

Richard Del Connor, TCY President
Tai Chi Youth
3822 Sunset Ave. Apt. G
Montrose, CA 91020

Re: Tai Chi Youth Business Plan 2011

To whom it may concern:

Tai Chi Youth is a non-profit education organization, founded 1996, by Richard Del Connor, in Salt Lake City, Utah. During the 1990s, Tai Chi Youth earned a reputation with the Utah Governor, Salt Lake Mayor, and Chief of Police, for its effective programs with troubled youths, parolees, prisoners, and drug rehabilitation centers. Annual performances at State Fairs, and Chinese New Year Celebrations made Tai Chi Youth a key component of many of these cultural events. During the 1990s, Tai Chi Youth and parent school, Shaolin Chi Mantis, sponsored the first Kung Fu tournaments, and Tai Chi Push Hands tournaments in Utah.

Tai Chi Youth is relocating and relaunching in southern California. With new technologies, and the support of the Los Angeles Parks & Recreation Department, TCY is poised to lead the world in new fitness technologies and innovative exercise programs that can be easily franchised or licensed to schools and businesses.

Tai Chi Youth will be self-supporting from books, videos, clothing, and online classes. Your help in supporting Tai Chi Youth reach this success level will benefit not only the students we directly interact with—but also the families, teachers, and peers of our students, who will also benefit from the life styles we are improving.

Tai Chi Youth's goals of lessening world violence, helping troubled youths, providing convenient efficient home exercise, and creating better leaders for tomorrow's world can be a part of your legacy also. Help us to help the world.

Tai Chi Youth: *Teaching today's youth to be tomorrow's leaders.*TM

This letter pertains to the TCY BUSINESS PLAN 2011.

This is an innovative business plan of a proprietary and confidential nature, that will utilize new technologies and sell programs over the internet.

If you are involved in a similar business, that would compete with Tai Chi Youth or utilize similar technologies, please inform us now so we can provide specific information for you, or exclude you if there may be legal problems.

Executive Summary of Tai Chi Youth CALIFORNIA START-UP

TAI CHI YOUTH is a nonprofit education organization providing fitness programs for youth-at-risk since 1996. These curriculums were licensed from Shaolin Chi Mantis, also founded by Richard Del Connor, with a decade of classes to develop these programs. By providing a well-designed curriculum, with reading materials associated with each lesson, students develop in both mind and body. During the 1990s, TCY proved itself by improving youth behavior, in after-school programs, continuing education night school, rehabilitation centers, churches, and a maximum security prison.

TAI CHI YOUTH has helped people recover from chemo-therapy and eliminated the need for prescription drugs in many of our students. Sleeping disorders, quitting smoking, curing obesity is easily accomplished through yoga stretching, aerobic kicking and punching, Tai Chi breathing exercises, and Kung Fu accuracy training. We exercise the body, develop the mind, and encourage a spiritual lifestyle. A certain amount of hours each week guarantees weight loss, stress reduction, and contentment.

Tai Chi Youth has not taken root in California, since founder-Patriarch, Richard Del Connor, aka Buddha Zhen, moved to its Los Angeles outskirts in 2001. A black widow spider bite, incapacitated Buddha Zhen for two years. His feet were swollen so large his toes weren't visible. Unable to exercise for many months, Buddha's entire body was devastated by the black widow spider poison. Slowly, Buddha Zhen began teaching a couple classes from his home, "House Of Zhen," until he started launching Kung Fu and Tai Chi programs at his local YMCA.

In 2005, Buddha Zhen was teaching five or more classes per week. His Shaolin Chi Mantis curriculums had redeveloped his body, strengthened his damaged heart, and burned off his excess 55 pounds, gained from being immobilized by the black widow bite. With his 7-year-old son as an inspiration, Buddha Zhen launched several elementary school programs. The Tai Chi Kids and Shaolin Kids programs were both well received for several years as afternoon kids programs. These programs will soon be licensed and offered as seminars, online classes, and a video program.

In 2008, after unsuccessfully launching Tai Chi Youth, from his rustic Tujunga home, Richard Del Connor moved to Montrose, California and launched his new Buddha Kung Fu school which also offered the Buddha Tai Chi programs. These programs and his newest development, **12 Step 12 Week Kung Fu Bootcamp**, have created a profitable partnership between Buddha Zhen and the Los Angeles County Parks & Recreation Department. L.A. Parks has offered to partnership with Tai Chi Youth to secure grants that would enable us to provide more programs for youths and teens with scholarships and transportation to TCY classes after school each day.

Founder Richard Del Connor, operates from his home office, in leased premises at 3822 Sunset Ave., Apt. G, Montrose, California 91020.

