Office Marketing and PR Team, who will partner with you and assist you in the planning and implementation of your Marketing Launch. Based on our years of experience and success launching other LearningRx centers, as well as your knowledge of your community, we will craft a custom marketing launch plan designed to bring in customers and help you hit the ground running.

After your initial marketing launch, you will work with a Marketing Coach, who offers first-year support

in creating and implementing your personalized 12-month marketing plan. You will work side by side with your Marketing Coach to make sure that your marketing dollars get you the best possible return on investment.

With your ongoing Marketing Development Fund fee of 2.5% of monthly net collections, we will create new and fresh marketing campaigns designed to drive new customers to your business. Our marketing team works tirelessly to create and refine a plethora of marketing assets for your use:

- Personalized Center Website
- Postcards
- Email Templates and Campaigns
- Radio Commercials
- YouTube Videos
- Magazines
- Professional Leave Behinds (one-sheets, brochures, etc.)
- Books
- TV commercials
- Facebook Ads
- Webinars and Seminars
- ...and more!

We send a bi-monthly newsletter to our database of leads, prospects, and graduates (nearly 200,000 people and counting!) featuring interesting, brain-focused content designed to drive traffic to our websites. We create new webpages on the www.learningrx.com website each and every week. We are also available to help you manage your Search Engine Optimization, Pay-per-click campaigns, and social media platforms (Facebook, Twitter, and LinkedIn). We will continue to create and release weekly social media posts and articles, which you can supplement with localized information and unique content.

We send frequent surveys to make sure our marketing is meeting your business needs, and we work to make sure our brand is fresh and relevant, and that our messaging is clear and consistent. Our goal is to provide you with as much information as we can to help you spread the word about LearningRx to your community!

A Day in the Life of a LearningRx Franchisee



As you are considering becoming a LearningRx franchisee, you may be wondering what your day will look like. This will vary based on your personal areas of expertise and natural leanings. Our franchisees come from varied backgrounds; within our system we have professionals from backgrounds in audiology, education, psychology, and medicine. We also have a homeschool mom, grocery store accountant, CEO of a Fortune 500 company, and, of course, former LearningRx brain trainers and happy customers. The thing each of these individuals has in common is a desire to make a difference in their communities, and to work with purpose.

In general, many of our franchisees have a strong marketing and sales mindset: they understand that the best potential for success comes from focusing on

income-producing activities, which generally fall under three categories: sales, networking, and marketing.

1. Networking

Networking is a daily activity designed to create referral relationships between you and the members of your community. You will spend much of your weekly hours on networking, but it is very cost-effective. Around 30–40% of our clients are referred by a friend, family member, or professional. Networking is key to the health of your business! Networking falls into three main categories:

Professional Networking

With doctors, therapists, neurologists, pediatricians, counselors, and other professionals who can refer their clients and patients to you. Often, this includes one or more lunch-and-learn meetings at their office to educate the staff about LearningRx and share how your partnership can be mutually beneficial.

Business Networking

With your local Chamber of Commerce, Business Networking Initiative (BNI) group, Women's Professional Group, MeetUps, and even the businesses close to your LearningRx location. This is a chance for you to share your business with other business professionals and increase awareness of your services.

Client Networking & Referrals

Any time you can get in front of moms and kids to share your services and demonstrate our one-on-one brain training, do it! Attend community events like expos, tradeshow, and community events. Our support team and other franchisees can share their knowledge of the most successful events, but remember: getting in front of your community is key to increasing brand awareness and credibility.

2. Sales

This really is all about the person providing the consultation. Our “sale” is very relational – it requires the ability to create familiarity and rapport, to speak confidently and to be persuasive. If you are planning to act as the Director of your LearningRx center, or if you are looking to hire someone for this role, look for the following qualities:

- Confident
- Relational
- Influential
- Focused
- Passionate about the program and its benefits
- Directly addresses obstacles (time, money, effort)

3. Marketing

As we have mentioned, our marketing team works tirelessly to provide you with relevant, timely, and targeted marketing to use in your community. Your job is to take these high-quality marketing materials and spread the word about LearningRx in the most effective ways possible. Marketing is a required weekly activity and investing in marketing is an investment in your center’s success.

The marketing materials that work best in our system are community-specific. What works best in one community may not work best in your community, so your experience will drive your marketing efforts. Since marketing is ever-changing, we will create new pieces and adapt to new trends. Our current focus is on internet marketing and delivering a large quantity of high-quality leads to each of our franchisees.

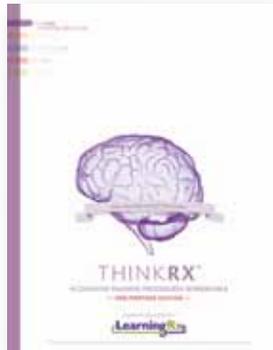


What are the benefits of becoming a LearningRx Franchisee?

- **Work-Life Balance:** for over 90% of the United States, you can work right where you live – no more commuting to work! Instead, you’ll be changing lives minutes from home for your neighbors and friends. You also set your own schedule and are often able to make it to doctor’s appointments, after-school activities, and field trips.
- **Make a Difference:** this is top-of-the-list for all of our franchisees. With over 22,000 positive client surveys (average rating of 9.6 out of 10) and thousands of testimonials and reviews, we can definitely say that this program makes a life-changing impact on our students, their families, and their communities. If you have been looking for a business that provides you with a sense of purpose, LearningRx is the best choice every time.
- **Work for yourself** without reinventing the wheel: franchising provides you with a level of interdependence that isn’t available with a traditional startup. With years of experience and hundreds of licensees and franchisees in our system, you can count on our expertise and knowledge (as well as our award-winning business system and support) to help you run a successful, long-lasting business.

