



StudentsGlobe

*Making Student's Transition Easier **or** Affordable...*

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Executive Summary

Are you planning to study in United States of America? Are you wondering how you are going to get your air ticket, insurance, cell phone, bank account, credit card and transportation in US? In that case, SG can be a great help to you. StudentGlobe can arrange all of these must-have immediately necessary services prior to your arrival in U.S.

How things will be...

SG will provide all this with just a small subscription of \$20. We have partner with cell phone, transportation, banking and credit card service providers in US and for insurance and air ticketing our partners are located in India.

Target

SG will target students in Mumbai, Gujarat, Delhi and Bangalore in first year. In 2nd & 3rd year we will expand our self to other regions of India. Every year more than 133,000 students come to US from India for different level of education. Their average stay in US is 3 to 4 years.

Marketing

SG will market its brand through different consultancy services in India, which help students in their application process for US schools and visa requirements. At the same time we will spread awareness of our bands through student networks in different schools.

Earn you stake

SG requires \$300,000 as initial capital for development of infrastructure and strategic partners in India and US.

Flying to Future

SG will further expand itself to China, Korea and Japan after successful expansion in India. Along with India these countries represent more than 45% of all international students.

Team SG

Rohit Phadtare – *Chief Executive Officer*, is pursuing an MBA in Finance and Management at Pace University, New York. He created and managed companies in manufacturing and construction with sales of \$ 600,000.

Dhaval Desai – *Chief Marketing Officer*, is pursuing an MBA in Finance at PACE University, New York. He holds a M.S. in Marketing Management from M.S University of Baroda. He has worked in sales and personal finance with ICICI bank.

Saurabh Nanadwani – *Chief Information Officer*, is pursuing an MBA in Finance at Pace University, New York. He has a Bachelor of Science in Information Technology and work experience with Internet architecture, database design, J2ee, SQL server and EJB.



Business Description

StudentsGlobe(SG) will be an international student's source of must-have immediately necessary services prior to arrival in the U.S. At its inception, SG will serve the Indian market since it is a country and culture that SG founders know intimately. By the third year of launch SG will branch out through strategic alliances and partnerships to other countries with large population of students attending US undergraduate and graduate schools and international exchange programs. Initially, SG services will include the acquisition of international cell phones, immediately usable credit cards and bank accounts, comprehensive, affordable travel and health insurance as well as reduced fare air transportation and ground transportation services.

The level of services provided will vary depending on the type of user subscription, either free or paid. The services planned are listed below:

Free Subscribers:

1. Access to the social networking aspect of the website to share information, thoughts and connect to students studying in or planning to attend universities in the US.
2. Access to information on site regarding:
 - i) How to proceed through baggage security checking and check in and the necessary process.
 - ii) How to fill the immigration form like I-94 etc, social security forms etc.
 - iii) Self informative snapshots of the interior of the plane, brief info on safety inside the aircraft. E.g. How to use seat belts etc.
 - iv) What to carry and what not to carry on your trip to the USA. This will help students reduce unnecessary baggage items. .
 - v) A brief idea of the professional culture in USA which might help them to carry appropriate clothes, etc.
3. Do's and Don'ts in USA, especially cultural differences, customary behavior and manners



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Paid Services: In addition to the free services mentioned above, paid subscribers will also have the following benefits.

Service	Benefits
Air Ticketing	SG will obtain best fares and special discount for its members.
Banking	SG will help students set up bank accounts in the US prior to departure featuring no minimum balance, free transfers and an associated savings account.
Credit Card	A pre-approved credit card for use in the US will accompany the US bank account. (This normally takes a number of months.)
Cell Phone	SG will enable students to obtain activated sim cards and discounted cell phones prior to departure allowing cell phone service immediately upon arrival in US.
Calling Cards	SG will provide 30 minutes of free calling to international destinations for its members with rates as low as 3c/min to India.
Retail	SG members will receive discounts on their first purchase from SG's partner stores for furniture and electronics.
Ground Transportation	SG's members can reserve meet and greet ground transportation.

Customer Service: Subscribers will have access to our support center for inquires regarding their bank accounts, sim cards or their airport transportation, electronic items and furniture.

Objectives

Mission: To make student's transition easier and affordable

Vision: To achieve sustainable growth by the means of providing outstanding value and service to every international student with the help of our partners.

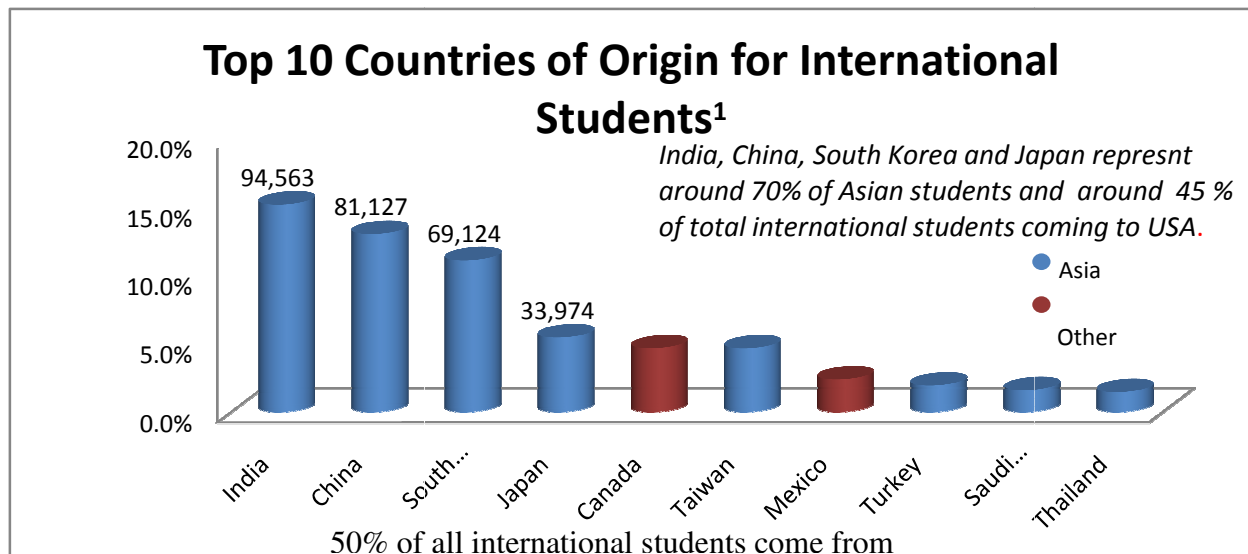
Short Term Objectives: Short term objectives of SG are as followed-

- To have contracts with 160 consultants in Mumbai, Ahmadabad, Delhi and Bangalore.
- Send first batch of students for the Spring 2010 term.
- Be able to have a customer base of at least 2000 students by February 2010.



The Market

In 2007 more than 634,000² students came to the US from Asia. Similarly, over 600,000² students are expected for the 2009-2010 academic year.



