

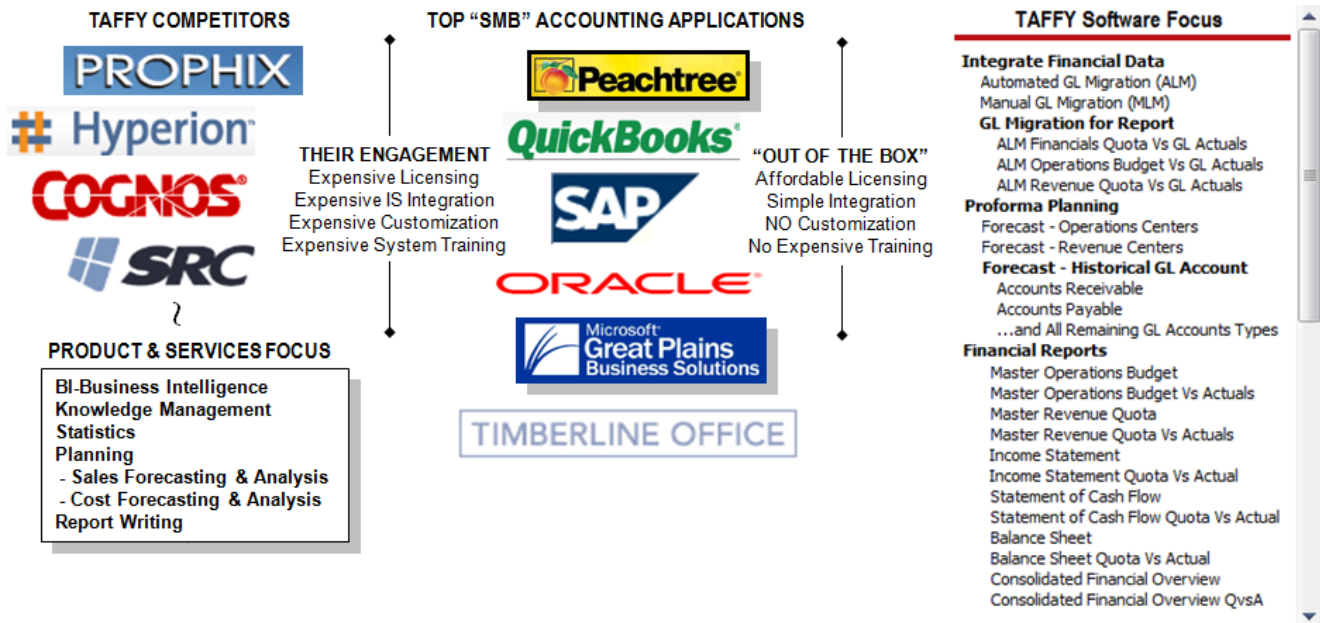
"A SWEETER WAVE" THE TAFFY MISSION

We all are very fortunate to have endured riding this "second wave" of technological refinements and stability encompassing the internet, software, telecommunication, and hardware. The TAFFY Software Corporation is specifically focused in the realm of SMB business software applications and the internet as a delivery mechanism to the end user. Our "second wave" offering is entitled TAFFY (Total Accurate Financial Forecasting for You). The brunt of our TAFFY application completely bridges the gap between fundamental accounting and financial planning which are typically two separate functions and departments within any given business. Until now, businesses have had no choice but to endure performing their budgeting processes through the daunting and labor-intensive use of spreadsheets, or they all face the dilemma of purchasing cost prohibitive software that requires ongoing expensive licensing, integration, customization and training costs. **Question**, by what means do you or your organization perform its budgetary and planning process?

The TAFFY differentiators are profound in four major aspects:

1. **ALM Integration:** (Automated Historical General Ledger Data Migration) for immediate **Planning** User Interface and **Reporting** nomenclature integration and synchronization. **ALM** for Quota Vs Actual reporting and Multiple GL Integration for independent or consolidated planning and reporting.
2. **smartCell:** Offers new simplified Debit and Credit selections enabled through a single "right click" on your mouse. These selections bring reality to the management of all projected entry decisions yielding far more accurate **Reporting**.
3. **Planning:** **Operations** and **Revenue** planning centers are standard, however **TAFFY** offers an additional planning environment that allows users to forecast **Historical** Asset, Liability, and Equity account balances based on our **ALM** data reconstitution methodology. All TAFFY planning environments are **smartCell** enabled.
4. **Reporting:** Immediate **ALM** Quota Vs Actual Operations and Revenue Center Reports as well as Standard GAAP Financial Statements. **ALM** layering of multiple GL's for comprehensive Parent and/or Subsidiary financial reporting. **smartCell** selections bring reality to your cash management and debt decisions during the reporting process.