In a 2015 peer-reviewed randomized controlled trial, LearningRx programs averaged a 21-point increase in IQ!

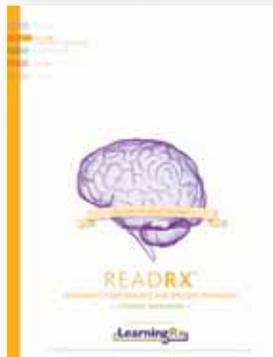
6. Unique Programs Offered by LearningRx



THINKRX®

Training hours: 90

ThinkRx is the foundational one-on-one cognitive training program for clients ages 6 to adult. ThinkRx includes 35 training procedures that target all major cognitive skills including attention, memory, processing speed, auditory and visual processing, and logic and reasoning.



READRX®

Training hours: 120

ReadRx is an intensive sound-to-code reading and spelling intervention for clients ages 6 to adult. ReadRx includes all 35 ThinkRx training procedures and adds an additional 60 hours of training in auditory processing along with basic and complex code reading training to increase reading and spelling fluency.



COMPREHENDRX®

Training hours: 40

ComprehendRx is an add-on training for clients ages 6 to adult to improve reading comprehension and metacognition.



MATHRX®

Training hours: 120

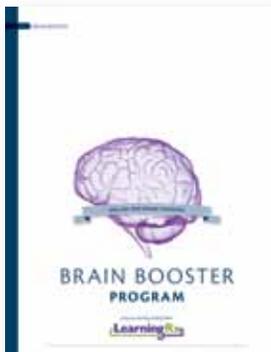
MathRx is an intensive math intervention for clients from 4th grade to adult. MathRx includes all 35 ThinkRx training procedures and adds an additional 60 hours of training in math concepts, problem solving, reasoning, and calculations designed to increase mathematical fluency.

*An additional 1429 clients were enrolled in short booster programs without cognitive testing.



training hours: 60

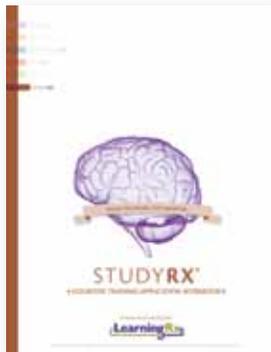
LiftOff is a reading readiness and cognitive skills training intervention for 4–7 year olds.



BRAIN BOOSTER

Training hours: 12–24

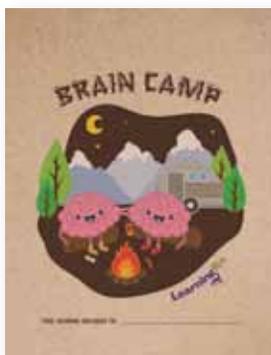
Created for adults who want sharper mental skills, Brain Booster pairs you with a personal brain trainer for mental workouts using 16 different procedures that train the way your brain thinks, learns, reads, remembers and pays attention. The program includes about 7–8 procedures per session with a LearningRx brain trainer. Each session includes an invigorating hour of mental exercise that incorporates intensity, loading, and instant feedback.



STUDYRX[®]

Training hours: 8 sessions

StudyRx is an 8-session program that helps clients develop stronger study skills. This program is designed for the middle or high-school student who has improved their cognitive skills and would like to increase their organizational, study, and test-taking skills. A few of the lessons included are: organizational skills, better study habits, stronger note taking skills, enhanced test taking ability, and improved time management skills.



BRAIN CAMP

Training hours: 9–18 hours of brain fun

Brain Camp is a cognitive enrichment program for kids age 8–14. It's full of fun activities that work on brain skills, like memory, attention, and logic—core skills the brain needs to learn and think.

7. Your Estimated Initial Investment

Type of Expenditure	Micro Franchise "under" to below 100k in 10 mile radius	Standard Franchise 100k plus in 10 mile radius	To Whom Payment is to be Made
Initial Franchise Fee (Note 2)	\$17,000	\$25,000	Us
Initial Training and Material Fee (Note 3)	\$10,000	\$10,000	Us
Initial Marketing Fee (Note 4)	\$17,000	\$25,000	Us
Travel and Living Expenses While Training	\$3000	\$3,000	Airlines, hotels, car rental agency and restaurants
Security Deposit, First and Last Month Rent or Real Estate & Improvements (Note 5)	\$8,000	\$10,000	Landlord and third party vendors
Furniture & Fixtures	\$6,000	\$10,000	Third party vendors
Signage	\$2,000	\$2,000	Third party vendors
Miscellaneous Opening Costs (Note 6)	\$2,000	\$2,000	Suppliers, utilities, third party vendors
Opening Inventory (Note 7)	\$2,000	\$3,000	Us
Insurance Policies* (Note 8)	\$2,000	\$2,000	Insurance carrier
Computer Equipment & Proprietary Software (Note 9)	\$4,000	\$6,000	Third party vendors
Additional Funds (initial 3 months) (Note 10)	\$20,000	\$55,000	Suppliers, third party vendors, etc.
TOTALS (Note 11)	\$90,000	\$149,000	

Notes are provided at the end of the information kit

8. How Much Can You Make?

Our goal is to help you reach your own personal financial and lifestyle goals through LearningRx ownership. As part of the franchise award process, we will take you through a list of important questions to consider. This Mini Business Plan call will help you address such questions as:

- What are your personal financial goals?
- Will you be the full-time director of the center, or will you employ additional full-time staff to operate the center for you?
- Besides base salary, how much do you expect in bonuses and profit?