By May 2009 SG expects to complete a market research survey of 3,000-5,000 Asian students to evaluate purchase intent and service package.

International students are expected to contribute approximately \$25-28 billion toward the US economy¹ with the annual growth rate of 3%.² To meet their needs SG will provide basic, high-value services such as cell phone, air and ground transportation, banking and insurance.

Target Market and Customers: For first 3 years SG will target India as its major sources of subscribers. And this can be done by focusing on Mumbai, Ahmadabad, Delhi and Bangalore as the first year target destinations, as they have the highest numbers of students travelling to USA. SG will further expand its operations in other cities and states of India by 2nd and 3rd year of operations.

¹ <http://www.ice.gov/sevis/index.htm> and Business and Finance, July 18, 2008.

² The International Herald Tribune November 12, 2007.



Competitive Analysis

Primary Competitors: A primary competitor for SG will be Matrix, a major cell phone reseller for AT&T in India. Cox & Kings and Thomas Cook will be insurance competitors. Air ticketing competes with Cox & Kings, Thomas Cook and all local travel agents.

Competitive differentiation:

Competitors	StudentsGlobe
<p><u>Matrix:</u></p> <p><u>Strength:</u></p> <ul style="list-style-type: none"> • A well established brand name and network with offices in more than 10 states and 20 cities in India. • Providing telecom services in almost 31 international countries. <p><u>Weakness</u></p> <ul style="list-style-type: none"> • Cell services in India are resellers • Billing, activation and problem solving are difficult and not transparent to the customer. 	<p><u>StudentsGlobe cell phone service</u></p> <p><u>Strength:</u></p> <ul style="list-style-type: none"> • Located in India- Mumbai, Gujarat, Delhi and Bangalore, as well as USA. • Exclusive service for SG members • Individuals are direct clients of the provider. • Transparent system with same benefits as US residents. <p><u>Weakness:</u></p> <ul style="list-style-type: none"> • Lack of brand name and market awareness • <u>Limited to few</u> international destinations
<p><u>Insurance:</u></p> <p><u>Strength:</u></p> <ul style="list-style-type: none"> • School policies for mandatory insurance for students from local providers, give an edge to local insurance providers. 	<p><u>StudentsGlobe</u></p> <p><u>Strength:</u></p> <ul style="list-style-type: none"> • Specially designed travel and health policies. • Lower premiums with expedited claim



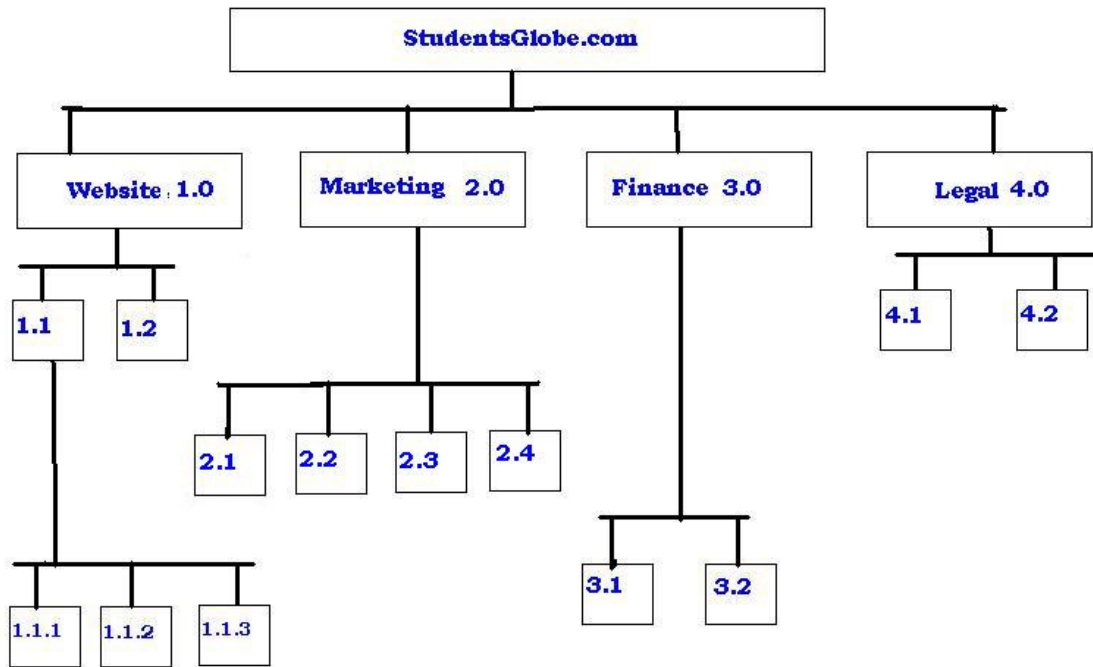
<p><u>Weakness:</u></p> <ul style="list-style-type: none">• Higher prices and limited coverage compared to SG.	<p>service.</p> <ul style="list-style-type: none">• Special provision for parents and student travel. <p><u>Weakness:</u></p> <ul style="list-style-type: none">• Concern about policy usage in students mind.• Not able to cater all students because of school rules³
<p><u>Air Ticketing- Local Travel Agents</u></p> <ul style="list-style-type: none">• Higher prices.• Few discounts for clients.• Focus on all segments of market.	<p><u>StudentsGlobe</u></p> <ul style="list-style-type: none">• Lower price plus discounts for SG members throughout study year(s).

³ These schools make it compulsory to buy insurance from them -



Operations

Phases of Operation



<i>Task Number</i>	<i>Description</i>
1.1	Development Phase
1.1.1	Proof Of Concept
1.1.2	Beta Test
1.1.3	Soft Launch



1.2	Launch Phase
1.3	Upgrade & Expansion Phase
2.1	Set Up Phase
2.2	Development Phase
2.3	Marketing
3.1	Business Revenue
3.2	Project Expenditure
4.1	Handling Copyrights & Patents
4.2	Handling Claims

Please Note: We have listed the activities to be performed in 1.1.1, 1.1.2 and 1.1.3 in the respective section later.

Work Package 2.1, 2.2 & 2.3 are marketing activities for the development phase, beta test and launch phase itself.

3.1 will include all incoming business revenue e.g. Subscription and Service Providers.

3.2 will have activities regarding handling the project expenditure like marketing costs, rental costs and other traveling costs. These activities are explained in the

4.1 will include activities like our lawyer's doing with the copyright claims or patents

4.2 work package will be assigned to a lawyer who can handle claims (if any) from unsatisfied students.

Development Phase

- **Proof of Concept:** We gave our web developer the idea and design for StudentsGlobe and he came up with a website that was user friendly, less cumbersome and which included many of the proposed functionalities. The website also has means of adding more complex functionalities that are meant to be a part of the website at a later stage. Since our members designed and developed this site, we did not incur any development cost for this phase.



SG's prototype website is available at www.studentsglobe.com/rbpc . SG will have a beta full version available for student test marketing by September 2009.

