

P47000039316

Requestor's Name
1 N. Dale Mabry Hwy Ste. 850
Address
Tampa, FL 33609 813-82-6611
City/State/Zip Phone #

800002278658--8
-08/27/97--01081--010
*****35.00 *****35.00

Office Use Only

CORPORATION NAME(S) & DOCUMENT NUMBER(S), (if known):

1. Telecom Response Inc.
(Corporation Name) (Document #)

2. (Corporation Name) (Document #) Amend

3. (Corporation Name) (Document #)

4. (Corporation Name) (Document #)

☒ Walk in

☐ Pick up time

☐ Certified Copy

☐ Mail out

☐ Will wait

☐ Photocopy

☐ Certificate of Status

C. TAX

NEW FILINGS	
<input type="checkbox"/>	Profit
<input type="checkbox"/>	NonProfit
<input type="checkbox"/>	Limited Liability
<input type="checkbox"/>	Domestication
<input type="checkbox"/>	Other

AMENDMENTS	
<input checked="" type="checkbox"/>	Amendment
<input type="checkbox"/>	Resignation of R.A., Officer/ Director
<input type="checkbox"/>	Change of Registered Agent
<input type="checkbox"/>	Dissolution/Withdrawal
<input type="checkbox"/>	Merger

OTHER FILINGS	
<input type="checkbox"/>	Annual Report
<input type="checkbox"/>	Fictitious Name
<input type="checkbox"/>	Name Reservation

REGISTRATION/ QUALIFICATION	
<input type="checkbox"/>	Foreign
<input type="checkbox"/>	Limited Partnership
<input type="checkbox"/>	Reinstatement
<input type="checkbox"/>	Trademark
<input type="checkbox"/>	Other

FILED
97 AUG 25 AM 9 31
TALLAHASSEE, FLORIDA
35
35
BALANCE DUE
REFUND

8/25/97
1004
1004
1004
1004
1004

Ammendment of Articles Of Incorporation

Telecom Response Inc.

97 AUG 25 AM 9:31
FILED
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

RESOLVED, that pursuant to the authority expressly granted to and vested in the Board of Directors of the Corporation in accordance with the provisions of its Articles of Incorporation, as amended, and the General Corporation Law of the State of Florida, the Board of Directors hereby declares it advisable that the following amendments to the Corporation's Articles of Incorporation be adopted as follows:

"Second The principal address of the Corporation is located at 1 North Dale Mabry Highway, Suite 850, Tampa, Florida 33609.

Third The total number of shares of common stock which the Corporation is authorized to issue is 100,000 shares common stock at NO PAR VALUE.

The total number of shares of preferred stock which the Corporation is authorized to issue is 50,000 shares preferred stock at \$10.00 PAR VALUE. Shares of preferred stock may be issued from time to time in one or more series, each such series to have distinctive serial designations, rights, restrictions, preferences and privileges, as shall hereafter be determined in the resolution or resolutions providing for the issue of such preferred stock from time to time adopted by the Board of Directors pursuant to authority so to do which is hereby vested in the Board of Directors.

Fifth The registered office of the Corporation in the State of Florida is located at 1 North Dale Mabry Highway, Suite 850, Tampa, Florida 33609 and its registered agent is W. Kris Brown."

RESOLVED, that pursuant to the authority expressly granted to and vested in the Board of Directors of the Corporation in accordance with the provisions of its Articles of Incorporation, as amended, a series of Preferred Stock of the Corporation, with a par value of \$10.00 per share, be and hereby is established and given the distinctive designation of Series A Preferred Stock \$10.00 Par Value (the "Series A Preferred Shares"). The Series A Preferred Shares consists of twelve thousand (12,000) shares of preferred stock of the Corporation, each share of such stock having a par value of \$10.00 per share, with the relative rights and preferences, and with the qualifications, limitations and restrictions set forth herein (in addition to the relative rights and preferences set forth in the Articles of Incorporation, as amended, which are applicable to preferred stock of all series) as follows:

1. Dividends. The holders of the Series A Preferred Shares shall not be entitled to receive dividends of any kind out of any funds legally available to the Corporation.

2. **Redemption.** The Corporation, provided it may legally do so, shall redeem all of the Series A Preferred Shares then outstanding commencing September 30, 1999 (the "Series A Preferred Shares Redemption Date") by paying in cash therefor the sum of \$20.00 per share (the "Series A Preferred Shares Redemption Price"). Should only a part of the outstanding Series A Preferred Shares be redeemed, such redemption shall be effected by lot, pro rata among the outstanding Series A Preferred Shares. On or after the Series A Preferred Shares Redemption Date, each holder of Series A Preferred Shares called for redemption shall surrender his/her certificate(s) for such shares to the Corporation and shall thereupon be entitled to receive payment of the Series A Preferred Shares Redemption Price.

Series A Preferred Shares redeemed by the Corporation shall be restored to the status of authorized but unissued shares of the Corporation.

3. **Voting Rights.** Except as provided in this Section 3 or in Section 5 below, or as provided in the Articles of Incorporation or the bylaws of the Corporation, as amended, or as otherwise required by law, the holders of the Common Stock of the Corporation shall have the exclusive voting rights and powers, including the exclusive right to notice of shareholders' meetings.

4. **Restrictions on Transferability.** The Series A Preferred Shares shall not be registered under the Securities Act of 1933 or any state securities laws, and therefore cannot be transferred or disposed of except in accordance with such laws. The applicable laws severely restrict the ability of the Series A Preferred Shareholders to sell their shares. There is no readily accessible public or private market for the Series A Preferred Shares and it is not anticipated that any such market will develop as a result of the Corporation's proposed offering.