Based on your answers to these questions, as well as the center financial performance within the Franchise Disclosure Document, we will help you determine where to focus your time, efforts, and resources. We will discuss the key areas of profitability including expenses, marketing, and staffing to help you begin to shape your business plan and prepare for long-term success.

Below, you can see more about the financial performance of our LearningRx affiliate-owned

center in Colorado Springs, Colorado for the period of November 1, 2016-October 31, 2017.

The products and services offered by each franchisee and our Affiliate, although essentially the same, may vary slightly based on market conditions, demand for specific products, the learning requirements of customers, and the sales skills utilized by the owners and employees of each individual center. The gross revenue attained by each center will depend on a wide range of factors including, but not limited to, geographic differences, competition within the immediate market area, the quality of the service provided to customers by the franchisee and its employees, consumer demand for our products, and the marketing skills and sales efforts employed by each franchisee. There is no assurance that you'll earn as much or that your expenses will be similar.

The financial performance figures below represent historical information for the LearningRx affiliate-owned Center located in Colorado Springs, Colorado for the period of November 1, 2016 – October 31, 2017. This center has been in operation since 2003.

You will receive a Franchise Disclosure Document to learn more about our franchisees' financial performance in the 2017 fiscal year. This information is shared after the Introduction and Qualification call.

Revenue, expenses, income and profit for the period of November 1, 2016 – October 31, 2017	Colorado Springs Center Performance
Total Revenue Charged	\$461,744
Total Revenue Collected	\$460,929
Total Expenses	\$404,847
Net Operating Income (Based on Collections, before bonuses or profit sharing)	\$74,682
Percentage of Profit (Based on Collections, before bonuses or profit sharing)	16.2%
Total Revenue Charged Per Student	\$6,892

9. Why Did Our Franchisees Choose LearningRx?

As we mentioned above, there are a number of factors that determine success, beyond simply financial success and business performance. Some of the reasons our franchisees have given for choosing LearningRx are:

Flexibility – setting their own schedule and being able to prioritize their families

Life-Changing Business – making a real, tangible difference in their communities

Results – our program is unique and achieves noticeable results for both children and adults

Financial Freedom – rather than working for someone else's bottom line, they are able to work for themselves

In fact, we recently surveyed our franchisees with the open question, "What were the top three reasons you selected a LearningRx franchise?"

- 100% indicated: an amazing product that changes people's lives
- 63% indicated: a service that will allow me to help my community
- 53% indicated: the potential for personal growth and independence
- 32% indicated: the integrity and value system of the franchisor

10. Profile of a Successful Franchisee

While not every one of our franchisees has their sights set on being a Top Performer (defined by monthly charges and collections), every business owner wants to achieve their own personal level of success by making a difference, providing for their family, and finding career fulfillment. Over the past number of years, we have asked our franchisees to take personality profiles to identify common characteristics that have led to their success. Here is a list of the most common characteristics:

- Enjoys working with people
- Persistent
- Collaborative
- Assertive
- Sales and networking mindset (community involvement)
- Enjoys competition and winning
- Outgoing
- Confident
- Risk-taker
- Creates and implements detailed business and marketing plans

As part of the franchise award process, we will invest in a DISC personality profile, valued at \$45, for you. The results will be yours to keep and will be valuable in identifying key areas of strength and opportunity to help you in any business setting!

11. Franchise Award Process

Introduction

During your first call your Franchise Coach will help answer questions on LearningRx and franchising, as well as ask questions to find out if your dreams and business interests match what a LearningRx Center has to offer. The call lasts about 30–45 minutes and can be scheduled before you attend a LearningRx webinar.

Qualification

Your second call starts with the results of your personality profile. We will then look at your finances and, if needed, give suggestions for financing. If you need to finance we also have a business plan made specifically for SBA loans. We then conclude with a discussion of what life would be like running a LearningRx Center. If we both think there is a good fit we will then continue to the next step.

Franchise Disclosure Document (FDD) and Business Plan

The Franchise Disclosure Document will give you detailed information on LearningRx and our centers. The FDD includes our franchise agreement and a detailed summary on LearningRx. We will point out key areas and take time to answer all of your questions. In addition to the FDD discussion, we will walk you through some initial business planning steps and help you understand key areas of profitability, based on our centers' financial performance, to prepare you for your due diligence calls.

Due Diligence

At this point most candidates have specific questions about operating and running a center. We ask that you call three to five franchisees. We are also happy

to connect you with specific franchisees you request to speak with, like top performers or franchisees that have a similar demographic.

Discovery Day

We will invite you to spend a day and a half in Colorado Springs, Colorado as your final step through our process. We start with presentations on marketing, support, and IT, as well as a chance to sit down with the founder of LearningRx, Dr. Ken Gibson. You will then have one-on-one time to spend with executives, tour a center, try brain training procedures, and finally sit down with a center director.