Task Number 1.1.1 will be handled here by our website developer.

The activities here include:

1. Designing StudentsGlobe.com website
2. Coding the website.
3. Unit Testing the website.



Task Number 2.1 will be handled in this stage by Rohit Phadtare. The activities in this task include:

1. Employing a team of 4-5 sales representatives in 2 cities; Mumbai & Ahmadabad of India.
2. Setting up a regional office in the same city for looking over their work.
3. Appointing a regional Marketing Manager for each city.
4. Setting up a head office to supervise & advise the new marketing workforce.

Our marketing members were also working fulltime in concreting relationships with important service providers like BestBuy, local transportation companies, airline ticket providers and mobile companies for **sim** cards. These visits helped us secure a letter of intent from many service providers. (Please See Appendix 1, 2, 3)

We also had to ensure marketing for a good student base from India. Hence we got hold of educational consultants and offered them some percentage for each student referred to studentsglobe.com. This marketing process in India included fliers and word of mouth publicity.

- **Beta Test**: We should have the beta test site ready for around 200 subscribers. We want to stress on the functionality of the site and ensure that the site is updated frequently so that it shows updated data at all times. Since our beta testers are going to be our fellow students from the University, we did not have to spend on testers for this stage.

Task 1.1.2 will be executed here. The activities in this task include:

1. Acquiring webspace for hosting our website.
2. Recruiting around 50 testers from different universities for Beta testing the website.
3. Getting feedback from all the 50 testers.
4. Incorporating new & required changes in the website.
5. Ensuring that the site test runs successfully and passes all the quality metrics.



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Task 2.2 will be executed in this stage. The newly recruited & trained marketing employees will take responsibility of this task. The activities in this task include:

1. Meeting up with different educational consultants.
 2. Trying to build a sizeable student base
 3. Meeting with the service providers
 4. Striking profitable deals with the service providers
- **Soft launch**: The soft launch is expected around the 1st week of April. If all the beta testers give a positive feedback and we have no bug issues, we will soft launch the website for around 1000 real subscribers. We might give them a trial period of the premium services (meant for paid users only) during this stage. This will help students experience the advantage of membership subscription. During this stage subscribers will have their personal StudentsGlobe email ids on registering at our site. We have bought unlimited GB of web space for hosting our website on the Internet. This also means that we have no limit on the number of email ids or number of subscribers. Task 1.1.3 will be executed at this stage. Activities in this task include:
 1. Checking the website for bug free performance.

Task 2.3 when executed, will include the following activities.

1. Ensuring at least 1000 subscribers open their account with us.
2. Continuously getting feedbacks from subscribers
3. Securing contracts with the service providers

Keeping track of project expenditure in tasks like the following will be handled by Rohit Phadtare:

1. Applying for subscription at verisign.com for authentication of payments
2. Subscribing to PayPal for easy subscription to StudentsGlobe.com,

Launch Phase



We have decided on 1st November, 2009 as our proposed launch date. At this juncture we will ensure that we have the difference line of free users and paid subscribers clearly marked. The difference between paid subscribers and free users will be the advantage to avail premium services like mobile subscription, transport facilities from airport to the temporary accommodation, buying electronics and other required furnitures and accessories for a one time discount rate etc. We will be relying on our educational consultants in India to encourage new students to join our website for this particular stage. We have offered them around 10\$ for each student that subscribes for our premium paid subscription. The commission offered to consultants would increase as the number of members referred by them increases. Roughly we will be spending around half of our subscription amount on our marketing strategy of involving educational consultants from India.

Activities for task 1.2 will include:

1. Using authentication from verisign regarding online payments
2. Using PayPal in the site for subscription amount.

Activities in task 2.4 will include:

1. Extensive marketing of StudentsGlobe at university campuses around Mumbai, Ahmadabad, Delhi & Bangalore.
2. Paying consultants for referring students to our website

First Upgrade & Expansion Phase

For this stage, we have many ideas like:

1. One of our important achievements will be to set up a fully functional call center and provide students with 24x7 support facility.
2. We also intend to reach students in China, Korea and Japan in the immediate future.



Future Goals:

1. To be a major player in this unorganized sector of educational services by providing online and onsite tutoring facilities for GRE/GMAT/SAT/IELTS/TOEFL etc.
2. To provide the students with a counselor on request who will help them share their emotions, difficulties, fear etc. In short, trying to provide the students with emotional support when they need it the most.

Quality Assurance:

We intend to gauge qualities of our services on some of the standards stated below:

1. All customer support enquires would be answered within 10 hours for the initial period and later when we have a fully 24x7 call center we would revert back to our customers within 30 mins.
2. Online bank accounts would be up and operational as soon as student completes the required formalities. As a reserve measure, we would state a time frame of 2 hours for the account to be operational.
3. As soon as the student makes the payment and completes the paper work he would be able to access his account online.
4. The wait period for airport pick up would be no more than 15 min for the student after reaching the exit gate.
5. We have also signed quality service agreements & terms with our partners to ensure that we provide the best quality service to our customers.

Key Suppliers & Partners

Our website aims at providing different services (available on individual sites) under one umbrella for the benefit of international students. For the same, we are in talks with various companies to offer their services through our website.

- Local transportation companies for easy pickup of international students from an US airport to their destination.



