

## Qualifications-Framework 21

### 1.0 Organization Overview

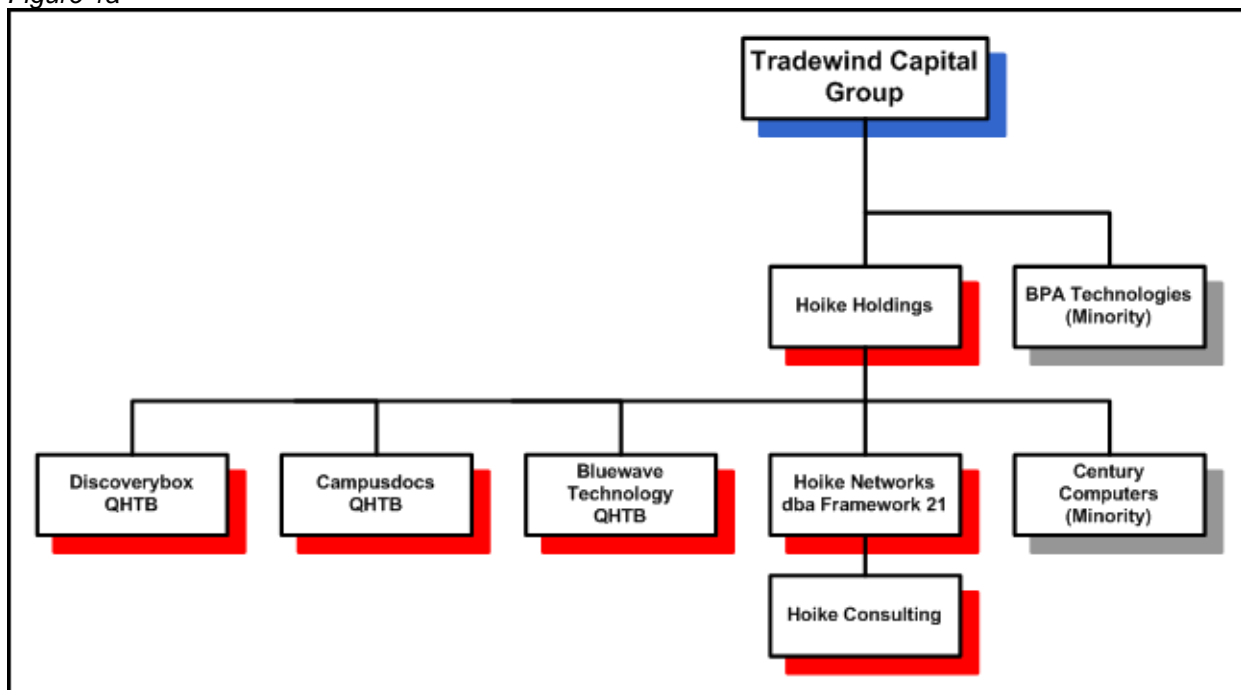
#### Background

Hoike Networks, Inc. DBA Framework 21 ("Company") was formed in early 2001 by a team of talented, and experienced business and technology professionals who have provided leading software and IT solutions and services to more than 100 clients in the public sector, higher education, financial services, healthcare and insurance. The Company is wholly owned by Tradewind Capital Group, a private investment group founded in 1993 and with over \$100M in assets.

#### Overview

Founded in February, 2001 in the State of Hawaii  
Corporate office headquartered in Honolulu, Hawaii  
Served over 100 clients nationwide to date  
Privately held, C Corporation  
Owned by Tradewind Capital Group (See Figure 1a Company ownership diagram below)

Figure 1a



Framework 21 participates in and belongs to the following trade associations.

- Project Management Institute - PMI
- Association of Information Technology Professionals - AITP
- Association for Information and Image Management - AIIM
- Association of Records Managers & Administrators - ARMA
- Information Systems Audit and Control Association - ISACA

Framework 21 has an established Gold level partnership with Oracle. Ongoing partnerships are being identified in order to meet the needs of WSCA and its Participating Entities.