Approval

After Discovery Day, our executive team will make a final decision. If you are approved, we will begin the exciting process of transitioning you from a candidate to a franchisee! Once your franchise agreement is signed, you will register for franchise training, complete Job Shadowing at a LearningRx center, and begin completing online training courses. Franchise Training is 10 days and takes place about once quarterly. After you sign the agreement, you can expect to be operating your LearningRx center within 3–6 months!

You can start the process by calling us at (719) 955-6708. We look forward to speaking with you soon.

Tanya Mitchell, Kristina Ellsworth, Katie Kemp, and Brittany Bell

LearningRx Franchise Development Team

12. About the Founder



Dr. Ken Gibson’s life experiences have been a training ground for his calling. It is often the case that one person’s struggles yield benefits for many, and this is the case with Dr. Gibson. The learning challenges he faced in his personal life, once

overcome, laid the groundwork for an enterprise that has helped thousands.

As a young man growing up in Wisconsin, Dr. Gibson struggled to read. He faced this challenge all through his school years. At the time, so little was known about the causes of learning and reading struggles that he was essentially on his own. Many of his other cognitive skills were strong, but struggling to read made everything difficult. Today, he would be labeled dyslexic.

Advances in brain science have helped us understand more about what makes learning easy or difficult. We now know that Dr. Gibson had an undiagnosed cognitive skill weakness that made it difficult for him to distinguish sounds and words. As is the case for many students today, these weaknesses made schoolwork excessively challenging. Everything was harder. Everything took longer to do. But he compensated for his weaknesses, worked excessively hard, and persevered through to a professional graduate program. When he began his professional career as an optometrist, he discovered that he wasn’t alone. The children who came into his office exhibited signs of the same kind of reading problems that he himself had experienced. It became apparent that there were thousands of others struggling to learn and read.

That knowledge is what motivated Dr. Gibson to co-create the cognitive skills programs that form the foundation of LearningRx today. It took time, effort and revision, but each positive result fueled the team’s motivation to help even more children. Dr. Gibson’s passion was, and continues to be, to see LearningRx brain training programs continue to impact lives and give students the confidence they need to succeed.

Each year, there are new discoveries in brain science that support the growing body of evidence that brain training helps kids (and adults) strengthen weak cognitive skills. Dr. Gibson’s story is echoed by many people, professionals and children alike, who have felt the discouragement of a learning disability.

A long time ago, Dr. Gibson dared to ask the question, “What if we could improve the way children (and adults!) think and learn?” As a result, tens of thousands of children, teens, and adults have experienced the benefits of brain training through LearningRx.

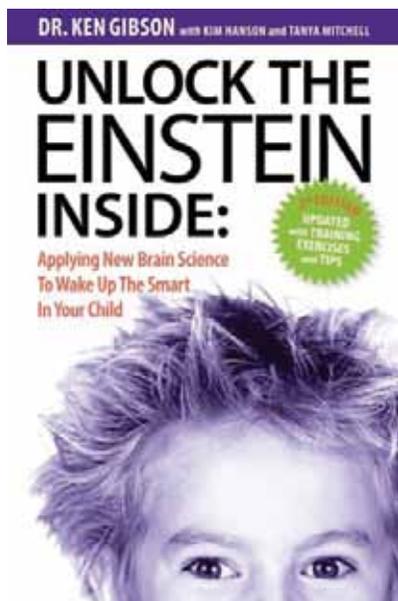
“A purpose will motivate your life. It will get you up in the morning and keep you going when others stop. A purpose will fill your days with passion.”

—Dr. Ken Gibson, *The Purpose Directed Business*



Click on the following link to download a free copy of Dr. Gibson’s business book which will give you an idea of how he thinks people should run a business and also specific details on running a learning center:

thepurposedirectedbusiness.com



You can also access a free copy of Dr. Gibson's book written to parents. This book explains the research behind our programs. You'll learn about topics like:

- Understanding Learning Difficulties
- The Incredible, Ever-Changing Brain
- Your Child's Bright Future

You'll even get to hear from real parents who have experienced the life-changing results in the lives of their children!

Please click the following link to download your free copy: unlocktheeinsteininside.com/procedures

13. Our Clients Love Us!

We receive new testimonials almost every day from our clients and their families. We ask all of our graduates, "on a scale of 0 to 10, how likely are you to refer your friends and family?" The average score is a 9.6 out of 10 – and we have over 22,000 completed surveys!

- [Click here](#) to read thousands of student testimonials, written by the students and their parents. This site is updated almost daily with new life-changing stories!
- [Click here](#) to visit our website, Student Shoutouts, which features student testimonials and news stories. You can search by age or improvement, and you can even use the search bar to look for specific subgroups and other search terms (college prep, autism, etc.)



- [Click here](#) to visit LearningRx Reviews, where brain training experts (and moms) review brainy products. Consider it your one-stop shop for books, games, toys, and apps to benefit the brain! We review products for all ages (infant through adult).

14. Gibson Test of Cognitive Skills

The Gibson Test of Cognitive Skills (Version 2) is a computer-based screening tool that informs clinicians, teachers, and parents about performance on tasks that measure 1) short-term memory, 2) long-term memory, 3) processing speed, 4) auditory processing, 5) visual processing, 6) logic and reasoning, and 7) word attack skills. Some key features of the test:

- Assesses seven major cognitive skills
- Test available in 21 languages
- The only online digital test that includes an Auditory Processing assessment (including blending, segmenting, and analysis of sounds)
- Includes detailed, patient-ready report
- Available at discounted, wholesale pricing (see below)
- Please email sales@learningrx.com to request a free digital Gibson Test of Cognitive Skills



To read peer-reviewed research on the Gibson Test of Cognitive Skills, please visit gibsonresearch.org/research-areas/research-summaries.