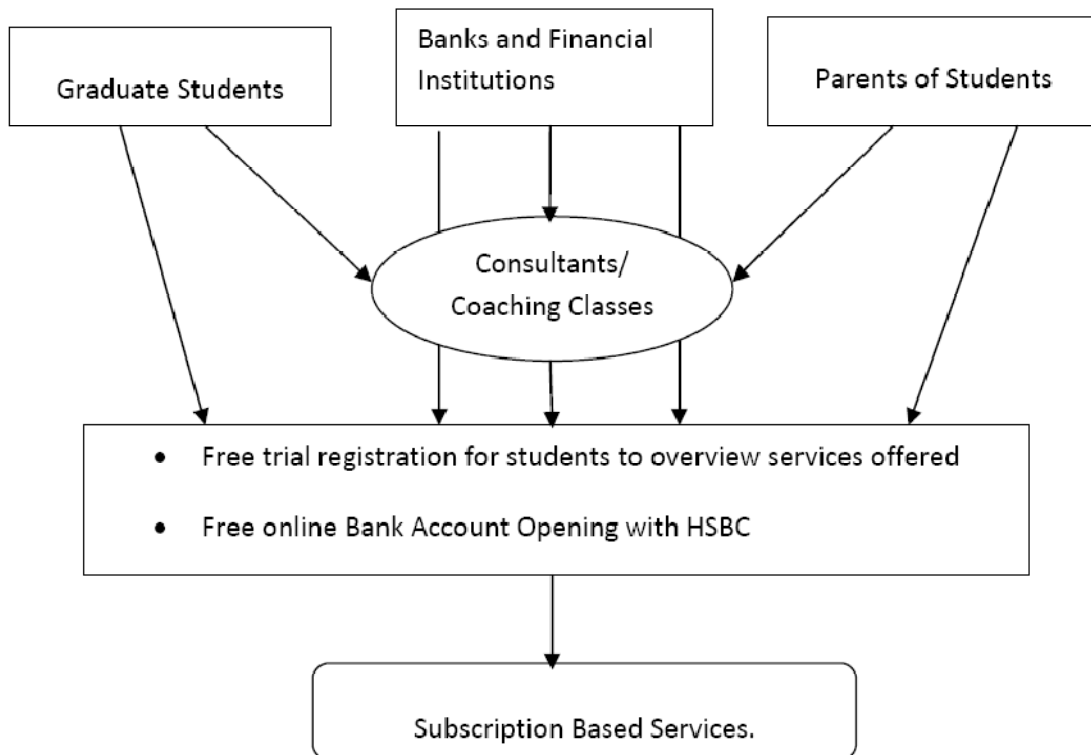
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- HSBC Bank Accounts and Credit Cards. – We would facilitate student with zero charge accounts. The student would have accounts set for him both in his home country and USA simultaneously from his home country. Right in their home country, we would provide students with a credit card of the USA entity of HSBC, so that they can use it immediately after arriving at the US airports.
- T Mobile – for accepting students application whilst in their home country and providing them with SIM cards. Students can pick those Sim cards from our offices in their home country before leaving for USA. .
- Wal-Mart & BestBuy – to offer their furniture, electronics and necessary things at discounted prices through our website so that the student can buy his necessary supplies whilst he is still in his home country. The delivery can be made anytime to any address in the US.
- Airlines like Air France & British Airways – to provide students with more discounts for booking through our website.
- Educational consultants like GeeBee/FACT/ VISU from India – to refer students to our website.
- Various Call centers to avail customer support service initially for a limited time and then a 24x7 support when fully operational.



Strategy



- We plan to have a promotion campaign for the first 2 years.
- The campaign would run 2 phases:
 - First phase of 15 months
 - Second phase of 9 months
- Where we would focus on connecting with at least 160 consultants from Mumbai, Ahmadabad, Delhi and Bangalore in the first phase.
- In the first phase aim would remain to concentrate on consultants and financial institutions in metropolitan cities, Mumbai, Ahmadabad, Delhi and Bangalore, which have heavy concentration of students planning on studying abroad.
- Second phase would mainly depend on the success of the first phase.
 - If we achieve our targets in first phase we would divert some of our recourses to other important cities.
 - If we fail to achieve our targets in first phase we plan to continue working on the same regions and try to achieve better results.



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- We would provide a commission based income for all the consultants and institutions that partner with us.

Tactics

- Advertising students about various services provided by StudentsGlobe.
- Implementing user friendly website which caters different services with best technological tools.
- Acting as an efficient connecting link between students and service providers.
- Maintaining best supplier relationship management.
- Constant improvisation in Website designing and Services offered.

Marketing

Marketing Strategy: StudentsGlobe will follow traditional “4P Marketing Mix” comprising of Price, Place, Promotion and Product.

Price:

- Annual membership charge for students will be \$20. Students who are coming in a group of 5 or more will be given a special 15% discount each on annual membership.
- On referral of a new member, students will also be rewarded with special StudentGlobe bonus points which they can redeem for various discounts on our services.
- Every student will be awarded with \$5 cash back in their profile on introduction of a new member to StudentGlobe.com.
- By using the service of StudentGlobe.com a student would make a profit even after paying for subscription. For e.g.

Service	Charge	Expected Savings	Gains
Bank Account assistant	0	\$25	\$25
Student Insurance	At least 90% of school cost	10% (at least \$40-\$50)	\$40-\$50
Ticketing	At least 2% discount of the current online fare	\$20	\$20
Subscription charge	20\$	\$-20	\$-20
Total profit to a student			\$65-\$75



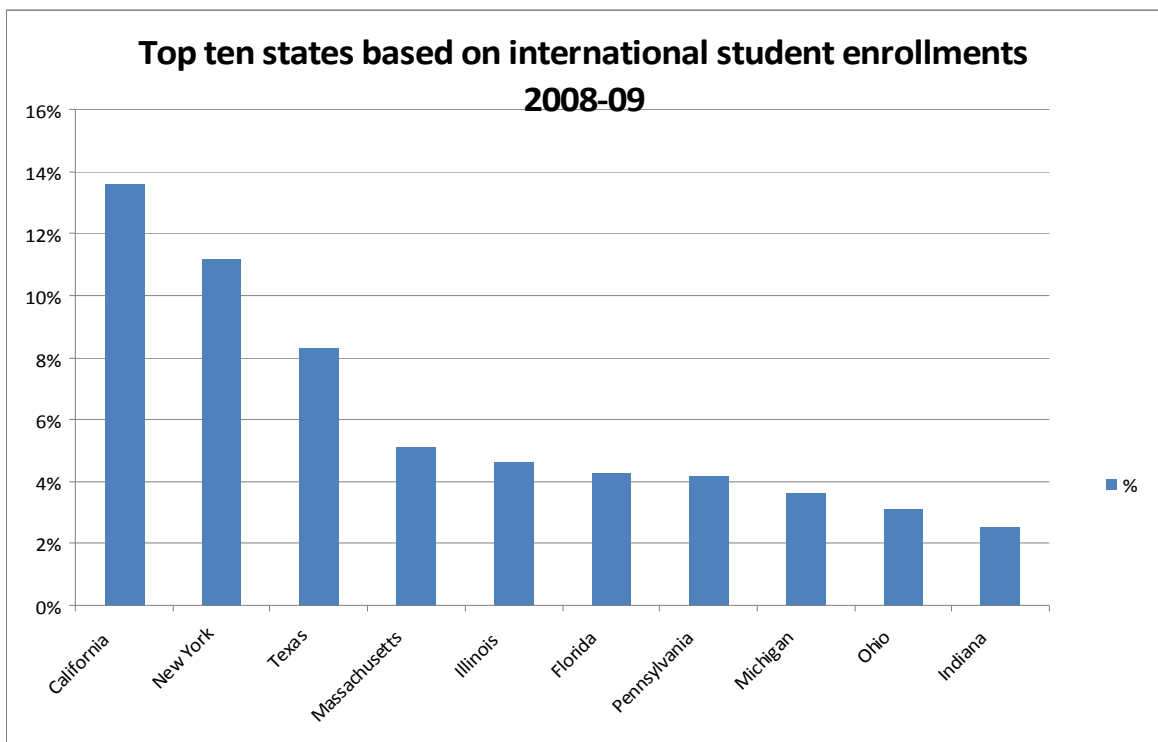
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Please Note: Some of the service like cab service and cell phone service are not included because they would vary from person to person.