#### Location

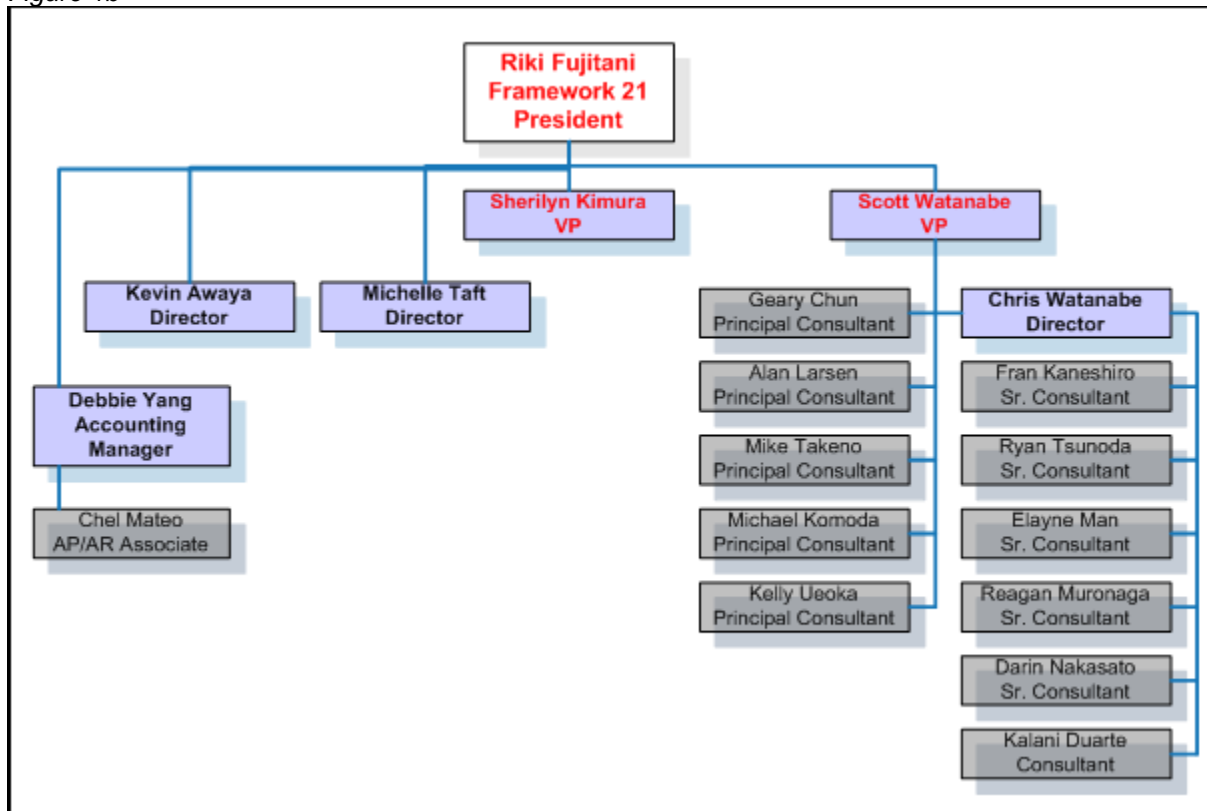
The Corporate Headquarters are located in Honolulu, Hawaii at the following address:  
Pioneer Plaza  
900 Fort Street Mall, Suite 600  
Honolulu, Hawaii 96813

#### Organization

Framework 21, led by President, Riki Fujitani, is a leading consulting and IT solutions provider serving more than 100 clients in the insurance, education, healthcare and government sectors. The Company has an experienced and dedicated team of software sales and technology professionals who are able to provide a wide and deep range of services from software implementation to Oracle database management to network management and support.