Sample Patient-Ready Report

Cognitive Skills Profile

Name: Test Student ZZ Development
 Birthdate: 2000-12-01 5085 List Dr St 200
 Pre-Test Date: 2016-05-31 Age: 15.4 Colorado Springs, CO 80919
 719-264-8808

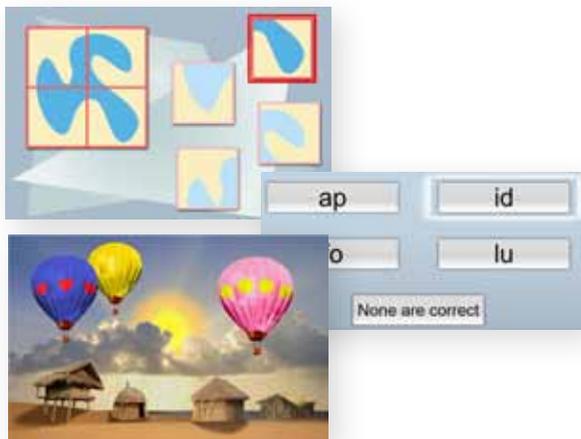
The Gibson Test of Cognitive Skills

These tests are from The Gibson Test of Cognitive Skills. They measure important underlying skills that are the foundation for fast, efficient learning and performance. These tests measure Long-Term Memory, Working Memory, Visual Processing, Logic & Reasoning, Auditory Processing, Processing Speed, Attention, and English Word Attack skills.

Skills Tested	Description	Age Equivalent	+/- AE	Standard Score	Percentile Rank
Long-Term Memory	The ability to store information and fluently retrieve it later in the process of thinking.	>18	+2.6	122	93 - High
Working Memory	The ability to hold information in immediate awareness while performing a mental operation on it.	15.3	-0.1	137	62 - Above Average
Visual Processing	The ability to perceive, analyze, and synthesize visual patterns, including the ability to store and recall visual images.	>18	+2.6	150	>99 - Superior
Logic & Reasoning	The ability to reason, form concepts, and solve problems using unfamiliar information or novel procedures.	>18	+2.6	136	99 - Superior
Processing Speed	The ability to perform cognitive tasks, particularly when measured under pressure to maintain focused attention.	>18	+2.6	150	>99 - Superior
Auditory Processing	Phonemic Awareness, the ability to analyze and manipulate speech sounds; crucial underlying skill for reading and spelling.	6.3	-9.1	56	<1 - Very Low
English Word Attack	The knowledge of, and application of, sound codes in order to pronounce unknown words.	>18	+2.6	128	97 - Superior
Attention Cluster	A composite score of sustained and selective attention skills representing the ability to focus and stay on task.			144	> 99 - Superior
Composite IQ	A composite score of six core cognitive skills representing overall cognitive ability.			125	



Images from Digital Gibson Test



15. LearningRx Clinical License Overview

The LearningRx Clinical License opportunity is open to doctorate-level medical, psychological, educational, and therapeutic professionals in available areas of the United States. The license is designed to enhance your current clinic offerings by improving cognitive skills for your existing clients. This training has been provided by speech language pathologists, occupational therapists, educational professionals, neuropsychologists, and other clinicians.

What is the process to obtain a LearningRx Clinical License?

The first step to becoming a Clinical Licensee is to complete the Clinical License Application. Once we have received your application, we will contact you to set up an introductory call with our Chief Research and Development Officer, Tanya Mitchell. Tanya will answer initial questions and provide you with additional information about the clinical license. From there, we will schedule a follow-up call to discuss staffing, operations, and next steps. When you are ready, you will attend the Clinical License training with your key staff members.

What is included in the Clinical License?

The LearningRx Clinical License includes the following programs:

- ThinkRx
- LiftOff
- BrainSkills (50% one-on-one 50% digital program)

The LearningRx Clinical Reading License includes the following programs:

- ReadRx
- ComprehendRx

What is included in the training?

Following the Clinical License training, you and your key staff will have all the tools you need to successfully hire, train, and develop your staff. LearningRx training

is a 3–5 day training located at our World Headquarters in Colorado Springs, Colorado. At the training, we will cover the following material:

- Key Messaging
- Testing & Analysis
- Consultations
- ThinkRx + LiftOff procedures
- BrainSkills
- ReadRx + ComprehendRx procedures (clinical reading licensees only)
- Hiring and training administrative staff and trainers

What are the fees?

The Cognitive License and training is offered at \$10,000. The Reading license and training is an additional \$5,000 (and can only be purchased in conjunction with the cognitive license). There is an additional program fee per student, which is calculated on a sliding scale. The training fee includes the following materials:

- Testing and Administrative Materials
- Trainer Materials (for up to 5 trainers)
- Access to LearningRx University
- Business Intranet (The Hub) for client management
- Access to support team for help with testing, consultations, training, etc.

What is an example of a student program?

The training is typically 3–5 hours per week for 12–32 weeks. The length of training will depend on a student's initial cognitive skill abilities as well as their training goals. Additional training hours may be recommended to achieve an individual's goals. All of the training is administered one-to-one.

The average fee for LearningRx clients is around \$7,000. Depending on your clinic and CTE codes available to you, cognitive training may be billable to insurance.