Each certificate representing Series A Preferred Shares shall be stamped with a legend in substantially the following form:

"The shares of stock represented by the certificate are subject to a buy-sell agreement dated the ____ day of _____, 19__, a copy of which is on file at the principal office of the corporation, and said shares may not be sold, transferred, assigned, pledged, hypothecated, or otherwise disposed of except in strict accordance with the terms of that agreement. A copy of said buy-sell agreement will be furnished without charge to the holder of this certificate upon receipt by the corporation at its principal place of business or registered office of a written request from the holder requesting such a copy."

5. **Amendments.** No amendments shall be made to the foregoing provisions authorizing the issuance of the Series A Preferred Shares which would (1) alter or change any preference or other right given therein to the holders of the Series A Preferred Shares, (2) authorize the

issuance of any stock or other securities ranking prior to or on parity with the Series A Preferred Shares, (3) alter or change the provisions for redemption of the Series A Preferred Shares, or (4) otherwise materially and adversely affect the rights of the holders of the outstanding Series A Preferred Shares, unless any such amendment shall have been first approved by the unanimous vote of the holders of all outstanding Series A Preferred Shares. Any such vote required by the foregoing shall be evidenced by (1) an affirmative vote of such holders in a meeting duly called and held for the purpose of acting upon such amendment, or (2) by an instrument in writing authorizing such amendment signed by all such holders. Any such amendment or modification effected in accordance with this Section 5 and otherwise in accordance with applicable law, shall be binding upon the Corporation and any holder of the Series A Preferred Shares.

RESOLVED, that the Board of Directors having reviewed the proposed "Telecom Response, Inc. Investor Offering Prospectus", attached hereto as Exhibit A, the same is hereby approved and adopted;

RESOLVED, that the Board of Directors having reviewed the proposed Buy-Sell Agreement, attached hereto as Exhibit B, the same is hereby approved and adopted;

RESOLVED, that the foregoing resolutions shall be effective prospectively only and shall not be deemed to amend, change, or revoke any action previously taken by the Board of Directors; and

RESOLVED, that the officers of the Corporation be, and each of them hereby is, authorized to take all such further actions, to execute and deliver all such further instruments and documents, in the name and on behalf of the Corporation, and under its corporate seal or otherwise, and to pay all such expenses as shall in the judgment of any of them be necessary, proper, or advisable in order fully to carry out the intent and effectuate the purposes of the foregoing resolutions and each of them.

EXHIBIT A



.... Practical Answers for Business

INVESTOR OFFERING PROSPECTUS

August 18, 1997

SUITABILITY STANDARDS

THE INVESTMENT UNITS OFFERED HEREBY HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION (THE "COMMISSION") UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR THE SECURITIES LAWS OF ANY STATE AND ARE BEING OFFERED AND SOLD IN RELIANCE UPON AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS UNDER THE SECURITIES ACT AND BY EXEMPTIONS AVAILABLE UNDER APPLICABLE STATE LAWS. THESE INVESTMENT UNITS ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PROVIDED UNDER THE SECURITIES ACT AND SUCH STATE LAWS PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. THESE INVESTMENT UNITS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE COMMISSION, ANY STATE SECURITIES COMMISSION OR OTHER REGULATORY AUTHORITY, NOR HAS THE COMMISSION OR THE OTHER FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OR THE ACCURACY OR ADEQUACY OF THIS MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THE COMPANY WILL ACCEPT SUBSCRIPTIONS, SUBJECT TO THE CONDITIONS AND PARAMETERS OF THIS OFFERING, AS SET FORTH UNDER "SUMMARY - THE OFFERING," ONLY FROM INDIVIDUALS WHO REPRESENT THAT THEY ARE "ACCREDITED INVESTORS" (AS DEFINED IN RULE 501 OF REGULATION D) UNDER THE SECURITIES ACT. IN THE CASE OF A HUSBAND AND WIFE SUBSCRIBING JOINTLY, SATISFACTION OF THE NET WORTH STANDARDS MUST BE DETERMINED BY AGGREGATING THEIR NET WORTH AND SATISFACTION OF THE INCOME STANDARDS MUST BE DETERMINED BY JOINT OR INDIVIDUAL TAX RETURNS, AS THE CASE MAY BE. ANY OTHER PERSONS SUBSCRIBING FOR UNITS JOINTLY, INCLUDING MEMBERS OF PARTNERSHIPS FORMED FOR THE PURPOSE OF PURCHASING UNITS, MUST EACH SATISFY THE APPLICABLE NET WORTH AND INCOME STANDARDS WITHOUT REGARD TO THE OTHER JOINT PURCHASERS. IN THE CASE OF A SUBSCRIBER THAT IS ITSELF A PARTNERSHIP (OTHER THAN A PARTNERSHIP FORMED FOR THE PURPOSE OF PURCHASING UNITS) OR A TRUST, THE APPLICABLE NET WORTH AND INCOME STANDARDS MUST BE SATISFIED BY THE ENTITY. IN THE CASE OF A SUBSCRIBER PURCHASING AS CUSTODIAN FOR A MINOR, THE CUSTODIAN MUST SATISFY THE APPLICABLE NET WORTH AND INCOME STANDARDS.

