

Potential Cap Table

xx/xx/xxxx

	Founder (1)		Sweat Equity		Core team Options (3)		Pool options		Subtotal		% owned		F & F cash		F & F non cash reduced valuation		Subtotal		% owned		Preferred stock common portion		Total % owned	
	Shares	Value	Shares	Value	Shares	Value	Shares	Value	Shares	Value	Shares	Value	Shares	Value	Shares	Value	Shares	Value	Shares	Value	Shares	Value	Shares	Value
A	4,070,000	minimal			700,000	245,614			4,770,000		79.50%	180,000	150,000	96,000	80,000	5,046,000	73.77%	76,000	100,000	5,122,000		54.79%		
B					500,000	175,439			500,000		8.33%	120,000	100,000	0	0	620,000	9.06%	0	0	620,000		6.63%		
Core team					350,000	122,807			350,000		5.83%	180,000	150,000	144,000	120,000	674,000	9.85%	0	0	674,000		7.21%		
Sweat equity shares (1)		80,000 minimal			0				80,000		1.33%	0	0	0	0	80,000	1.17%	0	0	80,000		0.86%		
Future hires (3)					0		300,000		300,000		5.00%	0	0	0	0	300,000	4.39%	0	0	300,000		3.21%		
External investors - A					0				0		0.00%	120,000	100,000	0	0	120,000	1.75%	0	0	120,000		1.28%		
External investors - B					0				0		0.00%	0	0	0	0	0	0.00%	2,432,000	3,200,000	2,432,000		26.02%		
					0				0		0.00%	0	0	0	0	0	0.00%	0	0	0		0.00%		
					0				0		0.00%	0	0	0	0	0	0.00%	0	0	0		0.00%		
					0				0		0.00%	0	0	0	0	0	0.00%	0	0	0		0.00%		
Total	4,070,000	0	80,000	0	1,550,000	543,860	300,000	0	6,000,000	100.00%	600,000	500,000	240,000	200,000	6,840,000	100.00%	2,508,000	3,300,000	9,348,000	100.00%				
Shares					5,700,000				6,000,000						6,840,000									
Price per share					0.35						0.83				0.83						1.32			

- 1 sweat equity totals 2% of stock and covers until 3-31-02
- 2 Core team options are based on pre money company value of 2 million and a 4 year vest
- 3 Follow up options are a pool set aside with strike price to be determined
- 3 Friends and Family round is based on pre money valuation of 5 million dollars
- 4 Friends and family cash raised assumed as
- 5 Friends and family salaries invested etc. are a gross value of
- 6 External investors round preferred with guaranteed return - uses company premoney value on common

This spreadsheet is a confidential projection for internal discussion only.