The current Tai Chi Youth Board of Trustees is composed of:

Richard Del Connor / Buddha Zhen	TCY President, TCY Patriarch
Jessica Isaacs	TCY Treasurer
Shawn Whitson	TCY Marketing Director
Barb Cipperly	TCY Fundraising Agent

TAI CHI YOUTH is involved in 3 distinct activities:

1. ONLINE CLASSES will begin after creating the TCY Online Studio.
2. PRODUCT SALES include uniforms, T-shirts, sashes, belt test fees, books, DVDs, and CDs.
Products will mostly be sold online.
Hardcover books which will accompany our licensed programs. (Required reading.)
These programs will also include a PDF book that will link all students to the Tai Chi Youth website at www.TaiChiYouth.org
3. CLASSES, SEMINARS, and PRIVATE LESSONS are held at Crescenta Valley Park.

Wednesdays	7pm	12 Step 12 Week Kung Fu Bootcamp
Saturdays	12:30pm	Buddha Kung Fu program
Sundays	12:30pm	Buddha Tai Chi program

First Year Objectives:

Establish TCY Home Office
Set up ONLINE SCHOOL programs
Produce and release VIDEOS for online purchase
Release book, **Tai Chi Beginner**
Release book, **TCY New Student PDF**
Train TCY Program Director
Train TCY Membership Director
Train Patriarch Personal Secretary
Train 12 TCY Yellow Sash Assistant Instructors

Second Year Objectives:

Establish TCY Demo Team
Maximize ONLINE SCHOOL for one instructor with Assistant Instructor booths
Produce and release VIDEOS for online purchase
Release book, **Tai Chi Intermediate**
Release album, **Tai Chi Magic 1**
Train 12 TCY Yellow Sash Assistant Instructors
Train 6 TCY Orange Sash Assistant Instructors
Train 2 Program Director Assistants
Train 2 Membership Director Assistants

Third Year Objectives:

Maximize ONLINE SCHOOL for 6 shifts teaching 24/7
Book tours, radio shows, television interviews of Buddha Zhen
Release book, **Shaolin Kung Fu Beginner**
Release album, **Tai Chi Magic 2**
Train 12 TCY Orange Sash Assistant Instructors
Train 12 TCY Yellow Sash Assistant Instructors
Train 4 TCY Red Sash Instructors
Train 1 TCY Executive Director (former TCY Program Director)
Train 1 TCY Program Directors (2-year position)
Train 2 TCY Program Assistants
Train 1 TCY Membership Director (2-year position)
Train 3 TCY Membership Assistants

The company's Short Term Objectives (within the next three years) are to establish a home office, create a video studio for online classes, launch enough products to fulfill the needs of the students, and created a system for franchising the TCY ONLINE STUDIO to other locations.

To implement these objectives the company needs:

1. A loan or grant of \$88,000 at Prime plus 2%. This grant/loan to be used for current near term expenses including start-up costs and salaries during the remodeling of office spaces into our TCY Home Office and TCY Online Studio. It could be repaid in five years.
2. A line of credit of \$50,000 to cover unforeseen expenses as we design this online company that will require some research and development.

The prospects for TAI CHI YOUTH'S continued growth are excellent, with the possibility of launching other online studios nationwide, anywhere with access to the internet. (see Appendix __, _____).

For equity the company has assets of \$_____ (see Appendix 9, Balance Sheet as of mm/dd/2003), mostly in goodwill, traditional valid Chinese reputation, and the time and labor investments of founder, Buddha Zhen. Additionally, the company's founder is willing and capable of performing many highly skilled tasks that would require hiring expensive professionals in movie production, sound recording, authoring, graphic design, webmastering, and editing. As a salaried employee, Richard Del Connor, Buddha Zhen, is an asset equal to more than one dozen trained professionals in different fields of expertise. (See Appendix ____ for Richard Del Connor biographies, and see Appendix ____ for Buddha Zhen biographies.)

The company's overall objective is to provide the best exercise programs possible to a worldwide clientele of persons at home on their computers. With required belt testing and graduations, each student will need to exercise daily to accomplish the programs. With or without enthusiasm, these programs will reduce excess weight, tone the muscles, and improve the student's physical and mental balance. The world needs these Tai Chi Youth programs. (See Appendix ____ "New Workout for Today's Youth.")

Scientific research has proven the health benefits of Tai Chi and Kung Fu exercise. Articles in the leading medical and health magazines are unanimous in recommending people to participate in programs like ours. When Tai Chi Youth has established our reputation internationally, these medical and health magazines will illustrate Tai Chi Youth, with our statistics, to prove the benefits of Tai Chi practice. (See Appendix ____ for health benefit information).

Financial Objectives

The financial objectives of TAI CHI YOUTH over the next few years are as follows:

	2011 = Start-up	2012-2014
Sales	\$_____	\$_____
Net Income after Tax	\$_____	\$_____

Please review the enclosed business plan and loan/grant proposal. I appreciate your taking the time to study our **TCY Business Plan** mostly because I am aware of your expertise in the entertainment industry. This TCY Online Studio is a unique mixture of a talk show and guided learning series. You can probably see the many marketing possibilities and formats that can be capitalized upon with our products and services. Please request any additional information or explanations you require. I will call you in the next week to arrange an appointment so that we can discuss the grant/loan in person or at your convenience by phone.

Thank you for any suggestions and guidance.

Sincerely,

Richard Del Connor
TCY President
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