IN ADDITION, UNITS WILL BE SOLD ONLY TO PERSONS WHO REPRESENT AMONG OTHER THINGS THAT:

- (I) THEY ARE ACQUIRING THE INTERESTS FOR THEIR OWN ACCOUNT, FOR INVESTMENT ONLY AND NOT WITH A VIEW TOWARD THE

RESALE OR DISTRIBUTION THEREOF;

- (II) THEY DO NOT PRESENTLY HAVE ANY REASON TO ANTICIPATE ANY CHANGE IN THEIR PRESENT FINANCIAL CIRCUMSTANCES OR OTHER PARTICULAR OCCASION OR EVENT, WHICH WOULD CAUSE THEM TO SELL THE INTERESTS;**
- (III) THEY HAVE ADEQUATE MEANS FOR PROVIDING FOR THEIR CURRENT FINANCIAL NEEDS, AND THEY HAVE NO NEED NOW AND ANTICIPATE NO NEED IN THE FUTURE TO SELL THE INTERESTS FOR WHICH THEY SUBSCRIBE;**
- (IV) THEY HAVE SUCH KNOWLEDGE AND EXPERIENCE IN FINANCIAL AND BUSINESS MATTERS THAT THEY ARE CAPABLE, EITHER ALONE OR TOGETHER WITH ONE OR MORE ADVISORS, OF EVALUATING THE MERITS AND RISKS OF INVESTING IN THE INTERESTS;**
- (V) THEY AND THEIR ADVISORS HAVE BEEN PROVIDED THE OPPORTUNITY TO ASK QUESTIONS AND RECEIVE ANSWERS CONCERNING THE TERMS AND CONDITIONS OF THE OFFERING AND TO OBTAIN ANY ADDITIONAL INFORMATION WHICH THE COMPANY POSSESSES OR CAN ACQUIRE WITHOUT UNREASONABLE EFFORT OR EXPENSE THAT IS NECESSARY TO VERIFY THE ACCURACY OF THE INFORMATION FURNISHED IN THIS MEMORANDUM;**
- (VI) THEY ARE AWARE THAT THE INTERESTS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT;**
- (VII) THEY ARE AWARE THAT THEIR RIGHT TO TRANSFER, ASSIGN, OR OTHERWISE DISPOSE OF THEIR INTEREST IN THE INTERESTS IS RESTRICTED BY THE SECURITIES ACT AND BY APPLICABLE STATE SECURITIES LAWS;**
- (VIII) THEY ARE AWARE THERE IS NO MARKET FOR THE INTERESTS AND THAT NO SUCH MARKET MAY DEVELOP; AND**
- (IX) THEY SATISFY THE OTHER REPRESENTATIONS AND WARRANTIES CONTAINED IN THE SUBSCRIPTION AGREEMENT.**

THE SATISFACTION OF THE SUITABILITY STANDARDS REFERRED TO ABOVE DOES NOT NECESSARILY MEAN THAT THE INTERESTS ARE A SUITABLE INVESTMENT FOR A PROSPECTIVE INVESTOR. THE COMPANY MAY MAKE OR CAUSES TO BE MADE SUCH FURTHER INQUIRY AND OBTAIN SUCH ADDITIONAL

INFORMATION AS IT CONSIDERS APPROPRIATE WITH REGARD TO THE SUITABILITY OF PROSPECTIVE INVESTORS. THE COMPANY, IN ITS ABSOLUTE DISCRETION, MAY REJECT SUBSCRIPTIONS, IN WHOLE OR IN PART, OR ALLOT TO A PARTICULAR INVESTOR LESS THAN THE NUMBER OF UNITS FOR WHICH SUCH INVESTOR SUBSCRIBED. THE COMPANY RESERVES THE RIGHT TO MODIFY OR INCREASE THE SUITABILITY STANDARDS WITH RESPECT TO CERTAIN INVESTORS IN ORDER TO COMPLY WITH ANY APPLICABLE STATE OR LOCAL LAWS, RULES OR REGULATIONS, OR OTHERWISE.

THIS INVESTMENT IS SUITABLE ONLY FOR PERSONS WHO HAVE SUBSTANTIAL FINANCIAL RESOURCES, WHO DO NOT ANTICIPATE THAT THEY WILL BE REQUIRED TO LIQUIDATE ANY INVESTMENT ACQUIRED HEREUNDER IN THE FORESEEABLE FUTURE AND WHO UNDERSTAND AND ARE WILLING TO UNDERTAKE THE MATERIAL RISKS ASSOCIATED WITH THIS INVESTMENT. THERE IS NO PUBLIC OR SECONDARY MARKET FOR THESE INVESTMENT UNITS AT THE CURRENT TIME.

THE INVESTOR SHOULD BE AWARE THAT IF THE COMPANY IS NOT SUCCESSFUL IN ACHIEVING ITS GOALS AND MAINTAINING PROFITABLE OPERATIONS, ANY MONEY INVESTED IN THE COMPANY MAY BE LOST.

SUMMARY

The following Summary is qualified in its entirety by the more detailed information and the financial statements and notes that thereto appearing elsewhere in this memorandum and in the Regulations attached hereto.

THE COMPANY

Telecom Response, Inc. is a Florida Corporation formed on May 2, 1997 (the "Company" or "TRI"). The purpose of this Company is to provide telecommunications consulting services for businesses that use electronic telephone systems to communicate with customers or vendors. The consulting services provided include system training programs, telecom management services, on-site surveys, bid specifications and system procurement and cable plan designs. In addition the company represents a leading manufacturer of electronic digital hybrid systems for end-user sales and installation.

THE OFFERING

The Company is offering to sell up to \$120,000.00 of preferred equity ("Series A Preferred Stock"), of the Company in Twelve (12) Units (the "Units") at \$10,000 per Unit. The minimum investment is one (1) Unit. The Series A Preferred Shares consists of twelve thousand (12,000) shares of preferred stock of the company, each Unit shall consists of one thousand (1,000) shares, each share of such stock having a par value of \$10.00 per share. The Series A Preferred stock will entitle the holder thereof to a set redemption price equal to a 100% multiple of the Series A Preferred stock legally held on the redemption date. The company, provided it may legally do so, shall redeem all of the Series A Preferred Shares then outstanding on or before September 30, 1999 (the Series A Preferred Shares Redemption Date), by paying cash or cash equivalents to the legal holder thereof the sum of \$20.00 per share (the Series A Preferred Shares Redemption Price). In addition to other restrictions presented in the following section, see "Restrictions on Transferability", the holders of Series A Preferred Stock will not have voting rights nor receive dividends of any kind out of any funds legally available to the company. No party is being paid a commission or other compensation for the sale of Units in this Offering.