These differentiating features stated above introduce an unparalleled "second wave" business planning software application into the market at multiple levels. To fully appreciate the depth of our software design, we are encouraging TAFFY demonstrations for those who must and should see it for themselves.



SEPARATION

The TAFFY SAAS (Software as a Service) subscriber can distribute their planning efforts across multiple users, GLs, and planning centers. Both TAFFY Desktop and SAAS solutions will be affordable and available to a wide range of users starting from the fortune \$5.00 entrepreneur, to the financial consultant, CPA, and upward to the fortune 500 user. The high end market of \$25K - \$100K software solutions has been shrinking rapidly over the past 3 years. The IT software "client economy" is now seeking more low cost and simple solutions.

TESTED & TIME TO GROW

The core functionality of the TAFFY engine has over a decade of solid user history across multiple industries and event demands. Clients happily paid anywhere from \$2500 to \$6000 per TAFFY prototype proforma file. We are nearing the completion of commercializing TAFFY within approximately 150 days by essentially attaching our data engine to the user interface front end previously revealed. More than thirty clients, spanning multiple industries, have successfully utilized our Taffy Alpha prototype. We have listed a few of those clients below.

“The Core Design and Methodology is Proven and Solid”

AMS Global Services 2003 - Alpha TAFFY implemented for Business Case Study

Digital Interworks Inc 2004 - Alpha TAFFY implemented for Business Case Study

Reel Revolution Limited 2005 - Alpha TAFFY implemented for Business Case Studies and Capital Investment

TheStoreMaker.com US 2006 - Alpha TAFFY implemented for Multi National Business Case Study

RR Manufacturing LTD 2007 - Alpha TAFFY implemented for Manufacturing Business Case Studies and Funding

SheEvolution.com 2008 - Alpha TAFFY implemented for Business Case Study

THE TAFFY MARKET RANGE & CAPACITY

Any individual, startup, or any size operating businesses ranging from Fortune \$5.00 to Fortune 500 can utilize TAFFY. In addition to the SMB market, Global Corporate Finance divisions within the world's top Accounting firms, Early Stage Investors, Venture Capitalists, Investment Banks, and SMB Lenders are also easily within the TAFFY market scope. The TAFFY SAAS and Desktop releases are true low cost solutions with multiple product offerings ranging from the Single User, Multi User Limited, Enterprise, TAFFY Online Projects, and the TAFFY SAAS-Engine for Co-Branded licensing.

THE MARKETING APPROACH “TAFFY and IBM Hand in Hand”

The TAFFY Software Corporation is in a three prong partnership with IBM starting with the exclusive deployment of the SAAS version of TAFFY on their very highly touted IBM “On Demand” IS backbone. We are also solidifying the terms of a revenue sharing agreement, co-marketing and direct sales partnership with IBM that should strengthen the introduction and position of TAFFY in the market place. Through this IBM partnership all TAFFY users at every level will receive world class IBM security protocols, data management, and support. During the final phase of product commercialization, beta demonstrations pertaining to TAFFY's core functionality and our SAAS and Desktop licensing models will commence. Our primary target audience will be professional service organizations such as Deloitte & Touche, PricewaterhouseCoopers, E&Y, Accenture, Smith Barney Sullivan, national and regional Banks, Investment Banks, and selected SMB's ranging from Services, Manufacturing, Retail, Healthcare, Retirement Planning, Real Estate, and the Telecommunication sectors.

TAFFY will benefit greatly from its IBM partnership in addition to the SAAS deployment of software which is now solidly on track and on the rise. The client economy for SAAS solutions allows the client user to spread their software cost out over time, reducing internal IT costs, and receiving vastly improved data security and management. The Gartner Group declared SAAS as one of the top five technologies for 2005 and IDC predicts that by 2008 subscription license revenues will hit \$43 billion. If these trends continue developers and suppliers of SAAS solutions may look forward to positive business growth. SAAS is on its “second wave” with more refined offerings, stable and secure environments, and an embracing client user economy.

