

ESSENTIALS OF PEOPLE INVESTING

A NEW TYPE OF COMPASSIONATE INVESTING

Buy shares in an athlete's sponsorship contract

Support athletes while earning a return on your investment



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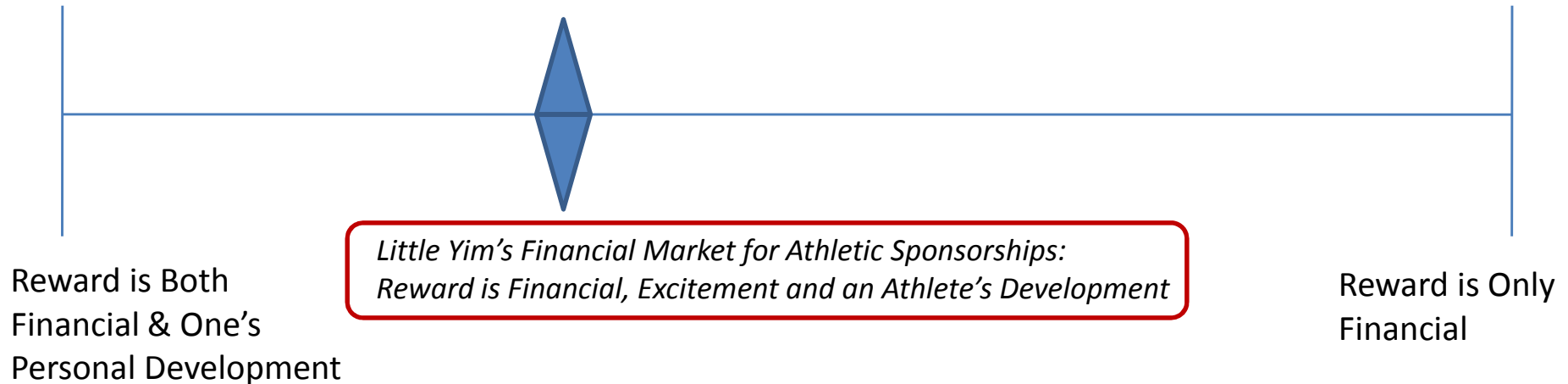
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SECTION 1:

**PEOPLE INVESTING AS A NEW FORM OF
INVESTING**

A Spectrum of Different Forms of Investments



THE DIFFERENT TYPES OF REWARDS FROM VARIOUS FORMS OF INVESTMENTS

Financial & One's Personal Development

- Investment: Time, money and effort in developing one's skills to improve one's chances of earning a higher income
- Example: College or graduate degree

Financial, Excitement & An Athlete's Development

- Investment: Time and money in buying a share of an athlete's sponsorship contract to support athletes, earn a small return, and follow the athlete's progress as an investor and fan
- Example: Investments in athletes on the Jock Market

Financial Only

- Investment: Time and significant amounts of money solely to earn a profit with the opportunity to attain an enormous amount of wealth
- Example: Financial investments in companies on the New York Stock Exchange

Diversify Your Portfolio With People Investments

	Why It Leads To Diversification	Explanation
1	NOT CORRELATED WITH A STOCK MARKET OF COMPANIES	<ul style="list-style-type: none">• An athlete's performance is unrelated to a company's performance on the New York Stock Exchange or NASDAQ• For instance, when a company's stock in your portfolio is performing poorly, your athlete may be delivering a strong performance by advancing to the later rounds of a tournament
2	LOWER RISK INVESTMENTS	<ul style="list-style-type: none">• Total value of an athlete's sponsorship contract is much lower than the value of a company, which means that the size of your investments in athletes is much smaller than those in companies• While the potential reward in the Jock Market is smaller than in an actual stock market, the potential loss is smaller as well

Investing in Athletes

A SHARE = A FRACTION OF AN ATHLETE'S SPONSORSHIP CONTRACT

WHAT IS A SHARE?

We sell an athlete's sponsorship contract for an upcoming tournament or series of tournaments.