SOURCES AND USES OF PROCEEDS

The Company expects to receive proceeds of up to \$120,000.00 if the Offering is completely sold. The Company intends to use the proceeds of the Offering to secure additional assets required for operations, development promotional programs to increase sales and build reserves for growth and expansion.

RESTRICTIONS ON TRANSFERABILITY

Upon the closing of this Offering, there will be no public market for the Interests. There are significant restrictions on the transferability of the Units, imposed by applicable securities laws. See "Risk Factors" – Limited Transferability of the Interests; Absence of Public Market."

ADDITIONAL INFORMATION AND DOCUMENTS AVAILABLE

A list of documents relating to this Offering which are available for inspection by prospective investors upon their request is set forth herein. See "Additional Information and Documents Available."

RISK FACTORS

The following factors should be considered carefully along with the information provided elsewhere in this Memorandum in evaluating an investment in the Interests offered hereby.

Possible Loss of Investment. A prospective investor should be aware that if the Company is not successful in achieving its goals and maintaining profitable operations, any money invested in the Company might be lost.

Variances from Forecasts. The financial forecasts included herein have been prepared by management on the basis of various assumptions set forth herein. The achievement of the forecasted results of operations may be affected by various factors and events, including legislation. There can be no assurances that the assumptions underlying the projections will prove to be accurate, and the financial forecasts may not correctly reflect the results of future operations of the Company or the financial consequences to an investor in the Company.

Dependence on Senior Management. The Company's success is substantially dependent upon the continued services of its senior management. The loss of the services of one or more of the Company's senior management could adversely affect the Company's operating results. See "PERSONNEL/MANAGEMENT TEAM."

Minimum Offering Size. The Company has set a minimum of \$50,000.00 to be raised in this Offering. After raising this minimum amount, the Company will have immediate access to funds received from investors pursuant to this Offering. There can be no assurances that the Company will receive the maximum amount of (\$120,000.00) in this Offering. The Company's ability to achieve the projected financial performance may be adversely affected if the Company is unable to raise the maximum amount of this Offering.

Limited Transferability of Interests; Absence of Public Market. The sale of the Interests offered hereby has not been registered under the Securities Act or any state securities laws, and therefore cannot be transferred or disposed of except in accordance with such laws. The Regulations severely restrict the ability of the investors to sell their Interests. There is no readily accessible public or private market for the Interests and it is not anticipated that any such market will develop as a result of this Offering.

New Company. The Company is a new venture. The Company has had \$15,000 revenues to date. The Company has approximately 45 days operating history in a newly leased office. The Company faces the same risks that are generally associated with new, relatively small, business ventures, including lack of adequate sales, lack of availability at acceptable prices of necessary items of equipment, labor, technical and other services, loss of management to death, disability or other cause, and, in the event borrowings are required in the future, potentially increasing rates of interest or the unavailability of financing on any acceptable terms. The business of the Company could fail by reason of any one of a number of factors that contribute to the failure of new and relatively small businesses generally and new restaurant operations specifically.

Tax Consequences. Prospective investors are not to construe any part of the information provided as legal or tax advice. **Each prospective investor should consult his or her own counsel, accountant and business advisor as to legal, tax or related matters concerning his or her participation.**

Drop in Demand for Product. There is no assurance that the demand for the Company's product and services will continue into the foreseeable future. Change in consumer attitude may make the product and services being offered less attractive, consequently, seriously impacting the Company's performance.

Use of Name. The initial Managers, operating under the name Telecom Response, Inc., have used their best efforts to register and protect the name "Telecom Response, Inc." or "TRI" to be licensed to the Company. There can be no assurance that such use may not be successfully challenged at some time.

Competing Concepts. The telecommunications industry is constantly changing. Consequently, public demand for services offered by the Company may change significantly.

CONCEPT DESCRIPTION

Telecom Response, Inc. is engaged in providing various consulting and training services, as well as selling and installing equipment, in the fields of telephone systems and computers used by businesses. The consulting services include training selected staff of clients in the operation of existing equipment; conducting on-site surveys; advising clients on more efficient use of their current telecommunications equipment; and, where appropriate, advising clients about upgrading equipment. TRI also markets, installs, and services select digital systems according to specific needs, which TRI helps identify in problem-solving sessions.

TRI's clients are generally business with fewer than 200 employees. Such businesses very rarely have an in-house telecommunications department or in-house specialist(s) who can advise their management's on meeting changing needs and opportunities in these rapidly changing fields. The general practice of these businesses is to accept recommendations made by their current vendor of equipment, who is, quite naturally, biased toward the product line distributed by the vendor himself. Since the vendor devotes their time to making a sale in the line of equipment they represent, they give only sparse instruction in the full use and management of the equipment, and even that meager instruction is generally given only to the purchasing agent and perhaps a few others. Most businesses experience considerable frustration with their computer systems and telephone communication systems, patching a bit here and there. Most business people are understandably preoccupied with their major business goals and are familiar only with the older, simpler ways before telecommunications changed systems in such a revolutionary manner. These business people are aware that, given time restrictions, they lack technical expertise in telecommunications and in its potential for problem -solving. Tri provides solutions to problems generated by staff additions, personnel shifts, and even minor changes in operational procedures, etc.

As TRI begins operations, there are no companies providing local telecommunication training specifically to educate businesses on how to manage or update their electronic communications equipment. Such equipment and procedures require frequent updating, modification, expansion etc. to meet changing business needs. Telecommunications equipment constitutes a major capital investment, justifying additional expense by the clients for consulting services, etc.

