



Creative Minds® Head Office

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Dear Applicant,

CREATIVE MINDS® LICENSE
September to December 2007

Thank you for your enquiry about our system. Presented herewith is the basic information regarding this business.

Please read through the attached information. If you have any further questions please feel free to contact Marius Lubbe at **082 785 7763** or by e-mail: marius@minds.co.za

THE MISSION OF CREATIVE MINDS® IS: GENTLY HELPING YOUNG AND OLD TO BECOME INTEGRATED IN OUR TECHNOLOGICAL AND CYBER-ORIENTATED SOCIETY.

Creative Minds® offers a unique no-fear, stress-free training method, enabling the students of all ages and all walks of life to become confident users of computers.

Creative Minds® centres specialise in training computer novices, and also offer more advanced courses for office workers, managers, businessmen, etc. Our training method is based on step by step principles using our own world-class training materials. We do not use traditional classroom or mass-training methods where computer novices get intimidated.

Creative Minds® is represented by over 60 successful Creative Minds® centres operating in South Africa, and has been featured on the cover of Start and Manage Your Own Business magazine three times and was in 2004 on the cover of the best Franchises of the year publication.

Creative Minds® is an intensively people orientated business and it is therefore helpful for us to meet you personally, and discuss the matters that are unique to your situation.

We are looking forward to hear from you soon.

Kind regards,

Marius Lubbe
CEO: Cyber-Minds® Group

We are associated or fully accredited with all relevant authorities, like: ISETT SETA, (FASA) Franchise Association of South Africa, ICDL, and International Association of IT Trainers.

Visit us at: <http://www.minds.co.za/>

LICENSING OPTIONS

We have three licensing options available, depending on the size of the town or area in which your centre will be situated. **These options are fully customizable to suit you situation.**

NO ROYALTIES ON MONTHLY TURNOVER PAYABLE!

Option A: *Small rural towns only.*

Cost: R129 000 upfront + monthly license renewal fee at R1800 per month. (VAT excl)

Includes: Complete software package, full software and business training and support, Initial marketing package.

(Hardware and signage can be arranged at additional cost – recommended starting hardware = 3 x computers, Network, Laser printer, 56k modem. Value approximately R17 000)

Option B: *Towns and suburban areas.*

Cost: R149 000 upfront + monthly license renewal fee at R2600 per month. (VAT excl)

Includes: Complete software package, full software and business training and support, Initial marketing package.

(Hardware and signage can be arranged at additional cost – recommended starting hardware = 4 x computers, Network, Laser printer, 56k modem. Value approximately R20 000)

Option C: *Large Towns or large suburban areas.*

Cost: R189 000 upfront + monthly license renewal fee at R2900 per month. (VAT excl)

Includes: Complete software package, full software and business training and support, Initial marketing package.

(Hardware and signage can be arranged at additional cost – recommended starting hardware = 5 or 6 x computers, Network, Laser printer, 56k modem. Value approximately R25 000)

PLEASE NOTE: all prices exclude VAT. Talk to us for an option-classification of your area.

INTERNATIONAL OPPORTUNITIES:

Opportunities are available for most countries worldwide and for individual states in the USA.

IMPORTANT

A thorough assessment of Creative Minds® was made by FASA, which included a look at the viability of the concept and its success record to date as well as the presence of appropriate documentation including a comprehensive operation and disclosure document and a license agreement that clearly reflects the spirit of FASA's [Code of Ethics](#).

Make sure that a company is actually part of **FASA** and does not just say so to get your money and run!

Creative Minds® is well known for its outstanding and lasting support. We support you totally for the rest of your life with us! Creative Minds® have been a FASA member in good standing for the last nine years.

BEWARE OF SCHEMES OFFERING YOU A CHEAP STARTUP COSTS AND NO LICENSE RENEWAL FEES OR FRANCHISE FEES, WHICH THEN LEAVES YOU COMPLETELY ALONE AND HELPLESS WITH NO FURTHER SUPPORT!