Place:

- SG will begin sales and media marketing in Mumbai, Delhi, Ahmadabad and Bangalore. These markets send the most Indian students to the U.S. SG will reach its potential customers through local educational consultants who are retained by parents and students to prepare Indian students for college admissions and the student visa process. After achieving its goals in India, SG will expand to China, South Korea, and Japan by replicating its business model via local partnerships and strategic alliances.
- For initial few years some of the service like ground transportation would be limited to selected states like California, New York, New Jersey, Boston, Philadelphia and Florida. Following is a graph showing the estimated statewide enrollments of international students for 2008-09⁴**Error! Bookmark not defined.:**



- Following is the table giving the expected number of students for the academic year 2008-09⁴:

⁴ Compiled by author by use of the report : Open Doors 2008: International Students in the United States



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State	Number of Students
California	84,800
New York	69,844
Texas	51,824
Massachusetts	31,817
Illinois	28,804
Florida	26,739
Pennsylvania	26,090
Michigan	22,857
Ohio	19,343
Indiana	15,548

Promotion:

- Advertisement on GMAT, SAT, TOEFL, GRE books and school websites.
- Banners and Information Desks at Career Fairs, Study Abroad fairs and Universities.
- Blog and Social Networking Community setup with testimony's from schools, partners etc.
- Word of Mouth publicity by the help of partnered schools, consultants and financial institutions.
- Google Keywords.
- Mass mailings.

Publicity:

- Coalition for student referrals with various local consultants and coaching centers whom students refer to for their Test and Visa preparations.
- Hosting various pre-departure events with students and parents to educate them about StudentGlobe.com
- Advertisement on popular Radio channels.



- Buying keywords in popular search engines to have preferred selection for students during their online search.

Management & Governance

Our team currently consists of the following people:

Rohit Phadtare – *Chief Executive Officer*, is pursuing an MBA in Finance and Management at Pace University, New York. He created and managed companies in manufacturing and construction with sales of \$ 600,000. Rohit will be in charge of the overall Marketing & Management of StudentsGlobe. He will be responsible for all major decisions regarding the business.

Dhaval Desai – *Chief Marketing Officer*, is pursuing an MBA in Finance at PACE University, New York. He holds a M.S. in Marketing Management from M.S University of Baroda. He has worked in sales and personal finance with ICICI bank. Dhaval is responsible for Marketing of StudentsGlobe in India and other markets. He will also be responsible in meeting up & discussing partnership options with consultants in India for increasing the student base.

Saurabh Nanadwani – *Chief Information Officer*, is pursuing an MBA in Finance at Pace University, New York. He has a Bachelor of Science in Information Technology and work experience with Internet architecture, database design, J2ee, SQL server and EJB. Saurabh will be in charge of designing & developing the StudentsGlobe website.

To successfully manage StudentsGlobe at a later stage we may require the following personnel for full time positions:

Website administrator: an individual with sound technical knowledge and experience of handling a growing website.

Business Development Manager: To approach more service providers to advertise and sell their services through our website.

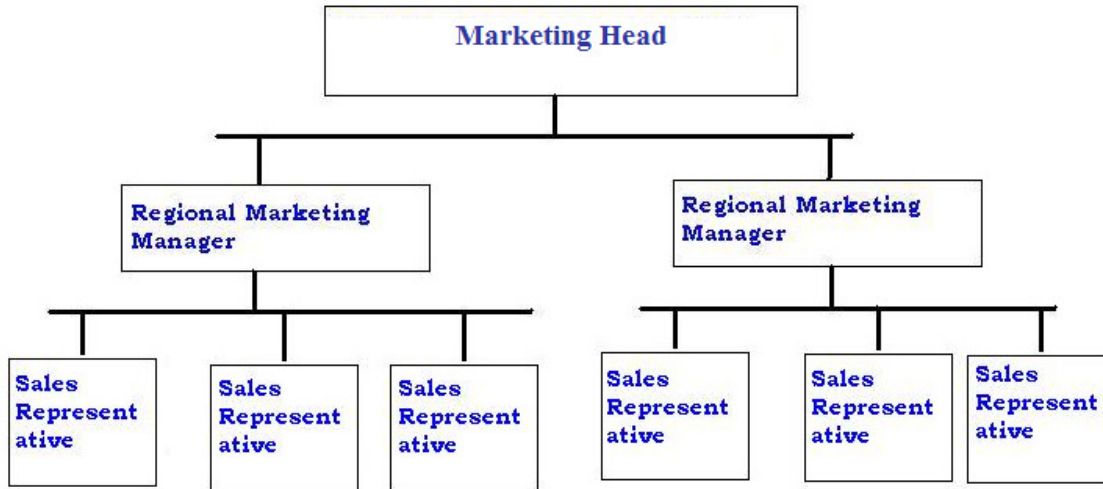
Finance Manger: an individual with a good finance degree and solid experience to help keep a track of our finances.



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We will be employing more individuals in the marketing field. We need atleast around 3 sales representatives each in the 4 states that we plan to open our regional offices in. These cities are Mumbai, Ahmadabad, Delhi and Bangalore in India. Our Resource Breakdown Structure for the marketing field is given in the diagram below(it represents only 2 cities).



Finances

Sources of Revenue

Revenue	Expected		2009	2010	2011	2012	2013	2014
per service	subscribers							

Students			0	6680	10020	16032	27254	46333
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Subscription	\$ 20	100%	\$ 20	\$ 133,600	\$ 200,400	\$ 320,640	\$ 545,088	\$ 926,650
Cell Phone	\$ 75	95%	\$ 71	\$ 475,950	\$ 713,925	\$ 1,142,280	\$ 1,941,876	\$ 3,301,189
Calling Card	\$ 1	100%	\$ 1	\$ 6,680	\$ 10,020	\$ 16,032	\$ 27,254	\$ 46,332
Banking	\$ 1	90%	\$ 1	\$ 6,012	\$ 9,018	\$ 14,429	\$ 24,529	\$ 41,699
Transportation	\$ 5	50%	\$ 3	\$ 16,700	\$ 25,050	\$ 40,080	\$ 68,136	\$ 115,831
Insurance	\$ 25	30%	\$ 8	\$ 50,100	\$ 75,150	\$ 120,240	\$ 204,408	\$ 347,494
Air Ticketing	\$ 40	25%	\$ 10	\$ 66,800	\$ 100,200	\$ 160,320	\$ 272,544	\$ 463,325
Retail	\$ 5	20%	\$ 1	\$ 6,680	\$ 10,020	\$ 16,032	\$ 27,254	\$ 46,332

Total Revenue				\$ 762,522	\$ 1,143,783	\$ 1,830,053	\$ 3,111,090	\$ 5,288,853
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SG will earn its revenue as describe above. We have expected subscribers for the services and in total what we can earn from these services. Detail description on, how SG will spend its revenue? And what we require for the operation of the business; is explained in income statement and balance sheet with all the necessary supporting assumptions (See Appendix 4and 5).

