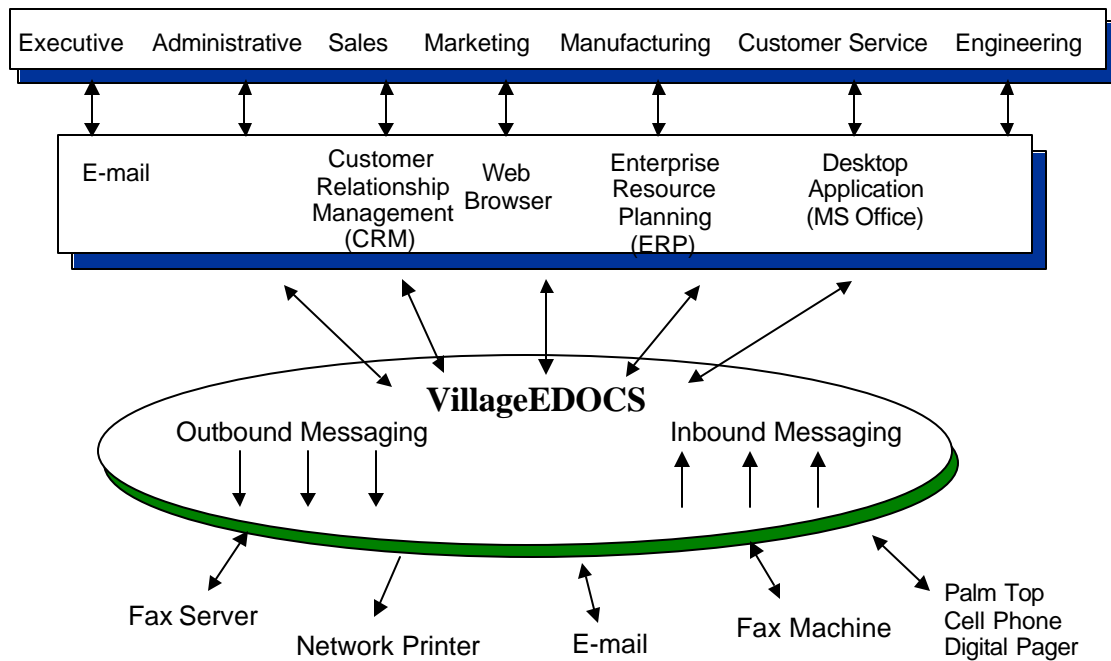

Executive Summary

Overview

VillageEDOCS offers services, which enable business enterprises to enjoy frictionless business processes. These service/solutions automate the process of sending or receiving business transactions to customers, trading partners, and employees in a variety of delivery methods, including traditional and those that are Internet-based. VillageEDOCS service/solutions are pre-integrated and/or certified with ERP and CRM systems and ready for immediate implementation. Through standards-based technology, companies have already integrated VillageEDOCS solutions into their enterprise applications without extensive modification to ERP or CRM software.



An impressive customer list proves that their solutions have captured the interest of major corporations and is addressing a very real and expanding need for B2B e-document delivery. Over the past 2 years, VillageEDOCS has built the foundation of their service and solutions and is now ready to break-through to profitability further revealing the significant amount of margin in their business model and accelerate its growth.

The Company seeks \$5 million in this round of financing to execute its sales and marketing plan beyond profitability and to continue growth at an accelerated rate, faster than self-funding. Additionally, the Company will seek funds to finance existing merger/acquisition activities.

Market

The principal markets that VillageEDOCS focus on include the e-document presentment market, which the Gartner Group estimates will grow from \$500 Million in 1998 to \$8.2 billion by 2005. And, the facsimile and e-document services market which is expected to grow from \$1.2 billion in 2000 to \$1.8 billion in 2005, according to IDC.

Important Market Trends

Overall, the worldwide IS (Information Systems) outsourcing trend continues with over \$64 Billion in revenue in 2001, according to IDC. Companies continue to enjoy lower capital costs and well as reduced maintenance costs when they outsource the IS requirements of their business, including fax and e-document delivery services.

Within the fax server market, leading vendors are now providing or plan to provide more document creation capabilities on their fax servers. This demonstrates a convergence trend within the industry as fax and e-document delivery comes together in a server or service to provide additional value to clients. This trend is validated in a recent report by IDC called: Fax Services Morph to E-Document Delivery.

Another emerging trend that that Company identifies that will be important to its growth is tied to the global outsourcing trend mentioned above. As businesses grow and become multiple locations in different countries around the globe they tend to develop processes that address each market. E-document delivery of invoices, shipping documents, etc. must all be performed at multiple locations and the associated software, hardware and services must be duplicated at each location. Global companies that don't desire multiple copies of software and servers are now looking to outsource e-document delivery to a service location that they can send "raw" data entities to that in turn will process and deliver the necessary e-documents via fax, e-mail or mail.