Remember: If it sounds too good to be true it probably is!

DESCRIPTION OF THE ENTERPRISE

The enterprise is established by purchasing a license from the Creative Minds® - South Africa Head Office in Bellville, Cape Town. The purpose of the business is for the provision of computer literacy training. The Head Office personnel provide all the necessary support, now and in the future (including setting up of equipment, marketing).

KEY FRANCHISE DETAILS:

Legal Name:	Cyber-Minds (Pty) Ltd	Registration number:	2000/010861/07
Trading Name:	Creative Minds®	FASA Member:	Reg. No: F01/0405
Street Address:	Creative Minds® - HQ, 157 First Avenue, Parow, 7500 Cape Town, South Africa	Postal Address:	PO Box 6374 Welgemoed 7538
Tel:	(021) 939 6344	Fax Number:	(021) 930 0079

**BACKGROUND TO THE FRANCHISE AS DESCRIBED BY
"Start And Manage Your Business":**

Since starting to franchise their South African developed methods and business model in 1997, Creative Minds® have in their first ten years of operation, already opened over sixty branches in Southern Africa, and are actively pursuing expansion into Africa and Europe.

Creative Minds® is a group of franchised skills training centers, with the current emphasis on basic computer literacy training in a fun and easy way, where they are firmly entrenched in the largest market of all: Families, job seekers, children, teenagers, mothers, middle aged and elderly people who all want caring and gentle personal tuition. They specialize in people who have difficulty understanding and coping with technology!

Creative Minds® was started, after observing a need for caring and trusted, ground-roots and community based computer training. The founders' background in educational publishing and his specific interest in accessible learning technologies, led him to develop a unique method of dealing with students in a practical, uncomplicated, caring and confidence building way.

Basic courses, including Computer basics, Windows, Word-processing basics, database basics, spreadsheet basics and Internet & e-mail are generally offered. A host of more advanced courses are also available to more advanced students, but still in a personal, friendly and gentle manner! We are also currently developing a small business course at a grassroots level. This will benefit everyone from almost illiterate people to small business operators needing more guidance.

Since the concept has become known, Creative Minds® has become sought after, and is the top franchise in this market. Creative Minds® has sustained an impressive and explosive growth since inception. Creative Minds® has twice been featured, as "leader in its field", on the cover of the small-business magazine: "Start and Manage Your Business".

Creative Minds® is also seen as the largest privately owned and managed franchise of its kind in Southern Africa. This company is now ideally set to make a meaningful and successful leap into the larger international markets.

Creative Minds® branches have a high rate of success. Creative Minds® is interested in helping people of all communities' progress into their own business, in this new technological era, with as little pain and stress as possible! Franchise applicants are screened, for good communication skills and a natural nurturing ability.

ADVANTAGES OF THE CREATIVE MINDS® SYSTEM INCLUDE:

- No limitation on expansion and growth.
- Low marketing costs.
- World-class training material, products, and methods, offering excellent results and very high standards.
- Regular updating and upgrading of courses offered by the group.
- Continuous development of new courses to add to your success.
- Good turnover and good profits.
- A super investment that is run by yourself, with returns determined by yourself.
- Exceptional support from Creative Minds® Head Office Team.
- No stock-taking, re-ordering or other stock management problems.

CREATIVE MINDS® - THE WINNING METHOD:

- Our success is in our unique formula, based on step-by-step training material and on holistic principles.
- Training takes place in a comfortable and relaxed atmosphere, yet a professional attitude and environment are still maintained.
- Creative Minds® Centres teaches all the necessary levels of computer competency to enable our students of all ages to master computers.
- Creative Minds® Centres is neither a "computer kindergarten" nor a "computer university", but a fun and easy solution to acquire all the computer skills required by every member of the family.
- We use a stress-free method of training that is easy and fun for tutors and students alike.
- We utilize a customized suite of training materials to teach students via fun and easy practical examples and exercises.