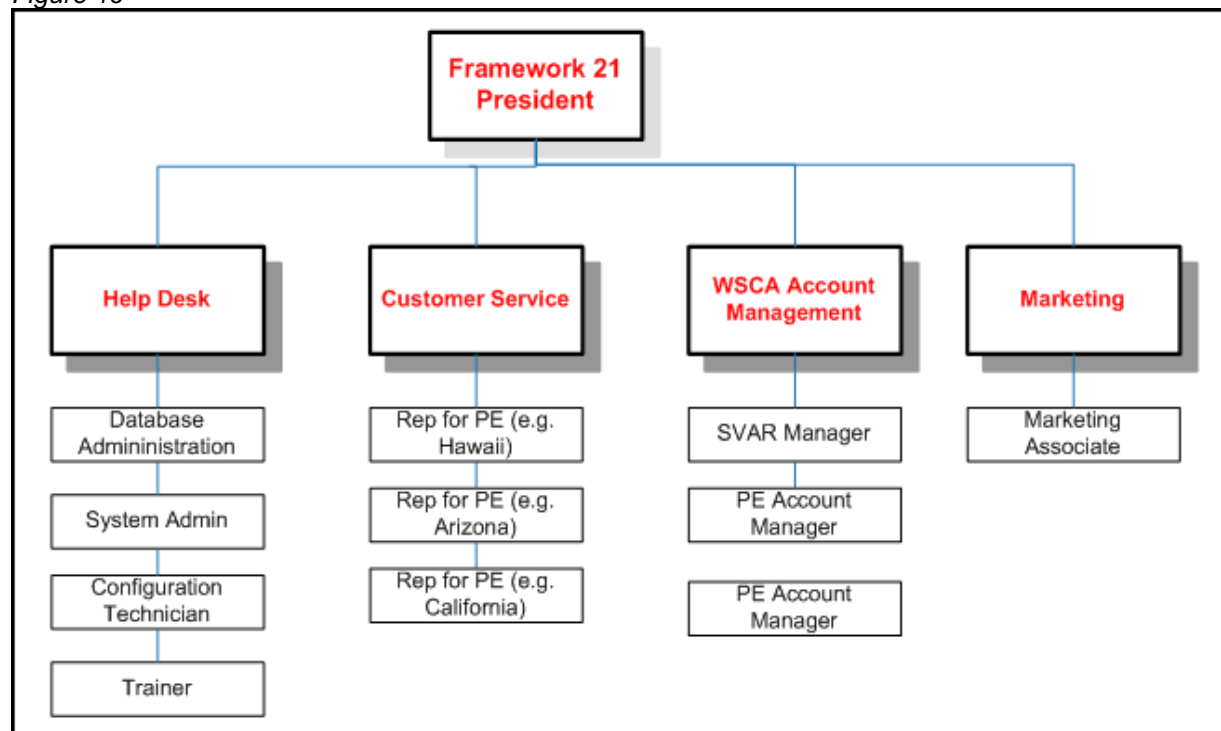
Additional management consulting and project management services are provided by the Company's PMP certified and experienced Project Managers. Please see the following organization chart illustrated below in Figure 1b.

Figure 1b



If Framework 21 is awarded the WSCA MPA, we will put the following structure in place to service the Participating Entities. See Figure 1c Framework 21 WSCA support structure diagram.

Figure 1c



## 2.0 Questionnaire-Qualifications, Represented Publishers

Hoike Networks, Inc. DBA Framework 21 agrees that there is no software publishers with whom they would refuse to do business if the Software Publisher is willing to do business with them. Please see completed attachment Questionnaire-Qualifications, Represented Publishers-Framework 21.

Also refer to separate, additional attachments to this section as evidence of our authorization from Oracle to provide its software:

1. Qualifications,RepPublisher-Framework 21-Oracle-Hoike FUDA 04042011-Attachment.pdf, dated 4/4/2011
2. Qualifications,RepPublisher-Framework 21-Oracle-Hoike PSA 04042011-Attachment.pdf, dated 4/4/2011

## 3.0 Company Experience and Expertise

### 3.A License Management

The staff at Framework 21 has substantial levels of expertise and experience in license management. Scott Watanabe, listed as key personnel, was responsible for the State of California Department of General Services' Software License Program (SLP) for Oracle software - [www.dgs.ca.gov/pd/Programs/Leveraged/SLP.aspx](http://www.dgs.ca.gov/pd/Programs/Leveraged/SLP.aspx). Scott was in charge of his company's SLP Oracle license quotes, order processing, order tracking, order delivery, software maintenance, customer service and notification as well as quarterly reporting back to the State of California on volume and transactions.

In addition to the SLP Program, he was responsible for the State of California Multiple Award Schedule (CMAS) licensing for Oracle ([www.dgs.ca.gov/pd/Programs/Leveraged/CMAS.aspx](http://www.dgs.ca.gov/pd/Programs/Leveraged/CMAS.aspx)) and performing similar services for the management of that program. Scott was also responsible for Oracle License Management under his previous companies' Federal General Services Administration (GSA) contract (under their own Oracle Letter of Supply). He was responsible for managing all customers' license tracking, software updates and license support maintenance contracts.