Finally, fax services for wireless devices are poised to be a new niche as wireless Internet users find that one of the most convenient ways to deal with a long e-mail or attachment is via fax – or remote printer. What is driving this trend is the fact that small wireless-device screens are ill-suited for long e-mails and attachments and despite all the "fuss" over Bluetooth, fax machines will remain the only truly ubiquitous printer available to wireless device users. Latest statistics show that there are over 100 million fax machines (remote printers) in the world.

VillageEDOCS, Inc. Business Summary

Facilities	City, State	% of sales	Sq. Ft.	Year Opened
Headquarters	Tustin, CA	100	3,600	June 1999
Service Facility	SBC Co-location, Irvine, CA	N/A	15	2001

Founded:	1995 founded as SoftTek Inc. 2000 changed name to VillageEDOCS
Type of Business:	E-Document delivery service
Type of Entity:	C-Corp/California
Sales – 2000	\$543,910
2001	\$1,266,653
2002 (estimate)	\$2.5 million
Number of Employees:	19 full-time
Geographic Markets:	Midwest US Western US Northeastern US Southeastern US International
Current Markets:	E-Commerce Application Service Providers Weather Services Public Relations Firms Direct Marketing Organizations Food Services Manufacturing Communications Pharmaceutical/Healthcare
Number of Accounts:	390
Market Potential/Penetration:	\$400 million / < 1%
Major Customers:	See list: No one customer represents >10% of the total revenue
Repeat Business:	99%
Marketing:	70% outbound telesales 20% web-based lead generation 10% referrals

Investment Highlights

- *Strong history of rising sales:* The Company has a proven track record of growth. Net sales increased 133% in 2001 (while costs increased only 1%) and over 400% in 2000.
- *Service Model:* With integrated applications, once the customer starts using the service it is difficult to unhook or lose the business.
- *Management focused on margin:* From 2000 to 2001, the management improved the gross margin by over \$700K, while doubling revenues.
- *Consistent growth in earnings:* Earnings EBITDA have increased steadily over the past 3 years. Positive EBITDA of \$580,882 is forecast by 2003.
- *Elasticity of business model:* The Company's variable costs are telephony costs. These costs will continue to decline as revenue increases. Additionally, the sales personnel are straight commission based.
- *Repeat Customers:* The Company enjoys a high level of recurring business from existing customers. Once the service is integrated into the client's applications, it stays there.
- *National and International reach:* Approximately 90% of VillageEDOCS' customers are located in the US and 10% in Asia. In February 2002, the Company introduced a service enhancement that enables clients to submit English and Foreign language (including Pacific Rim, Middle and Far East languages) Microsoft, IBM and HTML native documents to their service.
- *Improved costs:* In 2001, the Company relocated its service facility to SBC Pacific Bell, which allowed it to take advantage of lower variable telecommunications costs, upgrade their telecommunications access facilities and significantly improve scalability and security.
- *Growing Market for Company's Service:* Gartner Group estimates that the e-document presentment market will grow from \$500 Million in 1998 to \$8.2 billion by 2005. And, the facsimile and e-document services market which is expected to grow from \$1.2 billion in 2000 to \$1.8 billion in 2005, according to IDC.
- *Positioned to take advantage of wireless market:* Early 2002, the Company introduced a capability that enables clients with web-enabled wireless devices such as mobile phones and PDAs to use a fax machine as a personal printer for their wireless device. Now when someone receives an e-mail attachment on

their wireless device they can print it out. Strategic relationships with Samsung and CDP Wireless have been established to capitalize on this new service.

- *Virus-free distribution of documents:* E-document delivery via fax service will never share in the spreading of cyber viruses because the attachments they send are images. There never has been and never will be a case of a virus being spread by fax.

Sales and Marketing Strategy

VillageEDOCS has proven that the best way to grow short-term revenue is to continue to grow the Telesales organization. A major portion of funds from this round of financing will be spent directly in the sales area to add more telesales personnel. Additionally, to provide medium and long-term sales, the Company will create a channel sales organization to recruit Resellers and Partners. A number of Partner relationships have already been established (Samsung and CPD Wireless) that can be capitalized on with funds for promotion and focus.