THE BASIS OF OUR PHILOSOPHY IS:

People should understand computers as a whole and not get bogged down in just one program.



Most computer training companies operating today, provide courses on many specific programmes, but do not cater for the absolute beginner who needs a comprehensive introduction to the world of computers, and needs to have his hand held in the process.

A very important aspect that we have built into the process is constant confidence-boosting to make people believe in themselves.

Once our students have mastered the most basic skills, they can move on to our intermediate and eventually to our more advanced courses.

CREATIVE MINDS® COMPUTER SKILLS COURSES:

Basic Computer Literacy Course:

This course includes: Introduction to computers, Microsoft Windows 98 or XP, Word-processing Basics, Spreadsheet Basics, Database Basics.

Operating System Courses:	Basic Level	Intermediate	Advanced
Microsoft Windows XP	X	X	
Internet and E-Mail	X	X	
Microsoft Windows Vista	X	X	
Internet and E-Mail Vista & 2007	X	X	
Microsoft Office Courses:			
Microsoft Word 2003	X	X	X
Microsoft Excel 2003	X	X	X
Microsoft Access 2003	X	X	
Microsoft PowerPoint 2003	X		
Microsoft FrontPage 2003	X		
Microsoft Publisher 2003	X		
Microsoft Word 2007	X	X	X – in Production
Microsoft Excel 2007	X	X	X
Microsoft Access 2007	X	X – in Production	
Microsoft PowerPoint 2007	X		
Microsoft Publisher 2007	X		
Internet Literacy Courses:			
Internet Explorer	X	X	
E-mail	X	X	
Accountancy Courses			
Pastel Accounting	Full course		
Short Courses:			
Fun and Easy Typing For Beginners	Full course		
Linux Courses – Only available at selected Centres	<i>(Available on request)</i>		
Ubuntu Linux	in Planning	in Planning	
Edubuntu Linux - GNOME Desktop	in Planning	in Planning	
Kubuntu KDE-4 Desktop	in Planning	in Planning	
Xubuntu Xfce Desktop (for older low end computers environment)	in Planning	in Planning	
Open Office Word processor	in Planning	in Planning	
Open Office Spreadsheet	in Planning	in Planning	
Open Office Presentation	in Planning	in Planning	
Open Office Word processor	in Planning	in Planning	
Technical & installation course available on advanced Mentor-Led courses	X		

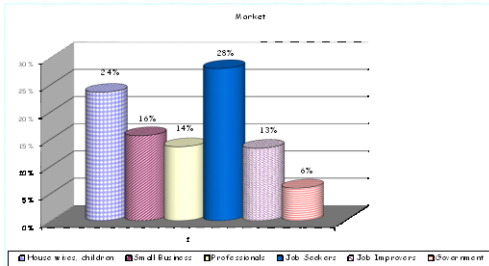
Please see our extensive list of advanced IT and business courses below.

SITE DETAILS:

Your Creative Minds® business can be run from home or from a shop, depending on:

- **High visibility**
- Accessibility
- Availability of parking

The size of your premises should be around 25 – 35 square meters to start with.

CREATIVE MINDS® – THE MARKET:

Creative Minds® centres specialise in training computer novices. We also offer courses that are more advanced for office workers, managers, businesspersons, IT Specialists, programmers, etc.

Amongst many other companies, Creative Minds® has been appointed as the Preferred Training Provider to Pam Golding International Group.



Creative Minds® do personal training for many other national and multinational corporations like DHL, Telkom, ESKOM, Cargo Carriers, Auto Carriers, Mc Carthy etc.

Creative Minds® is a training provider for the Banking SETA, and almost all other SETA'S in South Africa and many other similar organizations throughout Southern Africa.

We also do training for many South African government institutions, municipalities, Telkom, ESKOM,

Creative Minds® is honored to be able to be the training provider for personnel of the Royal Swazi Police, all Royal Swazi government departments including the Department of Defense and many more.

We are able to offer quality and meaningful training to all these mainly because of our uniquely large regional footprint, outstanding skills base and attention to personal detail and circumstanced.

