



Risk Share Model (RSM)

- 3 Year Lease with Treatment Costs
- \$28,000/ year
- \$70/ treatment (after the first 360 treatments each year)
- First 10 patients or 360 treatments have no charge each year
- Marketing included for 3 Years
- Training included for 3 Years
- Maintenance/Warranty for 3 years (Valued at \$15,000 per year)

Unlimited Lease

- 3 Year Lease with no treatment costs
- \$52,000 Year 1 / \$72,000 Year 2 / \$72,000 Year 3
- Marketing included for 3 Years
- Training included for 3 Years
- Maintenance/Warranty for 3 years (Valued at \$15,000 per year)

Direct Purchase

- Purchase with no treatment costs
- \$195,000 Total Price
- Marketing included for 1 year
- Training included for 1 year
- Maintenance/Warranty included for 1 year (Valued at \$15,000 per year)
- Maintenance must be purchased by customer after year 1 at \$15,000 per year

*4 & 5 years Lease may be requested on a case by case basis.

Financial Proposal

The following is an example of a 3 year and 4 year unlimited lease with no treatment/disposable fees. Both lease include warranty and maintenance for every year of the lease valued at \$15,000 per year as well as caps for year 1. They also included training and retraining each year as well as certifications for all technicians and physicians. Finally, they include Brainsway Marketing and Reimbursement programs for the life of the lease.

Lease terms are as follows:

3year lease: \$52,000/\$72,000/\$72,000 *Breakeven year 1 approx. 7-8 patients (\$7,200/patient)

4year lease \$40,000/\$60,000/\$60,000/\$60,000 *Breakeven year 1 approx. 6 patients (\$7,200/patient)

	Option 1- 3 Year Lease				Option 2- 4 year Lease			
	Year 1	Year 2	Year 3		Year 1	Year 2	Year 3	Year 4
	Lease	Lease	Lease		Lease	Lease	Lease	Lease
cost of machine annually	\$52,000	\$72,000	\$72,000		\$40,000	\$60,000	\$60,000	\$60,000
average patients per month	3.00	5.00	7.00		3.00	5.00	7.00	10.00
projected annual treatments	720	1200	1680		720	1200	1680	2400
treatments included in price	0	0	0		0	0	0	1
Total annual cost of treatments	\$0	\$0	\$0		\$0	\$0	\$0	\$0
Annual Warranty Cost	\$0	\$0	\$0		\$0	\$0	\$0	\$0
Cost of Caps Annually	\$0	\$500	\$900		\$0	\$500	\$900	\$1,500
Sub-total cost	\$52,000	\$72,500	\$72,900		\$40,000	\$60,500	\$60,900	\$61,500
Projected Gross Revenue-Annually	\$144,000.00	\$240,000.00	\$336,000.00		\$144,000.00	\$240,000.00	\$336,000.00	\$480,000.00
less machine Cost	\$52,000.00	\$72,500.00	\$72,900.00		\$40,000.00	\$60,500.00	\$60,900.00	\$61,500.00
Net Revenue per system	\$92,000.00	\$167,500.00	\$263,100.00		\$104,000.00	\$179,500.00	\$275,100.00	\$418,500.00

The following is an example of our Risk Share Model. This model allows you to enter in to the program for a much lower capital outlay. This program is designed for practices with a lower initial potential to generate patients and gives you time to grow the practice slowly without a substantial investment upfront. With this program you would invest \$28,000 per year for three years and the first 10 patients each year would be of no cost to you (these 10 patients should generate approx. \$70,000 in reimbursement allowing you to operate in the black). After the first 10 patients you would pay a treatment fee of \$70 per treatment (average Medicare reimbursement currently \$200/ treatment). This lease also includes Training for 3 years; Maintenance for 3 years; Caps for 1 year; Marketing and reimbursement programs for life of the lease.

RSM lease terms 3 years

\$28,000/\$28,000/\$28,000 + treatment costs after 10 patients or 360 treatments each year

*Break even after 1 year approx. 4 patients (\$7,200/patient)

	Option 1- RSM		
	Year 1	Year 2	Year 3
	Lease	Lease	Lease
cost of machine annually	\$28,000	\$28,000	\$28,000
average patients per year	10.00	20.00	30.00
projected annual treatments	360	720	1080
treatments included in price	360	360	360
Per treatment cost	\$70	\$70	\$70
Total annual cost of treatments	\$0	\$25,200	\$50,400
Annual Warranty Cost	\$0	\$0	\$0
Cost of Caps Annually	\$0	\$100	\$400
Sub-total cost	\$28,000	\$53,300	\$78,800
Projected Gross Revenue-Annually	\$72,000.00	\$144,000.00	\$216,000.00
less machine Cost	\$28,000.00	\$53,300.00	\$78,800.00
Net Revenue per system	\$44,000.00	\$90,700.00	\$137,200.00