The first approach TRI makes is generally to offer training that enables one or more staff members chosen by a potential client to learn how to use the clients current equipment more successfully and confidently. Clients may chose to send for a TRI training office managers, administrative personnel, MIS personnel, operations staff, facility staff, etc. Classes are small and are conducted by staff experienced in the telecommunications field and further trained by TRI.

Subsequently a specially trained technical advisor of TRI is sent to the clients site to provide bolstering technical support service for the clients staff person(s) who attend the TRI class. During the support session(s) the TRI technical advisor naturally conducts a site survey and customer profile as part of his job and the TRI service. Equipment and procedures of the great majority of companies almost invariably have several areas in need of improvement, upgrading, modification, expansion, or other changes. Additional equipment and materials may be required to improve overall operations. **On-site surveys are a major source of revenue opportunities for TRI in various transaction sizes,** depending on the condition and age of the clients set -up, mode of communications, and changing needs. If additional equipment is added, further training of staff by TRI instructors may be needed, generating additional income.

There are companies engaging in offering training in computers and related software to which businesses can send personnel, (Executrain, New Horizons, and Productivity Point do this at the time of TRI's inception.) **The important point is that none of these companies to date provide services to educate business on how to manage or update their communications equipment. The founding management of TRI have generated this plan to be the first entering this field with a variety of training programs on multiple telecommunications product lines. It is management's opinion that from the time of TRI's inception there is a window of opportunity of about fourteen months to be unique in this highly specialized field before other companies enter it. By rendering superior and unique service, TRI expects to retain its earlier clients and generate additional referrals, even when competition becomes greater.**

PERSONNEL/MANAGEMENT TEAM

The Company will employ various skilled and professional personnel. Key positions for skilled labor are Technical Instructors, Technical Project Managers, Technicians and Operations Coordinators. Professional positions will include Sales Representatives, Sales Management, Business Consultants, and Administrative personnel.

Staffing of key positions is directly proportional to the success of the training programs. A minimum number of positions will be filled to meet the initial requirements of the Company's products and services

Management Profile:

Kris Brown - President.

Mr. Brown has sixteen years of experience in the telecommunications field. He was the Division President of Inter-Tel Communication, Inc., subsidiary of Inter-Tel, Inc., manufacturer of electronic telephone systems. Prior to this position he was VP Southeastern Division of Inter-Tel. Mr. Brown started the Inter-Tel offices in Florida. During his 11-year tenure revenue grew from a startup position to over \$12M annually in Florida. Mr. Brown holds a BA in Marketing from the University of South Florida, Tampa.

Jonathan Cerezo - Vice President Operations.

Mr. Cerezo has fourteen years of technical experience in the telecommunications field. He was founder and owner of Telephone Engineering, North Miami Beach, which distributed electronic telephone systems to businesses in South Florida. The company was purchased by Inter-Tel Communications in 1995. Mr. Cerezo relocated his family to West Florida the same year and became the Operations Manager for Inter-Tel's division office.

Mr. Cerezo was an Avionics Engineer for six years in the Coast Guard before he entered the business telecommunications field.

Management Salaries:

Key management salaries are included in "General Administrative Expense, Salaries" and "Gross Margins, Cost of Goods Sold, Supervisor Labor" sections of this prospectus.

CAPITALIZATION AND DISTRIBUTION

OBJECTIVE

The six-month objective beginning September 1997 is to generate \$478K in revenue by providing consulting services and hardware for adds, moves and changes (AMC) for end users of various telephone system types in the Tampa Bay area. Income from operation is projected at \$41K or 8.6% of total revenue.

MARKET AREA AND CUSTOMERS

Market Area:

The Tampa Bay area has over 58,000 businesses using telephone systems to communicate with customers and suppliers. The size and complexity of telephone systems vary by company demographics and type of operations (e.g. service, manufacturing, professional, etc.) The Tampa Bay area is geographically defined as Hillsborough, Pinellas, Manatee, Sarasota, and Pasco counties.

Customer Profile:

The potential customer of TRI services would have the following characteristics:

- Greater than 15 employees
- Annual growth rate factor of 15 - 20%
- Utilizes more than 6 business lines and 2 fax numbers
- Purchased a new telephone system within the last two years
- Does not purchase vendor service contract on office products and
- Office is automated via PC's in a LAN environment.

It is projected that the above customer profile would fit 26% of all businesses in the Tampa Bay area, with the exception of purchases of a new telephone system within the last two years. The potential market size for TRI services is approximately 15,000 business.

Target:

The Company's six month objective for operations is to secure 266 clients of the potential market size of 15,000 or 1.8%.

COMPETITION

There is no known competition providing similar consulting services in the Tampa Bay area. Most known consulting firms provide bid procurement and award evaluation services to end-users. The local consulting firms look to outside vendors to supply end user with all pertinent knowledge of system implementation, on-going operation, and routine maintenance practices. Thus, the consultant plays a vital role in the selection of new telecommunications equipment yet leaves the general care and feeding of continuous operations to the equipment vendor which is a big and costly mistake. The competition is fierce among equipment vendors to provide a qualified bid response to consultant/end user requirements. Ironically, the equipment vendor selected to provide new telephone hardware often does so at the expense of giving up valuable gross margins in terms of retail price reductions. The key in new system sales is to capture the end-user for adds, moves and changes (AMC). AMC business is typically the highest gross margin order for equipment vendors and the most often never taken out for other bids. The end-user is often viewed as "captured". With this in mind, the equipment vendor is unlikely to provide end-users with the knowledge or know-how to perform routine additions, changes or moves on the telephone system. To do so would reduce the potential revenue generation on high margin orders. While most equipment vendors have the resources to develop educational programs on system additions and changes it is doubtful that many would try to provide similar services as TRI for the reason stated earlier. It is anticipated that the vendor will attack TRI programs, creating a "fear factor" with the end-users that only they, the vendors, know what's best for the company. TRI will present the facts about maintaining telephone systems, the ease of making changes and let the end-user decide what's best for his company. After all, in most cases it's his system not the vendor's.