### **3.B Account Management**

The staff at Framework 21 has substantial levels of expertise and experience in account management. Scott Watanabe, listed as a key personnel for this response, was responsible for the State of California Department of General Services' Software License Program (SLP) for Oracle software. He was in charge of his company's Oracle license quotes, order processing, order tracking, order delivery, software maintenance, customer service and notification as well as quarterly reporting back to the State on volume and transaction.

In addition to the SLP Program, he was responsible for the State of California CMAS licensing for Oracle as well performing similar services. The California SLP and CMAS master contracts were available for use by State Departments and Agencies as well as by local city and county entities in California. For the Federal GSA Contract, Scott was responsible for managing all procurements by the Federal Government and State Agencies (some State Agencies were allowed to purchase using the GSA Contract) and reporting to the GSA contracting officer on an annual basis. The California SLP, CMAS, and Federal GSA contracts all had administrative fees that were paid to their respective agencies overseeing each contract.

### **3.C Training**

The staff at Framework 21 has substantial levels of experience and expertise in providing training services. Three key, technical personnel identified and highlighted in this response; Geary Chun, Alan Larsen, and Mike Komoda are certified Oracle University instructors. Oracle University has an education program whereby resellers are able to sell and teach Oracle certified courses available from their curriculum ([www.oracle.com/education](http://www.oracle.com/education)). As such, these individuals were required to pass technical and instructional reviews to ensure their levels of competency and delivery. For the WSCA contract, these key personnel will be available to provide training and assist users as needed.

### **3.D Software Consultation**

Expertise in Oracle software represents a core competency for Framework 21. Many of the Company's employees are ex-Oracle employees with many years of experience with many of Oracle's products and most importantly with all of its core product offerings.

The Company plans to establish its help desk to provide multiple services for WSCA such as providing software consultation and recommendations. Oracle has its own rules and licensing metrics that can be confusing at times. There are metrics for minimum users, core processor counts, number of tapes, number of employees, etc. that are used in determining the appropriate license. Framework 21 is well versed in interpreting these metrics to determine required or recommended licenses and will be able to provide this service to WSCA customers.

### 3.E Other – N/A

## 4.0 Clients

### 4.A Current government client list. Explain the services you provide to each client and how long you have been working with each one.

1. State of Hawaii Department of Land and Natural Resources, Land Division - Fees Study project and Document management project - Assisted the State of Hawaii Department of Land and Natural Resources, Land Division as a project manager and lead consultant with a Fees Study project and Document Management Plan project. Tasks included research and analysis on fees charged for the department, time study and workflow analysis on division processes and development of a high level document management implementation plan. Facilitated workshop sessions with supervisors and managers to develop document requirements. 10 year relationship.
2. State of Hawaii Department of Land and Natural Resources, Land Division - IT Strategic Planning - Assisted and project managed the Department of Land and Natural Resources, Land Division, with the development of their IT Strategic Plan. Responsibilities entailed assisting the planning and development of the overall planning process and providing guidance and review of the overall development of the plan. Facilitated planning sessions with supervisors and managers to gain input into the overall strategic plan. 10 year relationship.
3. State of Hawaii Bureau of Conveyances - Operational Review Project. Assisted the Department of Land and Natural Resources, Bureau of Conveyances in an Operational Review Project. Responsibilities include: Facilitating re-design sessions, identifying operational improvements and recommendations for increased efficiencies. One year relationship.
4. State of Hawaii Department of Consumer and Commercial Affairs - Business Registration System Implementation, ALIAS Migration Project, ACTS Migration Project

Executive Integrator for three projects with the State of Hawaii Department of Commerce and Consumer Affairs. The first project for the Business Registration Division entailed developing a web-based Business Registration System using Oracle 8i and Oracle Developer. Responsibilities included project management, testing, software development, test script development and training. The other two migration projects included: the ALIAS (Applicant/Licensee Integrated Automated System) used by the Professional and Vocational Licensing Division and the ACTS (Automated Complaints Tracking System) used by the Regulated Industries Complaints Office (RICO) and the Office of Consumer Protection. 10 year relationship.

