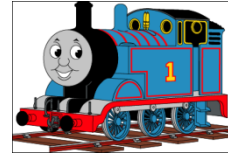


Prepared for HIT Entertainment - October 2008



HIT entertainment



Word Engine

powered by

lexica

The ability to instantly recognize and correctly use key vocabulary is the foundation of all language ability. Lexxica specializes in the testing and teaching of high-frequency vocabulary – the most useful words in the English language.

Lexxica Corp.
info (at) lexxica.com

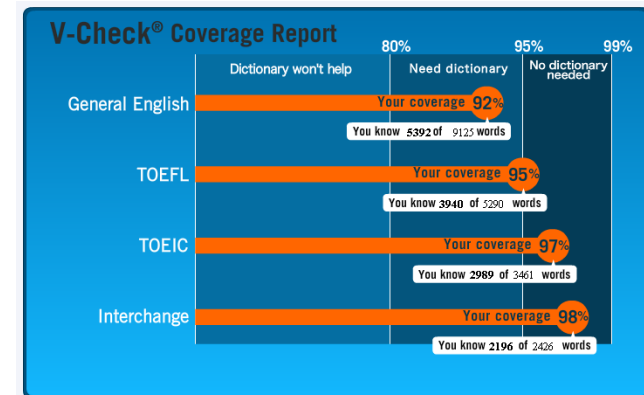
Word Engine

What is the Word Engine service?

- The Word Engine is a patented online service that operates on all PCs and most mobile devices.
- The Word Engine tests knowledge of high frequency vocabulary words - the specific words required to comprehend a given subject.
- Each test score shows the percentage of vocabulary comprehension that the student has for each different subject.
- The Word Engine teaches each student their missing high frequency vocabulary words – the specific words they need to quickly increase comprehension.



Simply reply Yes or No to the question "Do you know this?"



Word Engine

What is the business model?

1. Each Sponsor enters an agreement with Lexxica to create and promote a Word Engine site. The Sponsor's Word Engine is hosted with a unique URL. The site's brand name and logo are designated by the Sponsor.
2. Hyperlinks to the Word Engine appear on the Sponsor's own web pages. Students experience the Word Engine as if it were an extension of the Sponsor's web services. Word Engine applications and data reside on Lexxica's servers. No personally identifiable information is required to operate a student account.
3. Sponsor may choose to distribute the Word Engine as an incentive program (fees paid by Sponsor), or as a profit center (fees paid by users).
4. Each Word Engine offers a 'package' of different subjects. The mix of subjects is selected by the Sponsor from a menu of standard subjects, or Lexxica can create custom subjects to meet the needs of the Sponsor.
5. Pricing is determined based on the number of Access Codes needed, and the number of different subjects available on a Sponsored Word Engine site.



Word Engine

How does a student use the Word Engine?

1. The Sponsor promotes the existence of its Word Engine through online and printed media.
2. The Sponsor may 'give away' Access Codes to students, or sell Access Codes to students, depending on the Sponsor's preferred approach.
3. Students sign up for the Word Engine service.
(No personally identifiable information is required.)
4. Students take a V-Check ability test – 5 minutes.
V-Check tests each student's vocabulary ability.
Coverage report scores are instantly generated.
Personal target word lists are prepared for each subject.
5. Students increase subject comprehension fast.
With Word Engine's PC and mobile learning tools
each user will rapidly learn all of the essential high-frequency
vocabulary required for each subject they choose to learn.

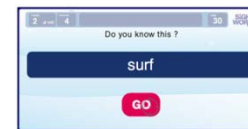


Create Your Account **STEP 1**

Username
Username should be at least 6 characters. Letters and numbers only (no symbols).

Password
Enter 6 - 15 characters. Letters and numbers only (no symbols).

Password (again)
Should be exactly the same as the password you created above.