ADVERTISING

The Company will launch an advertising campaign to increase end-user awareness of its services and programs.

To start, the ad campaign will run in local and regional business journals, as well as spot ads in local newspapers. The initial campaign will focus on "taking back control of your telephone system," which is now predominately held by equipment vendors who recommend what's best for the vendor, not the business. The initial campaign is scheduled to run for 26 weeks in the Tampa Bay Business Journal, a weekly regional publication with circulation over 30,000. The cost of the campaign is \$6,370. The campaign started the week of May 12, 1997, in the Business Exchange section.

A second ad campaign will target potential clients via an automated service, such as a fax broadcast service bureau. The "take control" theme will carry forward with greater emphasis on cost savings, providing specific examples of savings. The budget for the second campaign is \$4,800.

REVENUE PROJECTIONS

Revenue Mix:

The company will derive revenue from five sources: (1) System Training Programs; 2) Add-on Hardware Sales/Technical Labor Charges; (3) Cable plans and Installations; (4) Telecom Management Services; and (5) New System Sales / Installation. A brief description on each category is provided below.

System Training Programs: The company will provide consulting services and educational training programs to end-users of telephone systems on how to manage, make changes and control operating cost of communication equipment.

Add-on Hardware Sales/Technical Labor Charges: As part of enrollment in a training program the customer will also receive one hour of on-site technical support to review and practice newly acquired skills and knowledge on their system. It is anticipated that additional revenue opportunities will develop from the technical support site visit. The customer may need to re-work cable termination, or may need additional hardware or software for feature applications or peripheral items to enhance the system. If their current service vendor is unwilling to provide the required material or labor, TRI will do so at established prices and hourly rates. The estimated revenue from add-on hardware sales and technical labor charges is 45% of the total revenue from educational/training programs. The percentage of hardware sales and labor charges is estimated to be equal, or 50% each. Mark-up on equipment sales will be below ordinary Add Moves and Changes (AMC) prices to encourage customers to make the purchase through TRI.

Cable Plans and Installations: The Company will actively prospect and bid on inside cable installations for voice and data workstations.

Telecom Management Services: The company will actively prospect mid-size companies (50-150 employees) to manage their communication systems on an annual contingent contract to lower operating costs of hardware and network services. The company's fee for telecom management services is 30%-50% of the client's actual savings by implementing TRI's recommended changes to communication systems and network configurations.

New System Sales / Installation: The company will actively prospect end users to contract new systems and installations. The company has been granted exclusive distribution agreements in Tampa for Vodavi, 4th largest US manufacturer of electronic digital telephone and voice mail systems. Customers purchasing new systems from the company will be enrolled in training programs mentioned earlier.

Six Month Projected Revenue Breakdown by Type:

	<u>In Thousands</u>
Educational/Training	\$226
Add on Sales/Technical Labor	\$ 94
Cable Plan and Installation	\$ 56
New Systems Sales/Installation	<u>\$ 102</u>
Total Revenue	\$478

(Telecom Management Services are not included in the projection for reasons due to contingency contracts and unpredictable customer conditions.)

Gross Margins:

The projected monthly gross margins will range from 51% to 73% depending on the revenues generated from the educational training department. Educational Training revenue produces the highest gross margin dollars, stimulates add on hardware sales with the least amount of variable cost. The projections below represent the cost of goods based on all revenue types and meeting sales and enrollment objectives discussed further in the plan.

Cost of Goods Sold:

	<u>In Thousands</u>
Equipment Cost	\$62
Direct Labor	\$28
Sub Contract	\$16
Supervisor Labor	\$42
Supplies	\$21
Overhead	<u>\$12</u>
Total	\$181

Inventory:

The Company will maintain a small inventory of parts and materials for new installation sales. The estimated minimum inventory level will range between \$8,000 –12,000. Should the customers who have been through a training program require system parts or installation material most items can be ordered with a two-day delivery from local or regional sources. The company's focus is not in the service repair business; thus large inventory levels are not required for spare parts or emergency repair. Training Program inventory purchases will be limited to the basic components of system operation and used for instructional purposes during the training class. This inventory can be secured from many secondary market sources at prices lower than wholesales list price.

SALES DEPARTMENT

Indirect: It is anticipated that "call in", a.k.a. "indirect," sales from advertising, trade shows or other promotional sources will not exceed 25% of the projected new client volume, or 67 new sales. The majority of new client sales will come from direct sales personnel.

Direct Sales: The sales department will consist of two direct sales representatives. Sales representatives will prospect clients to obtain new orders for educational programs and new system sales. An order is defined as an end user enrollment in one or more educational/training programs or a new sales contract.

Sales representative will be paid a base salary plus commission on each new order earned. Base salaries will range from \$16,000 to \$20,000. A tiered commission plan will provide incentives to exceed monthly quotas.

Target: The objective for the first six months is to sell 266 new orders for educational programs. The projected revenue from new orders is \$226,000.

Selling Expense: The projected selling expense for the six-month period is:

	<u>In Thousands</u>
Direct:	\$83
Indirect:	<u>\$17</u>
Total Selling Expense:	\$100

Price Schedule: Educational programs or training classes are divided into two categories based on system type: (1) Key-Hybrid Systems and (2) PBX Systems. Fees for each category are set on a flat rate per day per training session. Manufacturer models and system types are listed on the Schedule A attached.

Training Fees by Category:

<u>System Type</u>	<u>Approximate Price</u>	<u>Number of Sessions</u>
Key/Hybrid	\$850	1
PBX	\$850	3

Direct Sales Forecast: There is no known model to develop the sales forecast or establishes a closing ratio on prospects. The sales forecast below is based on the projection and experience of management's past employment within the telecommunication field which provided limited product specific programs to customers who requested additional training.