Investment Proposal

We need \$ 300,000 as initial investment and more \$200,000 for expansion in 2 stages of \$100,000 each. The initial investment would be a debt investment @ 12-15% rate of return with the option to convert with an equity stake of up to 33%. The investor would be given a choice to increase the amount of debt from \$300,000 to \$400,000 in the year 2012. If the investor decides to increase the finance to the company, he would need to convert from debt financing to equity financing with the equity share of 33%. In addition he would be compensated @ 9% interest rate for the initial investment of \$ 300,000. The option to use the convertible would be available in the year 2014 if the investor doesn't increase his stake from the initial \$ 300,000 with equity share of 29%. All debt payments including interest would be made in the year 2015 and interest would be compounded for the last 2 years that is from the year 2013-2014.

Risk

Interest Rate Risk: If the interest rate goes up, it would be difficult for us to bring in the debt finance. We would be using interest swap contract to minimize the risk.

Currency Risk: there lies a greater risk in terms of currency fluctuations since SG would have its operations spanned in international destinations like India, China and USA. So we would enter into futures contract. Also we would try to make payments as well as receive payments in USD only irrespective of the country of operation.

Security Risk: Considering the restrictions and regulations impose by Department for Homeland Security regarding selling cell phone connections to be used in USA. To deal with such situations, we can confirm the student's status with school and government agencies prior activation of the connection.



Risk pertaining to the retail segment: Considering the present market condition, there are many chances that some of the retailer would take the approach of direct retailing and eliminating resellers like us. We are making an effort to make direct contact with the companies like HP, Dell to help provide us with the retail solution for items like laptops, I-pods etc. which are the major purchase for an international student.

Milestones

Some of the key milestones pertaining to the business are:

1. To send at least-
 - a. 2500 students in Spring 2010 term
 - b. 700 students in Summer 2010 term
 - c. 3500 students in Fall 2010 term.
2. By second year expand to other cities in India like Pune, Nasik, Hyderabad, Jaipur, Baroda etc to increase the contact with the consultants.
3. By year 2011 start looking for strategic partners for expansion in other international cities like China & Korea

A short timeline pertaining to our activities is indicated below:

Sr.No.	Milestone	Date of completion
1.	Complete a market survey of 3000-5000 students	1 st May 2009
2.	Finalizing the terms of business with various vendors for cell phone, ground transportation, retail, calling cards etc	30 th June 2009
3.	Start marketing of the product in India	1 st July, 2009
4.	Make contracts with 100 local consultants in India	15 th September, 2009
5.	Add at least 60 more consultants to the above list	1 st November, 2009
6.	Actual use of service by students	1 st November, 2009
7.	Complete a customer satisfaction survey	1 st March, 2010



Appendix 1: Letter of intent for call centre support(sent via email).

LETTER OF INTENT

THIS LETTER OF INTENT (the "Letter") made as of 9th day of January, 2009 (the "Execution Date"),
BETWEEN: CALL10 Marketing and studentsglobe.com of rohit@studentsglobe.com (individually the "Party" and collectively "Parties")

BACKGROUND:

The relationship is based on providing Call Center support to studentsglobe.com by CALL10 Marketing.

This letter will establish the basic terms to be used in the future agreement between the parties. The terms contained in this letter are not comprehensive and it is expected that additional terms may be added, and existing terms may be changed or deleted. The basic terms are as follows:

SERVICES TO BE PROVIDE:

- 1 Call Center executive working in 0900 hrs to 1800 hrs UK time.
- Replying E-mail/Telephonic queries.
- Taking orders & updating the website in accordance.

CHARGES:

- INR 35,000 per month.
- Three months deposit advance. Deposit shall be returned in full on completion of the contractual agreement.

TERMS & CONDITIONS:

- Business Executive will receive request as updated on studentsglobe.com
- Business Executive shall the responsible for reverting on the requests (via Email or phone) on the website.
- Infrastructure (Desktop, Internet Facility, Office Space, Domestic telephony) for Business executive shall be provided by CALL10 Marketing.
- Business Executive shall be on rolls of CALL10 Marketing.
- The Contractual Agreement shall be of 1 year, and cannot be terminated before that.

NON-BINDING:

This letter does not create a binding agreement between the parties and will not be enforceable. Only the future agreement, duly executed by the Parties, will be enforceable. The terms & conditions of any future agreement will supersede any terms and conditions contained in this Letter. The Parties are not prevented from entering into negotiations with other third parties with regard to subject matter of this letter.

Robin Bakshi

Call 10 Marketing

robin.bakshi@call10.com

www.call10.com



Appendix 2: Letter of Intent for ground transportation.

LETTER OF INTENT

THIS LETTER OF INTENT (the "Letter") made as of this __22nd__ day of December, 2008 (the "Execution Date"), **BETWEEN:** Ronald S. Posmentier of 96 Mt. Airy Rd. S., and StudentGlobe.com of rohit_rrp@yahoo.com (individually the "Party" and collectively the "Parties")

BACKGROUND:

The relationship is based on providing logistical support and transportation for the clients of StudentGlobe.com. by Ronald S. Posmentier.

This Letter will establish the basic terms to be used in a future agreement between the Parties. The terms contained in this Letter are not comprehensive and it is expected that additional terms may be added, and existing terms may be changed or deleted. The basic terms are as follows:

Relationship Between Parties

The relationship is based on providing logistical support and transportation for the clients of StudentGlobe.com. by Ronald S. Posmentier.

Transaction Description

Over a 12 month period beginning with the initial request for service, Ronald Posmentier will provide students with ground transportation from point A to point B, as requested by StudentGlobe.com. Fees for each request will be determined on an individual basis.

Non-Binding

This Letter does not create a binding agreement between the Parties and will not be enforceable. Only the future agreement, duly executed by the Parties, will be enforceable. The terms and conditions of any future agreement will supersede any terms and conditions contained in this Letter. The Parties are not prevented from entering into negotiations with other third parties with regard to the subject matter of this Letter.


Ronald S. Posmentier



Appendix 3: Letter of intent for insurance (sent via email to rohit@studentsglobe.com).

Hi,

as per telephonic discussion with you i am sending you details Regarding business proposal, your concept was unique and different from others, so it will run, no questions on that,

Now i will come to pathway securities first, it is private limited firm; there are two directors in this firm,
1 Ramesh Govindan (promoter director of infrasoftware, fiancus solutions, accumen India)

2 pathik shah (ex Icici direct)

Why I am giving you idea about my company because you should have idea about the people with whom you are going to deal.

pathway securities is financial super store where we are dealing in following products

1 Life insurance (LIC, ICICI Prudential, ING, Reliance life Insurance)

2 General insurance (Reliance general insurance, Bajaj Allianz, icici Lombard, DBS cholamandalam)

3 Mutual funds

4 fixed deposits and corporate deposits

5 Loans (personal loan , home loan, loans against property, business loan)

6 other services (specialised products like bill discounting, cc , lc ,, etc)

I can say one thing to which i had told you during telephonic conversation with you that your duty will be only to give lead of customer, remaining all will be my duty.