For more information, please visit www.learningrx-franchise.com/licensing.



BrainRx Licensees and trainers from around the world at our Headquarters in Colorado Springs, CO

16. BrainRx International License Overview

Opening your own BrainRx Center is exciting! A BrainRx Center will allow you to make a difference and change the lives of many people in your community. When you obtain a center license, we will teach you to hire and train your own trainers, market, network with professionals, operate your own training center, and grow your business. To apply for your own BrainRx Center license, please email us at info@brainrx.com.

What is the process to obtain a BrainRx Center License?

The first step in the process is to set up an Introduction Call. During the Introduction Call we will answer your initial questions. Once you are qualified, our last step is to go over the contracts and enroll for training.

What is included in the training?

BrainRx Center training is a four-day training located at our World Headquarters in Colorado Springs, Colorado (or at a master developer's location throughout the world). At the training, we will cover the following material:

- Product Training
- Testing
- Test Analysis
- Sales

- Marketing
- Operations
- Personnel

What are the fees?

The training and licensing fee for a BrainRx cognitive license is \$10,000. A Reading license (including a digital reading program) can be added to the cognitive license for \$2,500. The training fee includes the following materials:

- Testing and Administrative Materials
- Trainer Materials (Four Trainer Kits)
- Marketing Materials
- Brochures
- Print Ads
- PowerPoint Presentations

The student fee is approximately 10%. The Gibson Online Test is only \$10 per use, or less if you purchase in bulk.

What is an example of a student program?

The training is typically five to six hours of training per week for 12–24 weeks. Half of the training will be digital (requires computer with internet access) and half of the training will be with a trainer.

The average fee for brain training in the United States is currently around \$7,000.

Help change the lives of thousands of students every year with our BrainRx License program.



For more information, please go to:

www.brainrx.com

17. PACE and Master the Code License Opportunity

PACE training includes 33 procedures and uses non-academic mental exercises that focus on improving seven core cognitive skills. Master the Code (MTC) focuses on the cognitive skills needed for reading. Master the Code was created because of the need to break bad reading habits and establish correct reading skills quickly. When you obtain a PACE license, we will teach you how to administer and analyze the Gibson Test of Cognitive skills and walk you through each of the PACE and Master the Code procedures.

What is the process to obtain a PACE & MTC License?

PACE licensing is available to individuals with a 4-year degree in areas of the United States where no LearningRx centers are operating. The first step to becoming a PACE licensee is to complete the PACE application to determine eligibility, and then have a quick 20-minute intro call to discuss any questions you have. Once you are approved, we will send you information on licensing and training registration.

What is included in the training?

PACE + MTC Training is 2.5 days of training located at our World Headquarters in Colorado Springs, Colorado. At the training, we will cover the following material:

- Gibson Test Administration and Analysis
- Consultations
- Product Training (both PACE and Master the Code procedures will be covered)

What are the Fees?

The training and licensing fee for one individual is \$3,900. Additional trainers can be added to the license

for \$2,500 each, up to a total of 4 PACE trainers. The training fee includes the following training materials:

- Testing and Administrative Materials (25 testing brochures included)
- PACE Trainer Materials
- PACE Administration Manual
- PACE + Master the Code informational brochures
- Additional reading materials

The student fee is \$300 for a PACE kit, or \$500 for PACE + Master the Code materials. Additional costs are for supplementary testing and marketing materials, when needed.

What is an example of a student program?

PACE students will typically attend 3–5 hours of training per week for 12 weeks. PACE + Master the Code students will typically attend 3–5 hours of training per week for 24+ weeks. Additional training sessions may be recommended, based on the cognitive skill abilities and program goals of the client and their family. All of the training is administered one-to-one.

PACE costs vary greatly around the country; the majority of PACE providers charge approximately \$3000-\$6000 for one-on-one brain training.

Help change the lives of students in your community every year with our PACE license program.

For more information, please visit:
www.pacetutoring.com.

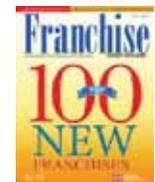


LearningRx has received numerous awards from Entrepreneur Magazine, Franchise Times, Franchise Business Review, and the IFA.

Award-Winning Franchise System and Support

LearningRx is award-winning! Here's a look at some of the awards we have received over the years:

- 2018 *Franchise Times* Zor Awards Top 10 Franchises to Buy — Smart Kids Business
- 2018 *Franchise Times* Best Franchises to Buy in 2018— Winner of Smart Kids Pick
- 2018 *Franchise Gator's* Top 100 Franchises
- 2017 *Entrepreneur* 10 Hottest Franchise Business Categories for
- 2017 20 Education Franchises that Could Be Smart Business Opportunities – *Small Business Trends*
- 2017 Top 100 Franchises — *Franchise Gator*
- 2016 *Entrepreneur's* Franchise 500
- 2016 *The Franchise Grade* Top 50
- 2016 *Bond's* Top 100 Franchises
- 2016 *Entrepreneur* Franchising's Top 115 Personal Service Brands 2016 *Franchise Times* Top 500 Franchise Chains by Worldwide Sales
- 2015 *Entrepreneur's* Franchise 500
- 2015 *Franchise Gator's* Top 100 Franchises
- 2014 *Entrepreneur's* Franchise 500
- 2014 *Franchise Gator's* 100 Fastest Growing Franchises (Top 10 ranking)
- 2013 *Bond's* Top 100 Franchises
- 2013 *Entrepreneur's* Franchise 500
- 2013 Franchisee Satisfaction Award from *Franchise Business Review*
- 2012 *Entrepreneur's* Franchise 500
- 2012 #1 Child Enrichment Program from *Entrepreneur Magazine*
- 2011 *Entrepreneur's* Franchise 500
- 2010 #1 Child Enrichment Program from *Entrepreneur Magazine*
- 2010 *Entrepreneur's* Franchise 500
- 2009 #1 Child Enrichment Program from *Entrepreneur Magazine*
- 2009 *Entrepreneur's* Franchise 500
- 2009 Rocky Mountain Excellence in Franchising Award for Website Innovation
- 2008 #20 Fastest Growing Education Privately-Owned Company (*INC 500*)
- 2008 Top 25 New Franchises
- 2008 #19 Top New Franchise by *Entrepreneur Magazine*
- 2008 *Entrepreneur's* Franchise 500