Monthly Forecast - Direct Sales

<u>Month</u>	<u>Orders</u>	<u>Sales Volume</u>
September	21	\$17,850
October	36	\$30,600
November	54	\$45,900
December	42	\$35,700
January	24	\$20,400
February	<u>22</u>	<u>\$18,700</u>
Totals	199	\$169,150

Total Sales Forecast- Training Classes:

In Direct	\$ 56,900
Direct	<u>\$169,100</u>
Total	\$226,000

General Administrative Expense:

The forecast for general administrative expenses for the six-month period is as follows:

	<u>In Thousands</u>
Salaries	\$ 114
Rent/Utilities	\$ 22
Insurance	\$ 9
Professional Fees	\$ 4
Other	\$ 7
Total G&A	<u>\$ 156</u>

Projected Income from Operations:

Due to the high start up costs in SG&A and training equipment income from operations, pre-tax, is expected in the single digit percentile range, as a percentage of total revenue for the six month period.

	<u>In Thousands</u>	<u>% of Revenue</u>
Projected Revenues	\$478	100%
Cost of Goods	[\$181]	[37.8%]
Gross Margins	\$298	62.2%
SGA Expense	[\$257]	[53.8%]
Income from Ops.	\$41	8.6%

Management will take the necessary steps to reduce the tax liability on earnings.

EXHIBIT B

BUY-SELL AGREEMENT

AGREEMENT made this ____ day of _____, 1997, between _____, hereinafter referred to as the Shareholder, and with Telecom Response, Inc., a Florida corporation, hereinafter referred to as TRI or Corporation.

WHEREAS, the parties believe that it is in the best interest of TRI and the Shareholder to make provisions for the future disposition of the shares of Series A Preferred Stock of TRI.

IT IS, THEREFORE, agreed, in consideration of the premises and the promises herein contained, as follows:

1. LIFETIME RESTRICTION

No Shareholder shall transfer or encumber his shares of Series A Preferred Stock of TRI to any person, firm, or corporation without the written consent of TRI or in conformity with this Agreement.

2. PURCHASE ON DEATH

On the death of the Shareholder ("the decedent"), all of the shares of the Series A Preferred Stock of the Corporation owned by him and to which he or his personal representative shall be entitled shall be sold and purchased as provided in this Agreement.

a. Obligation of Corporation to Purchase

The Corporation shall purchase from the decedent's personal representatives, and the decedent's personal representatives shall sell to the Corporation, all of the share of Series A Preferred Stock of the Corporation owned by the decedent and to which the decedent or his personal representatives shall be entitled, at the price set forth in Paragraph hereof.

b. Closing

The closing of such purchase and sale shall take place at the office of TRI on a date agreed upon by the parties which shall not be more than one hundred twenty (120) days following the date of the qualification of the personal representatives and not less than ten (10) days following such date; provided, however, said closing shall take place regardless of date of qualification of the personal representatives within six (6) months of the date of death of the decedent shareholder.

c. Transfer of Stock

Upon the death of a shareholder, TRI shall pay to the Legal Representative at closing an amount equal to the purchase price set forth in Section 3, which amount shall constitute full payment for the Series A Preferred Stock of the deceased shareholder.

If the purchase price set forth in Section 3 exceeds the proceeds then available to TRI, the balance of the purchase price shall be evidenced by a negotiable promissory note made by TRI to the order of the estate of the decedent with interest at ten percent (10%) per annum, payable at TRI's option either in three (3) equal annual installments or thirty-six (36) equal monthly payments beginning six (6) months after the date of the decedent's death. Said note shall provide for the acceleration of the due date of all unpaid installments on default in the payment of installment or interest thereon and shall give the maker thereof the option of prepayment in whole or in part at any time.

3. PURCHASE PRICE

The price of the Series A Preferred stock of the Shareholder to be purchased pursuant to this Agreement shall be \$20.00 per share, Series A Preferred Stock Redemption Price.

4. DATE OF PURCHASE

Upon the later of: (1) September 30, 1999; or (2) upon the death of the Shareholder and the purchase by TRI, as more fully described in Section 2, above; all of the shares of the Series A Preferred stock of TRI owned by such shareholder shall be sold and purchased as provided herein:

a. Obligation of TRI to Purchaser

TRI shall purchase from the shareholder, and the shareholder shall sell to TRI, all of the shares of Series A Preferred stock of TRI owned by the shareholder at the price determined pursuant to Section 3 of this Agreement.

b. Closing

The closing for the sale of the shares of Series A Preferred Stock purchased by TRI pursuant to this Section 4 shall take place at the principal office of TRI at a date designated by TRI in conformity with the provisions of this Agreement.

c. Payment of Purchase Price

(1) In the event the purchase price for the shares of Series A Preferred stock in TRI owned by the Shareholder exceeds the reserves then available to TRI, the purchase price will be satisfied by a cash payment to the Shareholder at the time of closing in the amount of ten percent (10%) of the purchase price as determined pursuant to Section 3 and the execution of a promissory note by TRI, as maker, to the Shareholder, as payee, in the amount of the remaining balance of the purchase price of the Series A Preferred Stock. The promissory note shall be payable at TRI's option, either in three (3) equal annual installments or thirty-six (36) equal monthly installments, plus interest at ten percent (10%) per annum. The promissory note shall provide that the maker shall have the privilege of prepaying all or any part thereof at any time with interest to date of prepayment, that a default in any payment when due shall cause the remaining unpaid balance at the option of holder to become due and payable forthwith, and shall provide for the maker to pay all costs and expenses of collection, including reasonable attorney's fees.