LICENSE HOLDER TRAINING:

You will receive complete software and business training at our training centre in Cape Town, for 2½ to 3 weeks, depending on your specific needs. The aim of this training is to enable you to run a successful centre.

The training consists of the following aspects:

- Complete Computer literacy training for license holders that are not skilled in computer use.
- Student curriculum
- Software training on all courses offered
- Methodology and our training method
- Telephone etiquette
- Marketing strategy and schedule
- Price structure
- Administration of a Creative Minds® centre.
- Practical hands-on training in a working Creative Minds® Test Centre
- Hardware training (troubleshooting, network, printing, etc)

A complete Operations Manual and Instructor's Certificate will be supplied upon completion of your initial training. You can be re-trained in any facet of our program for free within six months of the initial training.

The cost of your initial training is included in your investment, except for lodgings, meals and transport, which can be arranged by us for your account.

FINANCING:

We are fully recognised by all major banks. We can assist you with your business-plan and arrangements if needed.

CONTACTS:

Many of our licensees have asked not to be called by prospective licensees, as this interferes with the running of their business. Contact Marius to visit and view a Creative Minds® centre near you.

We would really like to meet you and will take you to visit our centres in the Cape Town area. If getting to Cape Town is a problem for you, speak to us about alternative arrangements.

YOUR INCOME POTENTIAL:

This fun and profitable business starts generating income immediately. Your earnings depend largely on the amount of energy and personal dedication that you are prepared to put into it. As a very rough example of **maximum** earnings potential:

- With 1 computer fully utilised for 8 hours 5 days a week, your gross turnover can maximise around R9 600.00 per month.
- With 4 computers fully utilised 5 days a week, your gross turnover can maximise around R38 400.00 per month.
- With 6 computers fully utilised 5 days a week, your gross turnover can maximise around R57 600.00 per month.

IMPORTANT: By adding more computers you can increase your income while holding your expenses steady, but we recommend a second trainer for computers exceeding 6 to 8 computer stations.

(Calculated at hourly lessons at approximately : R60 per hour X computers X 8 hours per day X 5 days per week X 4 weeks.)

Please remember that these are estimated projected figures and your own figures will depend largely on the area and the amount of effort and personal application you put into the business.



You can further supplement your income by offering internet access in the same way an internet café does and also have practise stations, which can be older computers which students can rent by the hour for a lesser amount to practise on if they don't have a pc. We are also in the process of developing a further income stream by selling computers without you having to do the technical support on it, and selling helpful products that your students will need for a further income.

ESTABLISHMENT COSTS:

Expenses:	Option A:	Option B:	Option C:
Accommodation and travelling to Cape Town for initial training	R 8,000.00	R 8,000.00	R 8,000.00
Rent deposit: Premises	R 1,000.00	R 2,000.00	R 3,000.00
Deposit: Telephone and Electricity	R 350.00	R 350.00	R 1,000.00
Office equipment	R 2,000.00	R 3,000.00	R 5,000.00
Marketing	R 2,000.00	R 2,500.00	R 3,000.00
Initial Training	FREE	FREE	FREE
Unforeseen costs	R 3,000.00	R 4,000.00	R 5,000.00
Total:	R 16,350.00	R 19,850.00	R 25,000.00

* All figures mentioned in the above table are rough estimates. Amounts may be different for each individual's situation, and costs may be varied as per your needs.

SUMMARY OF ESTIMATED TOTAL COSTS:

Total cost	Option A:	Option B:	Option C:
Initial Franchise Fee (VAT excl)	R119 000	R139 000	R179 000
Hardware & Signage (computers etc)	R 17 000	R35 000	R46 000
Establishment Costs	R 16 300	R19,850	R25 000
Operating Capital (minimum suggested)	R 20 000	R25 000	R30 000
Total	R172 300	R218 850	R280 000

* All figures mentioned in the above table are rough estimates. Amounts may be different for each individual's situation, and costs may be varied as per your needs.