We divide the sponsorship contract into pieces.
Each piece is a share.
The purchase of a share is the purchase of a piece of an athlete's sponsorship contract.

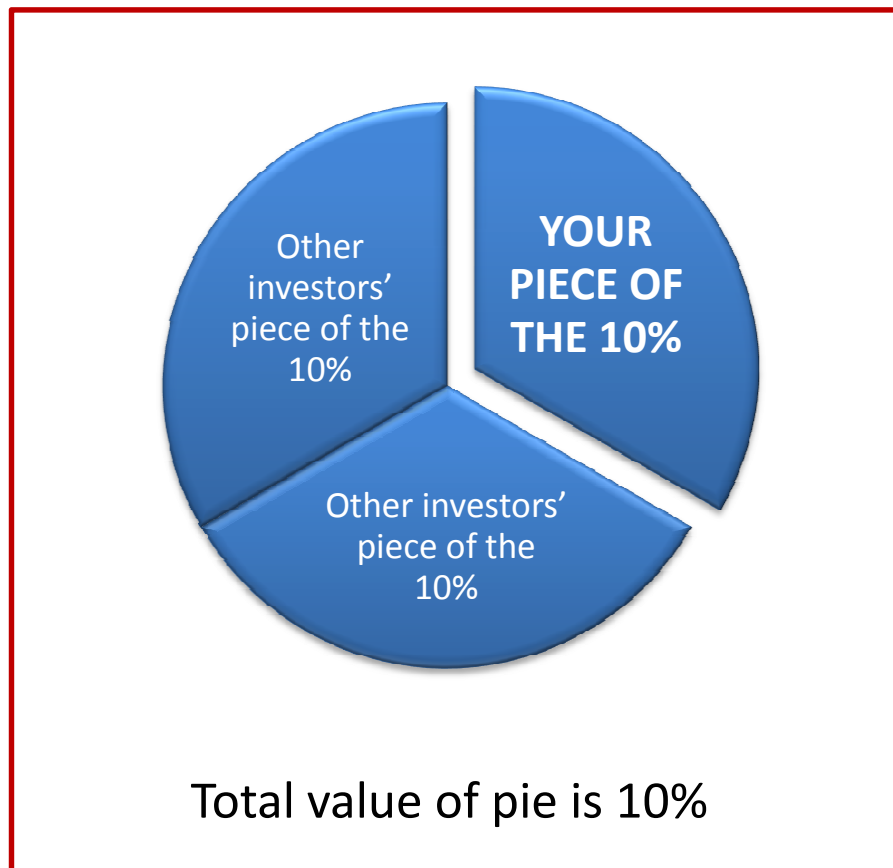
Since a single investor may not want to purchase the entire sponsorship contract, investors can purchase any number of shares or pieces of an athlete's sponsorship contract.

SECTION 2:

THE RETURN TO INVESTORS

Earning a Small Return on Your Sponsorship

Purchasing a share of an athlete's sponsorship contract entitles you to a piece of the 10% of the athlete's prize money from a specific tournament that will be issued to the total investor base



The total investor base receives 10% of the athlete's tournament prize money

Each investor receives a piece of that 10% depending on how many shares he purchased in an athlete's sponsorship contract

Essentially, an investor receives a fraction of the 10% based on how many shares he purchased relative to the total number of shares issued:

$$= \frac{[\text{Shares he purchased}]}{[\text{Total shares issued}]} * 10\%$$

Calculating Your Return: An Example

Let us examine more closely how to determine your portion of the 10%

1. Suppose we are selling an athlete's sponsorship contract for \$1,000.

The sponsorship contract is divided into 20 pieces. Each piece is a share selling for \$50. This means the total value of the sponsorship contract is $\$50/\text{share} * 20 \text{ shares} = \$1,000$.

- You buy 1 share. Other investors buy the remaining 19 shares. Together, you and the other investors form the total investor base that purchased the entire the sponsorship contract.