5. STOCK SUBJECT TO AGREEMENT

The shares of Series A Preferred Stock of TRI in which any spouse of a shareholder may have a community property or other interest shall for all purposes of this Agreement be included in, deemed part of, and bound by the same terms hereof as the shares of Series A Preferred Stock in which a spouse has an interest; and any action taken, offer made, or option exercised hereunder with reference to shares of Series A Preferred Stock owned by shareholder of record shall be applicable to the shares of Series A Preferred Stock of shareholder of record.

6. PURCHASE BY CORPORATION

Whenever TRI shall, pursuant to this Agreement, be required to purchase shares of the Series A Preferred Stock of TRI, each Shareholder and the personal representatives of any decedent shall do all things and execute and deliver all papers as may be necessary to consummate such purchase.

7. ENDORSEMENT ON STOCK CERTIFICATES

As required by the Bylaws of TRI, each certificate representing shares of Series A Preferred Stock of TRI now or hereafter held by the Shareholder shall be stamped with a legend in substantially the following form:

The shares of stock represented by the certificate are subject to a buy-sell agreement dated the ____ day of _____, 19__, a copy of which is on file at the principal office of the corporation, and said shares may not be sold, transferred, assigned, pledged, hypothecated, or otherwise disposed of except in strict accordance with the terms of that agreement. A copy of said buy-sell agreement will be furnished without charge to the holder of this certificate upon receipt by the corporation at its principal place of business or registered office of a written request from the holder requesting such a copy.

8. SPECIFIC PERFORMANCE

The parties hereby declare that it is impossible to measure in money the damages which will accrue to a party hereto or to the personal representatives of a decedent by reason of a failure to perform any of the obligations under this Agreement. Therefore, if any party hereto or the personal representatives of a decedent shall institute any action or proceeding to enforce the provisions hereof, any person (including TRI) against whom such action or proceeding is brought hereby waives the claim or defense therein that such party or such personal representative has or have an adequate remedy at law, and such person shall not urge in any such action or proceeding the claim or defense that such remedy at law exists.

9. INVALID PROVISION

The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions hereof, and the Agreement shall be construed in all respects as if such invalid or unenforceable provisions were omitted.

10. SUCCESSORS AND ASSIGNEES

This Agreement shall be binding on and inure to the benefit of the parties, and their respective heirs, legal representatives, successors, and assigns.

11. ENTIRE AGREEMENT AND MODIFICATION

This instrument contains the entire agreement of the parties hereto and no modification, amendment, change, or discharge of any term or provision of this Agreement shall be valid or binding unless the same is in writing and signed by all the parties hereto.

No waiver of any of the terms of this Agreement shall be valid unless signed by the party against whom such waiver is asserted.

12. TERMINATION:

This Agreement shall terminate upon the occurrence of any of the following events:

a. Bankruptcy, receivership, or dissolution of TRI.

b. The voluntary agreement of all Shareholders and the Corporation. Upon termination of this agreement, the Secretary of TRI shall, upon tender of the certificates of Series A Preferred Stock, delete the legend endorsed thereon pursuant to Section 8 of this Agreement.

13. NOTICES

Any notice, demand, offer, or other written instrument required or permitted to be given, made, or sent hereunder shall be in writing, signed by the party giving or making the same, and shall be sent by registered mail to all parties hereto simultaneously at their respective addresses hereinafter set forth. Any notice, demand, offer, or other written instrument required to be given to or sent to the estate of any deceased shareholder shall be signed and sent, in like manner, addressed to the personal representative of such deceased person at his or her address, or, if there be no such personal representative, to the estate of the deceased shareholder, at his or her address hereinafter set forth. Any party hereto shall have the right to change the place to which any such notice, offer, demand, or writing shall be sent to him by similar notice sent in like manner to all parties hereto. The date of mailing any offer, demand, notice, or instrument shall be deemed to be the date of such offer, demand, notice, or instrument, and shall be effective from such date. The addresses of the parties to this Agreement are as follows:

(a) _____

(b) Telecom Response, Inc.,
One N. Dale Mabry
Suite 850

Tampa, Florida 33609

14. PRIOR AGREEMENTS:

This Agreement supersedes all prior agreements, if any, made between the Shareholder and TRI affecting the Series A Preferred Stock of TRI and all such prior agreements are hereby terminated.

15. AGREEMENT GOVERNED BY THE LAWS OF THE STATE OF FLORIDA:

The parties hereto agree that it is their intention and covenant that this Agreement shall be governed by the laws of the State of Florida.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date and year first above written.

TELECOM RESPONSE, INC.,

By: _____
W. Kris Brown, President

SHAREHOLDER: _____

By: _____

Name _____

The undersigned, _____, spouse of _____, who as a shareholder executed the foregoing Agreement, hereunto subscribes her/his name in evidence of her/his agreement and consent to the disposition made of the Series A Preferred Stock of TRI, referred to in the foregoing Agreement, and to all other provisions thereof, this the _____ day of _____, 1997.

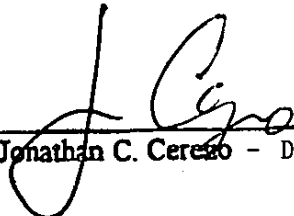
TELECOM RESPONSE, INC.

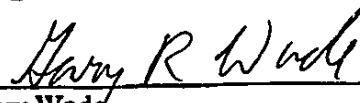
Action by Unanimous Written Consent
of the Board of Directors
in Lieu of Meeting

The undersigned, being all of the members of the Board of Directors of TELECOM RESPONSE, INC., a Florida corporation ("Corporation"), DO HEREBY UNANIMOUSLY ADOPT the resolutions attached hereto as Exhibit 1 in writing without a meeting. Shareholder action was not required.

Dated: August 14, 1997


W. Kris Brown - Director


Jonathan C. Cereso - Director


Gary Wade