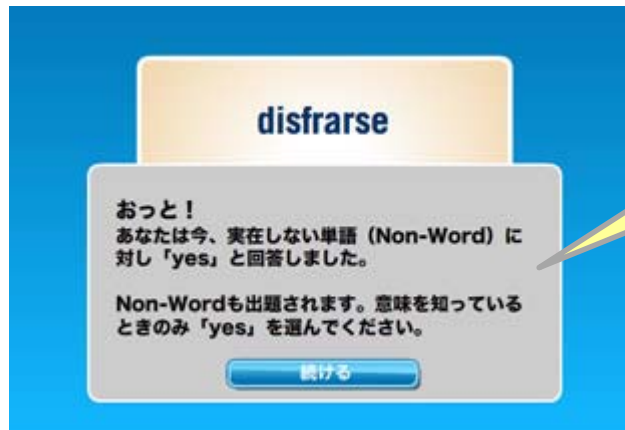
V-Check[®] – a new era in vocabulary testing

V-Check identifies the words that each user knows, and the words that they do not know for any specific subject. V-Check[®] is a patented IRT-based Computer Adaptive Test that utilizes Signal Detection Theory to control for accuracy.



The user responds either 'Yes' or 'No' to the question "Do you know this?"

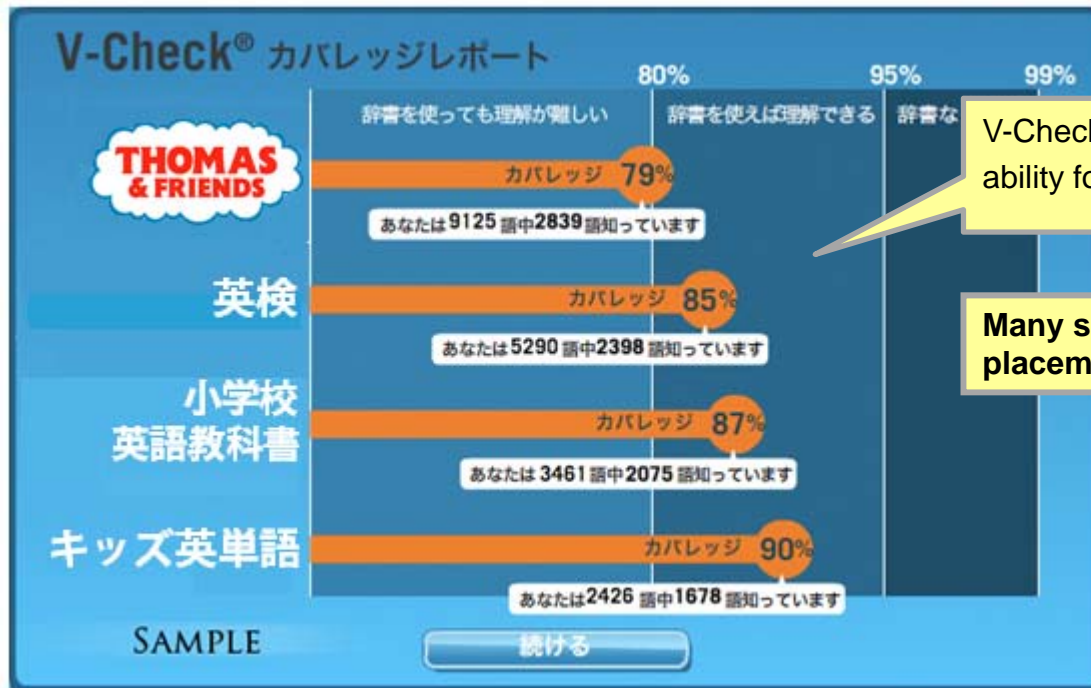
If 'Yes', the next word will be more difficult by one logit (a measure of difficulty). If 'No', the next word will be easier by one logit, and so on, until the system achieves a high degree of reliability (0.90).



Many non-words are displayed. The non-words control for guessing behavior.

Excessive guessing will cause the V-Check to stop and reset.

V-Check[®] Coverage Report



V-Check reports comprehension ability for each different subject.

Many schools use V-Check as a placement test for students.

Coverage Report shows percentage of vocabulary comprehension for each subject.

V-Check prepares a personal target word list for each subject.

Research suggests that a minimum of 95 percent vocabulary coverage is needed and the ideal target is 98 percent.

What is coverage?

EFL students typically have about 67% coverage of their English textbooks. Try reading with 67% coverage... Can you understand this paragraph?

67%

The word **ipt** comes from an old English **gasln** word that **nemas** to give. It's **thob** a **nuno** and a **bevr**. Americans **saully ipt** people in places like **truestranas**, hotels, **pirrasot**, and hair **ansols**. People who work in these places **fento** get **aipd olw gwase**. A **ipt** shows that the **sterocum** is **pleaped** with the **verscie**. **Tisemomes** it's hard to know how much to **ipt**.

95% coverage is the threshold at which reading becomes possible!