2. The total investor base receives 10% of the athlete's prize money from the specific tournament. You bought 1 share out of the total 20 shares issued. Thus, you receive $1/20$ of the 10% and this gives you $0.05 * 10\% = 0.5\%$ of the athlete's prize money from the specific tournament.

- If you would like to receive the entire 10% of tournament prize money, then you can purchase the entire sponsorship contract by buying all 20 shares issued for that athlete.

Pricing of an Athlete's Sponsorship Contract

- How is the value of the athlete's sponsorship contract determined?
 - For an upcoming tournament or series of tournaments included in the sponsorship contract, we examine the prize money offered for each round of the tournament
 - Based on an analysis of the athlete's past performance and on discussions with the athlete, we determine the round that the athlete is expected to reach given the level of the tournament
 - We discount the tournament prize money from the round that the athlete is expected to reach in order to provide investors with a small return on their sponsorship
 - The total value of the sponsorship contract is the sum of the discounted expected tournament prize money earned by the athlete from each tournament included in the sponsorship contract
 - Total Value of Sponsorship Contract = $\left(\begin{array}{c} \text{Discounted Prize Money} \\ \text{Tournament 1} \end{array} \right) + \left(\begin{array}{c} \text{Discounted Prize Money} \\ \text{Tournament 2} \end{array} \right) + \dots$

SECTION 3:

BENEFITS OF THE PROGRAM

Market Structure Provides Benefits to Both Athletes and Investors

Athlete Benefits

- Plan your tournament schedule in advance, pay for travel costs and compete in all the tournaments you would like to
- Enhance your performance by paying for coaching, training and other expenses to advance farther in tournaments
- Issuing 10% of your prize money after the completion of the tournament is a small fraction of your earnings

Investor Benefits

- Likely to earn a small return on your sponsorship when the athlete reaches the expected round
- Potential upside can increase significantly if the athlete advances farther than expected in any one of the tournaments included in the sponsorship contract
- Experience greater excitement in cheering on the athletes you sponsored and in following their progress on the pro tour

Our Program Minimizes Risk

Investing in Only Professional Athletes	Selecting a High Quality of Athletes	Efficient Allocation of Risk	Tournaments Categories
<ul style="list-style-type: none">• Only athletes who are already professional qualify for our program• This eliminates the uncertainty of whether an athlete will ever make it to the pro tour	<ul style="list-style-type: none">• Ability to recruit high potential athletes who could become top athletes in their sport• Athletes determine the number of tournaments to be included in their sponsorship contract in order to best meet their preferences and needs	<ul style="list-style-type: none">• Dividing the sponsorship contract into pieces spreads the risk in an athlete among investors• Investors can further diversify by buying shares in athletes across different sports and in athletes at different stages of their career	<ul style="list-style-type: none">• Tournaments in a sponsorship contract are described by tournament category (i.e. \$600,000 WTA)• If an athlete has to withdraw prior to a tournament due to illness or injury, then that tournament will be replaced by the athlete's next tournament in that category

SECTION 4:

ONLINE PAYPAL PAYMENT SYSTEM

Payment to Investors

All payments made from investors and paid to investors are conducted using PayPal

Prior to the tournament

- New users create a username and password for the Jock Market when they purchase shares
- The username is the investor's email address used for his PayPal account

Following the completion of the tournament

- A percentage of the athlete's prize money will be issued to the investor's PayPal account using his email as identification

ONLINE PAYPAL PAYMENT SYSTEM

- [1]** Investors specify the quantity of shares that they would like to purchase
- [2]** Investors pay using our online PayPal payment system
- [3]** Investors receive an email confirmation immediately following their investment indicating the quantity of shares purchased and the price paid
- [4]** Athlete receives 90% of the investment proceeds at least a month prior to the start of the tournament
- [5]** Total investor base receives 10% of the athlete's tournament prize money following the completion of the tournament
 - For sponsorship contracts that contain a series of lower level tournaments, a payment will be made after the completion of several tournaments in the same tournament category