The following is a new sector of various services and products that has been added to the current business model, at no extra cost. Please note that each has its own payment procedures that are separate from the normal operations, but will not mean any extra cost to you as far as the initial license fee, or monthly license renewal fee are concerned.

CREATIVE MINDS® - ADVANCED MENTOR-LED COURSES

Our standard Creative Minds® tutorial cater for a specific segment of the learning world, where computer skills is taught directly to individuals, on a unique one-to-one basis. Our uniqueness in this regard is our guarantee of success in the market place as it can not be replaced by any method of distance education.

We do, however, acknowledge the fact that our students may wish to BROADEN THEIR VISTAS once they have completed our courses and get connected to a more advanced world of GENERAL LEARNING, beyond the scope of our current business model, therefore; we have decided to implement an additional advanced training venture called Creative Minds® E-learning .

Because of the cost and complexities involved in us having to pay internationally for the course material, the new training venture is a separate entity and stands away from your normal business. That means that if you prefer, you can continue with just the paper based training as always. As we are getting very good feedback and compliments from all over the world on the very high quality and especially the accessibility of our current courses, we will continue to use them as the basis and backbone of our training system.

Creative Minds® E-learning is a carefully selected set of training courses from the number one creator of technically modern, interactive and simulator based training in the world, that have to be paid for on a: "per student-per course" basis.

Creative Minds® E-learning is delivered to your student in your centre by the internet.

1. Each student has a unique login and password, which controls and monitors his individual assessments lessons, different courses and other functions in the **Learning Management System (LMS)**
2. The streamed content does all the management and teaching, the most important part you play which is that of facilitating access to the **Learning Management System** and the all important psychological support, nurturing and motivation.
4. If the student wants a world-class expert at his side all the time during the lesson, that can be done by subscribing him to the optional **Instant Mentor** facility which is available as a extra cost feature from us at HQ. These mentors are available via instant messaging service 24 hours a day 7 days a week.

REMEMBER: Repeat business is built by having a good personal relationship with the student.

National Marketing Unit

We do **not** have and have never had a national marketing levy, or fund to which you have to contribute. Rather we work on a national marketing model where you pay a commission only if the Creative Minds® Head Office Marketing Unit bring you students.

We will endeavour to bring you extra business to you at no cost to you except for the following rules:

1. All income produced for your branch by such a nationally recruited student will incur a commission of 20% to be paid to Head Office by the branch receiving such income.

This will then pay for the costs that Creative Minds® Head Office incurred in marketing and personnel costs and commissions paid by us in order to get that and other new business for you. Creative Minds® Head Office will bear the initial financial costs to get the ball rolling and fund the first initial efforts until this business unit is self sustaining. We will run this exercise as an experiment for 12 months from 1 Jan 2007, after which it will be reviewed by Creative Minds® management and its financial advisors for profitability and sustainability as a separate business unit.

CREATIVE MINDS® - ADVANCED MENTOR-LED COURSES

Includes an live online expert on all courses

Your student will be personally assisted in their advanced subject training by two very important people.

1. **You**; being an experienced learning facilitator from Creative Minds®, who will help motivate, support and engage with your student at a personal level from absolute beginner stage.
2. **A Live online Mentor**, who is an internationally based **expert** in the specific subject your student is training on, when doing our Advanced Mentor-Led courses.

Please see complete list on our website at: www.minds.co.za

FINALLY

We believe that an ideal licensee needs to be:

- Dynamic,
- Self-motivated,
- Self-disciplined,
- Hardworking,
- Goal orientated,
- Emotionally stable,
- Gentle and nurturing.
- Financially able and secure

Such a candidate will also need to have:

- **An Entrepreneurial spirit,**
- Support from their spouse or partner,
- **A strong profit motivation,**
- A need for independence and autonomy,
- **Good interpersonal skills,**
- A dedication to good service,
- A willingness to learn,
- Strong ethical standards



NOTES / QUESTIONS TO ASK