95%

The word **tip** comes from an old English **gasln** word that **means** to give. It's **both** a **nuno** and a **verb**. Americans **usually tip** people in places like **restaurants**, hotels, **airports**, and hair **ansols**. People who work in these places **often** get **paid low gwase**. A **tip** shows that the **customer** is **pleased** with the **service**. **Sometimes** it's hard to know how much to **tip**.

The Word Engine teaches each learner their missing high-frequency vocabulary words - the words needed to reach up to 99% coverage of their subject. For children, we offer the English of elementary school textbooks, top selling children's storybooks, and popular standard proficiency tests.

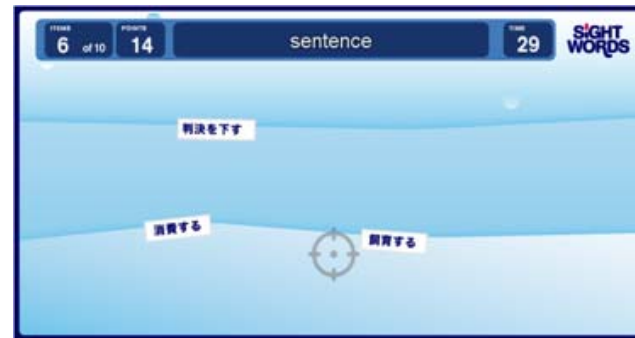


Students learn via PCs and mobile phones

Flashcards



Learning Games



Mobile



Spaced Repetition – The Science of Long-Term Memory



Word Engine **automatically repeats new words** at increasing time intervals until the learner demonstrates long-term, instant-recall ability for each new word.

One - Custom Subjects

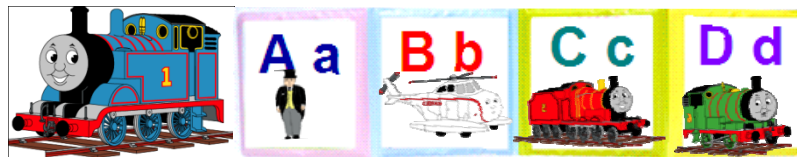
The screenshot shows the website's header with a language dropdown set to 'English', a login section for 'username' and 'password', and a 'login' button. The main banner features the Thomas the Tank Engine character and the text 'Thomas & Friends' Word Engine My vocabulary coach' and 'Increase your key vocabulary fast!'. Below the banner are four program cards: 'THOMAS & FRIENDS' (19125 words), 'Kids Basic 1000' (3461 words), 'Kids Primary 500' (2426 words), and another 'THOMAS & FRIENDS' card (529 words). A 'Topics' sidebar on the right lists dates and titles like 'Word Engine Mobile is o' and 'Review words function i'. Two overlapping program preview windows are shown at the bottom, one for the word 'first' and another for 'sentence'.

- The Word Engine can offer both free content, and premium content that requires an Access Code.
- Sponsors may sell the Access Codes, or give them free as incentives. Access Codes can be distributed either online or as printed scratch cards.
- Sponsor and Lexica will share the revenue generated from sales of premium content.
- Optional features may include: special purpose subjects, email coaching, automated pronunciation practice, and even live telephone English lessons.

Two - Learning Materials

Use Lexxica's corpus to jointly create...

- Printed vocabulary flashcards with Thomas and Friends or other popular characters.
- A Picture Dictionary with portable sound pen.
- An interactive DVD Picture Dictionary.



The Lexxica corpus for children was created under the direction of Dr. Charles Browne, Dr. Brent Culligan, and Dr. David Paul the well-known author of the popular English textbook series "New Finding Out" published by Macmillan Language House.

Three - Graded Readers

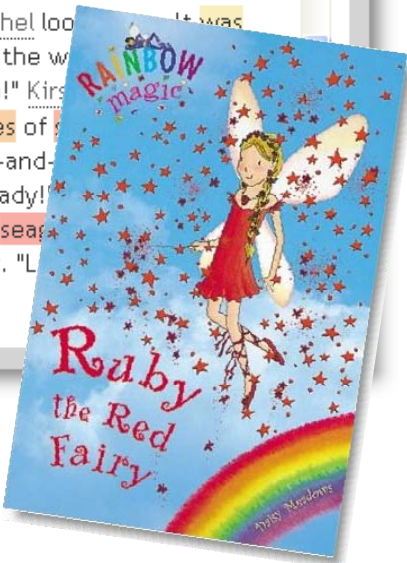
1000 words **Preview** **64%**

Kirsty's mom and dad came over to say hello to the Walkers. Then the ferry docked, and everyone began to leave the boat. "Our cottages are on the other side of the harbor," said Rachel's dad, looking at the map. "It's not too far." Mermaid Cottage and Dolphin Cottage were right next to the beach.