I will explain customer, give them quotation, complete all the procedures regarding travel insurance like completing form and submitting at company's back office etc.) So in short in this case you don't need to worry all will be my responsibility

now I will come to most important part that is commission and remuneration, see every general insurance company has different plan and different commission structure, so what i am saying it comes some where around 10 to 15% net after deducting all taxes but for this we need to sit and discuss and we need to make agreement on stamp paper so in future it should not create any problem,

in case any other details you require you are free to contact me on below mentioned details

--

Regards,

PATHIK SHAH

Pathway Securities Pvt. Ltd

Ground Floor, Matushree Building I,

Opp Shabari Restaurant I,

Near waman Hari Pethe Showroom I, Goregaon West - 400062 I,

Phone:32194111,32184222.

Mobile:9819754933.

E-Mail: pathwaysecurities@gmail.com



Appendix 4:

Consolidated Income Statement:

	Assumptions	2009	2010	2011	2012	2013	2014
Number of students	1	0	6680	10070	16032	27254	46333
Revenue	2						
Subscription	2.1	\$ 133,600	\$ 200,400	\$ 320,640	\$ 545,088	\$ 926,650	
Cell Phone	2.2	\$ 475,950	\$ 713,925	\$ 1,142,280	\$ 1,941,876	\$ 3,301,189	
Calling Card	2.3	\$ 6,680	\$ 10,020	\$ 16,032	\$ 27,254	\$ 46,332	
Banking	2.4	\$ 6,012	\$ 9,018	\$ 14,429	\$ 24,529	\$ 41,699	
Transportation	2.5	\$ 16,700	\$ 25,050	\$ 40,080	\$ 68,136	\$ 115,831	
Study abroad Insurance	2.6	\$ 50,100	\$ 75,150	\$ 120,240	\$ 204,408	\$ 347,494	
Air Ticketing	2.7	\$ 66,800	\$ 100,200	\$ 160,320	\$ 272,544	\$ 463,325	
Retail/ Electronics	2.8	\$ 6,680	\$ 10,020	\$ 16,032	\$ 27,254	\$ 46,332	
Total Revenue		\$ -	\$ 762,522	\$ 1,143,783	\$ 1,830,053	\$ 3,111,090	\$ 5,288,853
Expenses							
Organizational Expenses	3	\$ 12,000					
Legal Expenses	4	\$ 15,000	\$ 30,000	\$ 33,000	\$ 36,300	\$ 39,930	\$ 43,923
Technical Expenses	5						
Web Development	5.1	\$ 4,000	\$ 8,400	\$ 9,240	\$ 16,632	\$ 19,958	\$ 23,950
Web Management	5.2	\$ 4,000	\$ 8,400	\$ 9,240	\$ 12,936	\$ 15,523	\$ 18,628
Server Maintenance	5.3	\$ 4,000	\$ 4,400	\$ 4,840	\$ 6,292	\$ 6,921	\$ 7,613
Software's	5.4	\$ 4,000	\$ 4,000	\$ 4,000	\$ 5,000	\$ 5,000	\$ 5,000
Selling and Distribution Exp.	6	\$ 3,000	\$ 170,000	\$ 253,500	\$ 403,800	\$ 684,360	\$ 1,161,312
Salary	6.1	\$ 5,878	\$ 24,098	\$ 26,508	\$ 29,159	\$ 32,074	\$ 35,282
Travel	6.2	\$ 5,000	\$ 10,000	\$ 12,000	\$ 14,400	\$ 17,280	\$ 20,736
Commission	6.3	\$ -	\$ 113,560	\$ 170,340	\$ 272,544	\$ 463,325	\$ 787,652
Advertisement Expense	7	\$ 40,000	\$ 44,000	\$ 44,000	\$ 88,000	\$ 101,200	\$ 116,380
Promotional Expense	8	\$ 34,000	\$ 37,400	\$ 37,400	\$ 48,620	\$ 53,482	\$ 58,830
General Expense	9						
Phone/Fax/Internet		\$ 2,000	\$ 2,400	\$ 2,880	\$ 3,456	\$ 4,147	\$ 4,977
Utilities		\$ 6,000	\$ 8,400	\$ 10,080	\$ 14,112	\$ 16,934	\$ 20,321
Administrative Expenses							
Salary	10	\$ 48,000	\$ 288,000	\$ 288,000	\$ 360,000	\$ 432,000	\$ 518,400
Rent Expense	11	\$ 35,000	\$ 38,500	\$ 42,350	\$ 63,525	\$ 82,583	\$ 107,357
Interest Expense	12	\$ 3,900	\$ 10,660	\$ 13,000	\$ 20,800	\$ 26,000	\$ 26,000
Insurance Expense	13	\$ 1,000	\$ 2,000	\$ 2,200	\$ 4,400	\$ 4,840	\$ 5,324
Other Expense	14	\$ 20,000	\$ 30,000	\$ 30,000	\$ 60,000	\$ 60,000	\$ 60,000
Depreciation Exp. on Furniture	16	\$ -	\$ 1,800	\$ 3,800	\$ 6,300	\$ 11,800	\$ 13,300
Depreciation Exp. on Equipment	16	\$ -	\$ 1,700	\$ 1,800	\$ 2,000	\$ 7,000	\$ 10,000
Tax Expense	22	\$ -	\$ -	\$ -	\$ 101,778	\$ 359,356	\$ 785,353
Total Expense		\$ 246,778	\$ 837,718	\$ 998,178	\$ 1,570,053	\$ 2,443,714	\$ 3,830,339
Net Cash Flow		\$ (246,778)	\$ (75,196)	\$ 145,605	\$ 259,999	\$ 667,375	\$ 1,458,514
Cumulative Cash Flow		\$ (246,778)	\$ (321,974)	\$ (176,368)	\$ 83,631	\$ 751,007	\$ 2,209,520
Net Profit Margin		0.00%	-42.22%	-15.42%	4.57%	24.14%	41.78%



Balance Sheet:

	Assumptions	2009	2010	2011	2012	2013	2014
Assets							
Current Assets	15						
Cash	15.1	\$ 390,000	\$ 400,000	\$ 400,000	\$ 520,000	\$ 620,000	\$ 660,000
Cash Equivalents	15.2	\$ -	\$ -	\$ -	\$ 47,000	\$ 60,000	\$ 80,000
Supplies	15.3	\$ 3,000	\$ 4,000	\$ 5,000	\$ 8,000	\$ 29,000	\$ 50,000
Account Receivables	15.4	\$ -	\$ 40,000	\$ 60,000	\$ 100,000	\$ 120,000	\$ 160,000
Fixed Assets	16						
Furniture		\$ 18,000	\$ 20,000	\$ 25,000	\$ 55,000	\$ 70,000	\$ 70,000
Accumulated Depreciation		\$ -	\$ (1,800)	\$ (3,800)	\$ (6,300)	\$ (11,800)	\$ (13,300)
Equipments		\$ 17,000	\$ 18,000	\$ 20,000	\$ 50,000	\$ 80,000	\$ 80,000
Accumulated Depreciation		\$ -	\$ (1,700)	\$ (1,800)	\$ (2,000)	\$ (7,000)	\$ (10,000)
Total Assets		\$ 428,000	\$ 478,500	\$ 504,400	\$ 771,700	\$ 960,200	\$ 1,076,700
Liabilities							
Current Liabilities	17						
Account Payables		\$ 8,000	\$ 36,500	\$ 44,400	\$ 51,700	\$ 60,200	\$ 76,700
Long Term Liabilities	18						
Loans		\$ 60,000	\$ 82,000	\$ 100,000	\$ 160,000	\$ 200,000	\$ 200,000
Equity							
Investors	19	\$ 300,000	\$ 300,000	\$ 300,000	\$ 400,000	\$ 400,000	\$ 400,000
Partners Capital	20	\$ 60,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 100,000	\$ 100,000
Retain Earning	21	\$ -	\$ -	\$ -	\$ 100,000	\$ 200,000	\$ 300,000
Total Liability + Equity		\$ 428,000	\$ 478,500	\$ 504,400	\$ 771,700	\$ 960,200	\$ 1,076,700



Appendix 5:

ASSUMPTIONS for Financial Statements

1 Total number of new subscribers who will join StudentsGlobe,

2009 – Development phase no new subscribers

2010 – Total numbers of F1, M1 and J1 visa holder is 133,000 students, company has target to achieve 5% of total market size as first year focus will be on 4 major states of India (Mumbai, Ahmadabad, Delhi and Bangalore). In 2010 SG will focus on beta market test for spring 2010 and launch phase will be fall 2010

Spring 2010 - 2,500 students from India

Summer 2010 - 700 students

Fall 2010 -3,500 students

2011 – SG is expecting to achieve growth of 50% by expansion of the local networks in India. Cities of expansion would be Pune, Nasik, Baroda, Anand, Jaipur, Hyderabad.

2012 – Expand market to other Asian regions, target expansion will be in China. Expected students who travel to the USA from China are around 81,000. We are expecting 60% growth rate for total number of new subscribers including India and China.

2013 - Further expansion in to new niches like China, Korea and Japan will help to achieve expected growth rate of 70%

2014 – Company is expecting growth rate will be more or less same in this year

* Students travelling information is taken from the Department of Home Land Security (DHS) website.

* Target market assumptions are based on market information available for the visa application from different region in India and China.

2 Revenues

2.1 \$ 20 subscription fees collected from each newly registered member



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- 2.2 Target to achieve 95% of the total subscribers and will receive \$ 75 commission for each service consumer
- 2.3 StudentGlobe will provide free 30 min for international call for the first time user; members can continue to use this service for the future. SG will earn \$ 1 from this and will be able to sell this to all register members
- 2.4 StudentsGlobe is expecting to earn \$ 1 from the user of the banking services and expected to sell it to 90% of the new member
- 2.5 Airport to destination transportation facility for students: SG will make \$ 5 per user and expecting to provide this service to 50% of the student traveler.
- 2.6 30% of the new members will buy Study Abroad Insurance. StudentGlobe will make \$ 25 per policy
- 2.7 Commission of \$ 40 per service user, SG is expecting to sell this to at least 25% of its new subscribers
- 2.8 20% of the new subscribers are expected to use retail discount benefits and SG will make \$ 5 on an average on this.
- 3 Initial expense made by promoters;
 - 1) Server rental and email client bought at \$ 100 pm
 - 2) Travelling to Mumbai for the purpose of networking possible alliance
 - 3) Basic market research for the 4 major regions (Mumbai, Delhi, Gujarat & Bangalore).
- 4 Legal and other professional expenses such as lawyer consulting, documentation filling and contracting with strategic partners.
- 5 Technical Expenses for web site
 - 5.1 Salary and other expenses for web development team consisting 3 members in India with an average salary of Rs. 140,000 annually.(except development phase)
 - 5.2 To manage the website we will hire 2 people. Hiring will be done in India and average pay scale will be Rs. 200,000 annually. (except development phase)
 - 5.3 Dedicated server will cost \$200pm and other expenses related to its maintenance.
 - 5.4 Required software yearly subscription



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- 6** Selling & Distribution expenses include, shipping charges for cell phone sim card (\$ 25 per shipment) and other variable expenses.
 - 6.1** Salary for 6 sales persons fix + commission
 - 6.2** Travelling expense for sales person as well as for Chief Executives to finalize the arrangement with the strategic partners in India.
 - 6.3** Per student \$17 commission to consultants
- 7** Bill boards, radio, collage campus, news paper advertisements. In the year 2012 & 2013 expenses for advertisement are higher due to expansion in to new market.
- 8** School & Collage promotional event promotion expenses
- 9** General expenses for phone/fax/internet/utilities in India and USA and later on in China.
- 10** Administrative salary expenses for each Executive officer \$ 8000 per person for the year 2009.
 - In 2010 and 2011 Each Executive will receive \$ 48000 annually
 - In 2012 total salary payment will increase by 25%
 - In 2013 and 2014 there will be further increase in the salaries of Executives by 20%
- 11** Rent for the offices in USA, India and China (in 2012-13)
- 12** 13% pa Interest expense on the loans. Interest expenses in 2009 is only for 6 months
- 13** Insurance expenses for offices and equipments
- 14** Other variable expenses
- 15** Current Assets
 - 15.1** cash requirement for operational expenses
 - 15.2** Cash Equivalents for future investment to achieve some liquidity
 - 15.3** Supplies for offices
 - 15.4** Receivables from the partner service providers with credit line of 30 days
- 16** Fix Assets will include Furniture and Equipment, we are expecting to have slightly higher amount in Fix Assets as we are considering to invest in to Independent Server for the StudentsGlobe.



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- For the depreciation purpose expected life of the furniture and equipment will be approximately 10 years. We have considered straight line depreciation method with \$ 0 salvage value at the end of useful life of the assets.
- 17** Current Liabilities include commission payments other payments for the services acquired with credit line of 45 days
 - 18** Bank loans or third party borrowing @ 13% pa rate of interest (approximately). Loans are expected to increase over the first 5 to 6 years as company will maintain growth and expansion. These credit facilities are subject to normal banking terms and conditions. Some of the financial arrangements require compensation balances, none of which is presently significant to our company.
 - 19** Expected investment required for the business by the independent investors and venture capitalists. Further investment needed to boost the expansion plan in 2012-13.
 - 20** Each partner will put down equal share of partnership capital and further bring capital to business for expansion
 - 21** StudentsGlobe will attain break even after year 3 and company is planning to retain some part of its profit into the business to provide financial assistance to the expansion plan.
 - 22** We have considered 35% flat tax rate for the computation purpose without claiming any tax benefits.