Key to increased sales is lead generation for the sales department. To improve lead generation, the Marketing department will be focused on the following areas:

- Target vertical industries such as mortgage, pharmaceutical, and small- to medium-sized business accounting software packages, and create e-document delivery solutions that address the special needs of the target market.
- Create case studies, third-party market research and white papers that convey the industry-specific problems and how they are being address by VillageEDOCS. A number of case studies have already been produced and are available of the Company's web site.
- Better list targeting in key markets will be accomplished by attending industry specific trade shows and Users Groups for companies such as J.D. Edwards.
- VillageEDOCS currently engages in limited algorithmic search engine-based advertising. The strategy in this area will be to increase the funding so that search engine placement with popular search products (Yahoo, Goggle, and Overture) can be increased. The goal being that the more visibility in the search engines "results" file, the better the likelihood of VillageEDOCS being chosen for a click-through. Additionally, the Company's web site will employ search engine optimization techniques to improve its "hit" ratio.

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- In addition to optimization techniques, the Company has created over 200 different web pages that are automatically generated from key words in a search engine request. This adds a higher level of consistency between the prospect's request and the VillageEDOCS solution. Further refinement of this approach will be continued.
 - Tracking of web-based leads is an important part of Marketing's goals. The Company is currently implementing a proprietary tracking system for all in-bound web-based inquiries.

Management

Mason Conner – President, Chief Executive Officer, and Director, has over twenty-four years in sales and business management experience. For the last sixteen years, he has held senior positions in the data and voice communication products and services industries with companies such as TMSI, LTS Corp, Digital Network Architects, Banyan Systems, Doelz Networks, and Timeplex.

Mike Richard – Controller, joined VillageEDOCS in February 2001 as Controller. He has over twelve years of diverse financial management and public corporate reporting experience, holding senior accounting positions at start-up to early-stage telecommunications and new media ventures. These include BigHub.com, PortaCom Wireless, and Extreme Technologies where he either led or provided critical support in pre-acquisition due diligence, NASDAQ listing, internal and external reporting, and many domestic and overseas equity and debt financing and registrations, including a \$20 million equity placement.

Robert L. Daniels, Lt. Col. Ret. USMC - Vice President of Operations, has over 38 years of management and technical-services operations experience. Over the past 20 years, he has held senior technical management positions at Pacific Bell, the deregulated entities of Pacific Telesis, Doelz Networks, and MIDACS. He has a Ph.D., MS, MBA, and BS.

Thomas Zender - Chairman of the Board, has over thirty-five years of management and marketing experience in the information technology industry. He has held management positions with MAI Systems, Encore Computer, MTI Technology, General Electric, Honeywell, and ITT.

Jay Hill - Director, has served on fourteen Boards of Directors. For the last seventeen years, he has primarily focused on high technology and telecommunication turnaround situations at the executive level. Mr. Hill has held management positions with Amnet (Netlink), Harris Corporation, Paradyne, Inforex,

and IBM. Mr. Hill currently serves as President and CEO of Moon Communications, a healthcare, e-commerce company located in Clearwater, FL.

Steve Luke - Advisory Board Member, founder and President of Enterprise Resolutions also founded Eclipse Corporation in 1992. Eclipse Corporation developed FormsPlus/400, which became the leading IBM AS/400 electronic forms software in 1995. In 1996, JetForm Corporation (the leading electronic forms software provider in the NT and Unix platforms) bought Eclipse making JetForm the leading software in all major business computer platforms. In January of 1998, Steve and many of the original Eclipse team founded Enterprise Resolutions.

Financial Summary

The following financial statements highlight the Company's historical performance, while providing a foundation for the pro forma years. The financial projections take into consideration conservative growth believed to be sustainable by the Company's management.

Historical and Three-year Projected Statement of Income (for the fiscal years ended December 31)

	1999	2000	2001	2002	2003	2004
Net Sales	\$95,887	\$543,910	\$1,266,653	\$2,495,748	\$7,943,341	\$13,713,615
Gross Profit	(\$117,647)	(\$361,5200	\$359,712	\$1,586,361	\$5,447,791	\$9,658,938
% of Sales	-123%	-66%	28%	64%	69%	70%
EBITDA	(\$1,848,909)	(\$2,112,442)	(\$1,498,247)	(\$585,282)	\$580,882	\$1,868,986

Note: For more detailed Financial Statements go to publicly listed statements on SEC Edgar web site.

Balance Sheet As of December 31, 2001

Current Assets	\$150,589	Current Liabilities	\$685,934
Net Fixed Assets	\$249,540	Long term debt	\$2,238,602
		Equity	(\$2,524,407)
Total Assets	\$400,129	Total Liabilities & Equity	\$400,129

Desired Transaction

The Company seeks \$5 million in equity financing to fund sales and marketing programs to achieve an EBITA of \$581,000 in 2003. The desired funding partner will also have the opportunity to participate in existing merger/acquisition activities by the Company.