- 2008 Rocky Mountain Excellence in Franchising Award for Charitable Contributions
- 2007 *Franchise Time's* Fast 55
- 2007 Top Franchise 50 (*Franchise Review*)
- 2007 Top New Franchise (50)
- 2006 *Franchise Time's* Fast 55
- 2006 Top Franchise 50 (*Franchise Review*)
- 2006 Top 100 New Franchises

Notes

1. All fees and costs are non-refundable under all circumstances.
2. LearningRx will approve or decline your application within 45 days of our receipt of your completed application and your attendance at Discovery Day. Your Initial Franchise Fee will be due upon signing the Franchise Agreement and is fully earned upon payment. We will not refund the Initial Franchise Fee under any circumstances. LearningRx does not finance any fee. If you sign an Area Development Agreement, you must pay an Area Development Fee, which is based on the number of Centers you are authorized to develop. You will pay the Area Development Fee at the time you sign the Area Development Agreement. You will pay the Development Franchise Fee at the time you sign each additional franchise agreement for the additional Centers you open per the Area Development Agreement (See ITEM 5).
3. The Initial Training and Material Fee covers approximately 10 days of initial training for up to four people and about two to four days of onsite training (varies based on whether it is a Micro or Standard Franchise).
4. Initial Marketing Fee: At the same time, and in the same manner you pay your Initial Franchise Fee, you must pay us an Initial Marketing Fee of between \$20,000 and \$33,000 (depending on the size of the Territory) for an initial sales and marketing opening campaign with our approved marketing consultant for media, print, and marketing materials and products. We reserve the right to transfer up to \$3,000 of these funds into a specific brand management fund, which we may use in any way to maintain or enhance the brand, including resolving any outstanding customer or training issues when a Center is closed. You will have approval of the placement of advertising with the spending of the funds (except for the amounts transferred to the specific brand management fund). We may apply the Initial Marketing Fee to your minimum Local Advertising Requirement of 5% of Gross Revenues or \$2,000 for Micro Franchise and \$4,000 for Standard Franchise per month, whichever is greater; the Local Internet Marketing requirement of \$2,000 per year, and/or any Cooperative Advertising Requirement, for the first four months that your Center is open and operating. You are also required to contribute the greater of either (i) 2.5% of Gross Revenue per month, or the Minimum MDF Royalty, up to \$15,000 per calendar year to the Marketing Development Fund. This contribution is paid in addition to the Initial Marketing Fee.
5. If you do not own adequate space, you must lease the space for your Center. Generally, this will include first and last months' rent, plus a security deposit. Typical locations for Centers are outdoor malls and office buildings. The typical size of a Center is 1,200 to 1,800 square feet. The terms and conditions of all agreements relating to the purchase, lease, and alteration of the property will be negotiated solely by you; however, we require you to include certain lease provisions. The costs will vary widely and may be significantly higher than projected in this table depending on such factors as property location, population density, economic climate, prevailing interest rates and other financing costs, conditions of the property and extent of alterations required for the property. You should investigate all of these costs in the area where you wish to establish a Center.
6. Includes other deposits, utility costs, telephone, Internet, and communications costs and incorporation fees.
7. You must purchase an initial inventory of the student kits and/or workbooks ("Products" currently offered). Each student will need one or more kits and/or workbooks, depending on the program. You must also purchase a trainer kit for each trainer in your Center.
8. You must maintain insurance policies covering you and LearningRx Franchise Corporation as an "additional insured" in amounts as specified by us in the Operations Manual. Insurance coverage must include property insurance, general liability including Hired and Non-Owned Auto liability, corporal punishment coverage, child sex abuse and molestation coverage, and special coverage if we approve any request for you to provide in-home training. An Umbrella Liability policy is also recommended. See the Operations Manual for full details.
9. While we do not require any specific vendors for computer equipment or Internet Service Providers, we may require a phone vendor and equipment, as well as requiring that you meet certain minimum standards established periodically in the Operations Manual. We do require that you have or purchase at least one computer system (we recommend that you have or purchase two systems) for the operation of your Business. You will be required to use our proprietary software and pay to us a quarterly Technology Fee (ranging from \$1,800 to \$2,400 per year depending on the size of your Territory).
10. This estimates your initial startup expenses for an initial three-month period, and does not include any revenue generated by the operation of your Business. These estimates do not include any monthly Royalty Fees, Marketing Development Fund contributions or Cooperative Advertising Requirement contributions. These figures are estimates and we cannot guarantee that you will not have additional expenses starting your Business. Your expenses will depend on factors such as: how much you follow our methods and procedures, your management skill, experience and business acumen, local economic conditions (e.g., the local market for our Products), the prevailing wage rate, competition and the sales level reached during the initial period.
11. We relied on 50 years of experience in the cognitive training business to compile these estimates. You should review these figures carefully with a business advisor before making any decision to purchase the franchise. We do not provide financing arrangements for you. If you obtain financing from others to pay for some of the expenditures necessary to establish and operate the franchise, the cost of financing will depend on your creditworthiness, collateral, lending policies, financial condition of the lender, regulatory environment, and other factors.