MANAGEMENT TEAM

Tod Lockhart, Founder and Chief Executive Officer

Tod Lockhart is the founder, designer and architect of the TAFFY software application. In addition, Tod brings 20 years of extensive managerial accounting and financial analysis experience to this venture.

Jerry Lewis CPA, President

Jerry Lewis is a senior finance and tax executive with over 25 years of experience in public accounting and has served both public and private companies while at Deloitte & Touche, PwC, and Arthur Andersen. For The TAFFY Software Corporation, Jerry will apply many of his experiences listed above to bring the TAFFY strategic product placement and merger acquisition agenda through to its success.

FUNDING REQUIREMENTS

The TAFFY Software Corporation., is seeking to raise an initial funding round totaling **\$3.5 million** in exchange for 2.5 million shares of preferred stock representing a 25% equity position. These funds will be utilized to complete our entire product line within 150-days, in addition to supporting full product deployment and support programs. General administration and initial product marketing costs will also be supported by these initial funds.

CONSOLIDATED FINANCIAL PROJECTION

	Mths 1-6 Yr 1	Year 1	Year 2	Year 3
Total Revenues	-	953,561	5,256,389	9,039,666
Total Cost of Sales	690,083	950,758	1,064,034	1,124,402
Gross Profit	(690,083)	2,803	4,192,354	7,915,265
Total Expenses	519,961	1,602,520	2,039,994	2,485,966
Net Income	(1,210,045)	(1,599,717)	2,152,360	5,429,299
Cash Flows from operating activities				
Net Income	(1,210,045)	(1,599,717)	2,152,360	5,429,299
Total Adjustments	-	49,941	23,571	93,734
Net Cash provided by Operations	(1,210,045)	(1,549,776)	2,175,932	5,523,033
Cash Flows from investing activities				
Net cash used in investing	(128,000)	(173,500)	(51,000)	(145,250)
Cash Flows from Financing Activities				
Proceeds From				
Net cash used in financing	1,500,000	3,500,000	-	-
Net increase <decrease> in cash	161,955	1,776,724	2,124,932	5,377,783
Summary				
Cash Balance at End of the Period	161,955	1,776,724	3,901,656	9,279,439
Cash Balance at Beginning of the Year	-	-	1,776,724	3,901,656
Net Increase <Decrease> in Cash	161,955	1,776,724	2,124,932	5,377,783
ASSETS				
Total Current Assets	161,955	1,784,038	3,912,046	9,294,664
Total Property and Equipment	128,000	116,245	140,598	209,970
Total Assets	289,955	1,900,283	4,052,643	9,504,634
LIABILITIES AND CAPITAL				
Total Current Liabilities	-	-	-	22,692
Capital				
Common/Preferred Stock Purchased	1,500,000	3,500,000	3,500,000	3,500,000
Net Income	(1,210,045)	(1,599,717)	2,152,360	5,429,299
Retained Earnings	-	-	(1,599,717)	552,643
Total Capital	289,955	1,900,283	4,052,643	9,481,942
Total Liabilities & Capital	289,955	1,900,283	4,052,643	9,504,634

EXIT STRATEGY PRELUDE

The current productization and organizational effort put forth is to position this product for a merger and/or acquisition. It is our intent to take this product's differentiating "must have" functionality straight to organizations and industry leaders who have the capacity to integrate TAFFY into their current software deliverables and/or business workflow processes. Our initial product positioning is a prelude to our exit strategy. Banking, Retirement Planning, and the Business Consulting industries all have the captive client base and distribution channels that TAFFY seeks to serve. Considering our very unique software operability, simplicity, and market variety products, TAFFY is an excellent acquisition target.

Merging the TAFFY product premise with the Banking or Finance industries market franchise and goodwill would bring a fantastic solution opportunity to the market at the perfect time given the current economic conditions of the world. TAFFY can chiefly assist most everyone in properly realigning their financial goals. The TAFFY Software Corporation offers every one of its partners a greater competitive advantage in the market as a more comprehensive and complete service, or software provider.

The Acquisition sale price will be based on \$9.036 Million in Projected Revenue illustrated in Year 3 month 12, times 5 totaling \$45.1 Million. Investor(s) obtaining a 25% ownership position can anticipate a 323% return on a \$3.5 Million investment.

CONTACT

Tod Lockhart, Founder and CEO - Email: todlockhart@taffysoftware.com Phone: 512-473-7131
 Tammy Coiteux, Sr. Business Analyst – Email: tammycoiteux@taffysoftware.com Phone: 512-473-7131