Rachel loved her bedroom, which was high up in the attic. From the window, she could see the waves rolling onto the sand.

A shout from outside made Rachel look out. It was Kirsty. She was standing under the w... "Let's go and explore the beach!" Kirsty dashed outside to join her. Piles of sand, and there were tiny pink-and- everywhere. "I love here already!" happily above the noise of the sea said. She pointed at the sky. "L

Original storybook text.



Children need to have about **95% coverage** to be able to read by themselves. With V.Lexx, any story can be simplified to meet the reader's level.

Lexica's patented V.Lexx online service analyzes existing text to **identify the readability**. In this example, a child with a 1000-word vocabulary will likely know only 64% of the words in the original version of this Rainbow Magic storybook.

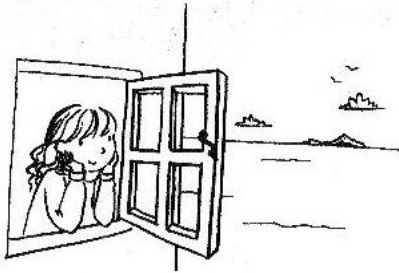
Editors use V.Lexx to **modify existing text** to any desired level. Writers will 'see' the child's unknown words highlighted with different color intensities. V.Lexx guides the removal, or simplification, of unknown words.

- **Graded reading is one of the best ways to improve overall language proficiency.**
- Market demand for graded reading is high.
- **With V-Lexx, any existing written materials can quickly be converted into graded reading materials.**

Sample Graded Reader at 1000-word level

Kirsty's mother and father came over. Kirsty introduced them to Rachel and her family. Everyone was leaving the ship. After they got off the ship, Rachel's father looked at his map. He said, "Our cottages are not far from here." They walked together to the cottages. The girls were very happy to see that Mermaid Cottage and Dolphin Cottage were right next door to each other. And a yellow sand beach was close behind the cottages.

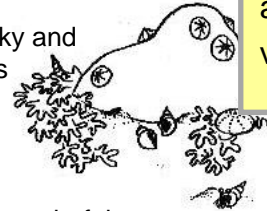
Rachel went into Mermaid Cottage. She went up the stairs to see her bedroom. From the window, she saw waves rolling on the yellow beach.



Mermaid Cottage was very pretty, thought Rachel. It was a perfect place for summer vacation.

Someone called to Rachel. She looked outside and she saw Kirsty. Kirsty was smiling and waving to Rachel. Kirsty said, "Let's go see the beach!" The two girls ran down to the beach. They saw many pink and white sea shells on the beach. "I love it here!" Rachel said. "Me, too," said Kirsty.

Kirsty pointed up to the sky and said, "Look, the rainbow is still there!"



Rachel looked and saw the colorful rainbow up in the sky. There were little white clouds all around. It looked magical and special!



Using V.Lexx, the original story was simplified to the 1000-word level.

A child with a 1000-word English vocabulary will be able to recognize the vocabulary words appearing in this version of the story.

Lexxica Founders



Guy Cih Director

In 1985, Guy Cih co-founded Learning Technologies Ltd. and World Family KK. Until 2000 Cih led the development of new programs including Disney's World of English and Play Along and World Family Club that resulted in global sales of US\$260 million per annum by the year 2000. Literally millions of people all across Asia study regularly with educational materials developed and marketed under Guy's direction.



Charles Browne Director, Doctor of Education

Dr. Charles Browne is a Professor of English at Meiji Gakuin University. He has Masters and Doctoral degrees in second language acquisition. His areas of expertise include vocabulary acquisition, CALL (computer assisted language learning,) and secondary English language education in Japan. From 1987-1988 he was the National Chairman of the JET Program and from 1988 to 1993 he was the National Coordinator for Sony's chain of English Language Laboratories supervising 120 teachers and over 10,000 students. He has published over a dozen EFL textbooks and for the past several years has served the Japanese Ministry of Education task force as a teacher-trainer, official textbook advisor and consultant.

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