

## Instead of waiting in line, why aren't your students on-line?

### Company Leadership:

A proven team with deep experience delivering on-line services to colleges and universities.

#### CEO:

Bernie Kluger  
bernie@fairchoicesystems.com

15 years in education and technology sectors. Founder of two companies.

#### SVP:

Kirsten Thien  
12 years managing the delivery of student services in higher education.

#### CTO:

Jerry Altzman  
20 years of active development and operations experience in the private sector and higher education.

### Financing Sought:

\$350,000

### Use of Funds:

Working capital for product enhancement, patent submission, and marketing. Achievement of breakeven forecast in 18 months.

### Alliances:

Polytechnic University

### Industry:

Software as a Service (SaaS), Higher Education Administrative Systems

### Contact:

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### Mission:

FairChoice Systems helps colleges and universities improve student engagement while reducing costs.

### Our Approach:

Migration of forms from paper to the web can connect students to campus services in minutes instead of months, reduce processing costs by up to \$80 per student, and improve the allocation of scarce campus resources. As the only hosted solution for onboarding, FairChoice can be ready for use in under six weeks rather than months or years. Because we integrate with rather than replace an institution's legacy data systems, colleges and universities can now afford the benefits of web-based services.

### Our Advantage:

Paper-based onboarding results in processing delays that cost higher education as much as \$1BB annually in misallocated and underutilized resources. But due to a lack of appropriate options, more than 55% of housing departments and almost all student health departments still rely on paper forms. The total addressable market for web-based onboarding solutions for housing, health, and other campus services represents a \$100MM annual revenue opportunity.

### The FairChoice Product Roadmap:

The company will market FairChoice Housing and follow-on modules to college and university managers for a per-student-per-year service fee. All services will be hosted by FairChoice Systems and branded with the customer's identity.

- FairChoice Housing (summer 2008): automates housing application
- FairChoice Health (2009): ensures compliance with health regulations
- FairChoice FinAid (2010): provides a gateway to student financial services
- FairChoice Platform (2011): centralizes data reporting and communication

### Our First Market: Why Housing?

Selection of housing options is typically the first decision a student will make after accepting an offer of admission. But because most institutions rely on paper forms and manual processing, housing is a lost opportunity to cement the relationship between an institution and new or returning students. Housing departments may lack the expertise to build their own web services, but they do have sufficient managerial and financial independence to license a service like FairChoice Housing.

### Our Competition:

Alternative approaches to web-enablement of onboarding services cost more, require months or years to implement, and disrupt business operations:

- **ERP System Upgrade (SunGard, Oracle, Jenzabar):** *Millions of dollars to upgrade. Months or years to implement.*
- **Stand-Alone Housing Systems (Adirondack, RMS):** *Disrupt existing business process. Months to implement. No integration with other onboarding processes.*
- **Custom Solutions:** *Most institutions lack the ability and capacity to manage software development projects.*

### Business Model and Pricing Approach:

The FairChoice Housing product will be offered to institutions as a hosted service at a rate of \$15 per student per year. Additional modules (e.g., health, finaid) will cost institutions \$5-25 per student per year. The Company's first-year investment in sales and implementation will be returned through reliable annual fees.

### Growth Projections (\$1000s for Financial Data):

	2008	2009	2010	2011
Client Growth	3	41	107	182
Revenue	\$450	\$1897	\$3825	\$6442
Cost	\$625	\$2037	\$3111	\$4341
Oper Inc (pretax)	(\$174)	(\$140)	\$715	\$2101