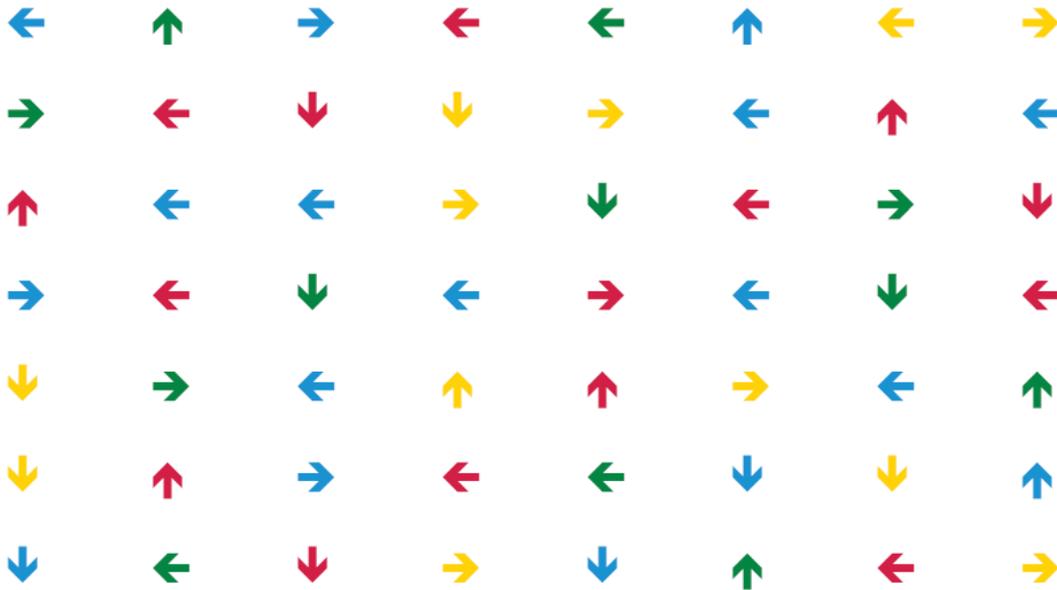
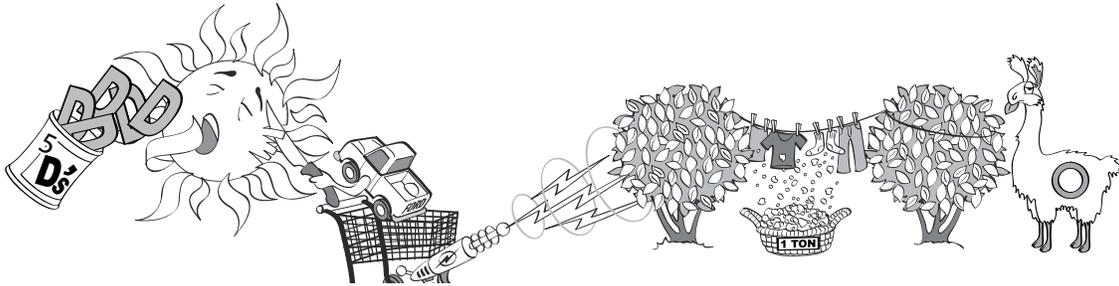
Franchising & Licensing Information

	Franchising	Clinical license*	PACE license	BrainRx license
Initial Fee	\$30,000-\$45,000	\$10,000-\$15,000	\$3,900-\$11,400	\$10,000-\$50,000
Program Fee Per Student	10% + 2.5% Marketing Development	min. \$300 or 7%	\$300-\$500	min. \$300 or 10%
Programs				
PACE and Master the Code	N/A	N/A	YES	N/A
ThinkRx and Preschool LiftOff	YES	YES	N/A	N/A
ReadRx	YES	YES	N/A	YES
ComprehendRx	YES	YES	N/A	N/A
MathRx and StudyRx	YES	NO	N/A	N/A
Brain Booster and Brain Camp	YES	NO	N/A	N/A
BrainRx	YES	N/A	N/A	YES
Brain Skills	YES	YES	N/A	YES
Territory/Trainer Limitations				
Protected Territory Included	YES	NO	NO	Only with Master Development Agreement
Number of Trainers Included	Unlimited	Up to 5	1 (can purchase additional trainer positions for a fee)	Unlimited
Training				
Gibson Test (includes materials)	YES	YES	YES	YES
Consultations	YES	YES	YES	YES
Business Operations	YES	NO	NO	YES
Marketing and Networking	YES	NO	NO	YES

*requires credentialed professional

LearningRx®

one-on-one brain training



4	1
0	5
2	8
8	9
3	4
6	1
4	3
1	6
5	9
8	7

nilp	pund	pulf
papt	kilf	wend
sost	dant	bipt
mesk	lomp	fekt