5. Hawaii State Judiciary - Jury System Enhancements Project - Assisted the State of Hawaii Judiciary in their Jury Project to implement enhancements to their Juror Management System which included the development of new statistical reports for management reporting, eJuror, and IVR. Tasks included interviews, documentation of current and future processes, presentation development, requirements gathering and analysis, and system training. Two year relationship.
6. City and County of Honolulu, Oahu Workforce Investment Board - Business Process Improvement Project. Project managed and assisted the Oahu Workforce Investment Board in a Business Process Improvement project for their operations. Responsible for documenting the current business processes (human resources hiring process, OWIB Operations), defining the re-designed processes via workshop sessions and developing a recommendation report to improve current operations. One year relationship.

7. Research Corporation of the University of Hawaii - Provided project management and business consultation for content management software implementation. Gathered and prepared requirements report and coordinated client requirements development with technical team. Prepared user reference and training manuals, client procedures documentation and support materials. Provided documentation, coordination, and follow-up for client system testing and issues resolution as well as continued ongoing technical and user support. 10 year relationship.
8. California State University Sacramento - Provided project management and business consultation for content management software implementation. Gathered and prepared requirements report and coordinated client requirements development with technical team. Prepared user reference and training manuals, client procedures documentation and support materials. Provided documentation, coordination, and follow-up for client system testing and issues resolution as well as continued ongoing technical and user support. Managed and coordinated third party vendors providing ancillary services to the projects. Three year relationship.

**4.B Government contracts gained past three (3) years. List government contracts you have gained over the past 3 years & provide explanation of why your company was chosen.**

- California State University Sacramento. We obtained the contract to provide software implementation and project management services for its student archival project as a result of our competitive pricing and full range of services that we provided.

**4.C Government contracts lost or resigned past (3) years. Provide explanation of why your company lost or resigned these accounts.**

- N/A

**4.D If no government contracts address items 1.4 A, B and C based on non government clients.**

Please see sampling of Government clients listed in 4.a.

**4.E Three (3) client references**

1. California State University Sacramento
  - a. Contact: Dennis Geyer, University Registrar
  - b. Phone: 916.278.7748
  - c. Email: [dgeyer@csus.edu](mailto:dgeyer@csus.edu)
2. State of Hawaii Department of Consumer and Consumer Affairs
  - a. Contact: Kevin Thorton, IT Manager
  - b. Phone: 808.587.7410
  - c. Email: [Kevin.G.Thornton@dcca.hawaii.gov](mailto:Kevin.G.Thornton@dcca.hawaii.gov)
3. State of Hawaii Department of Land and Natural Resources
  - a. Contact: Arthur Buto, IT Manager
  - b. Phone: 808.587.0423
  - c. Email: [Arthur.J.Buto@hawaii.gov](mailto:Arthur.J.Buto@hawaii.gov)

## 5.0 Accuracy in Quotes and Billings; Audits

### 5.A Describe systems and control [to ensure your actual costs to obtain the product are used as a basis for the quotes and resultant invoices]

Framework 21 will use a single point of cost information for its pricing and quoting system and process. Oracle provided pricelist and discount provided to us as a SVAR will be entered into a single quoting system that will server at the basis to automatically generate quotes. This system also integrates to our central accounting system and will serve as the basis for generating invoices, which are reviewed and distributed.

### 5.B Provide sample invoice

See Figure 5a for an illustration of a sample invoice PES-002 for software license purchase through Framework 21 WSCA MA.

Figure 5a

|   |     |                               |                      |
|---|-----|-------------------------------|----------------------|
| <b>Framework 21<sup>o</sup></b><br>900 Fort Street Mall<br>Pioneer Plaza, Suite 600<br>Honolulu, HI 96813             |     | <b>Invoice</b>                |                      |
|   |     | Date<br>3/28/2011             | Invoice #<br>PES-002 |
| <b>Bill To</b><br>State of Hawaii Judiciary<br>Attn: Accounts Payable<br>999 Flagstone Ste. 411<br>Honolulu, HI 96813 |     |                               |                      |
| WSCA MA: AZ123<br>WSCA PE Addendum: HI789   |     | Due Date<br>4/28/2011         |                      |
| Software  | QTY | Unit Price                    | Amount               |
| Oracle: Enterprise Edition (Processor)<br>- Annual Support Enterprise Edition (Processor)                             | 1   | \$53,200                      | \$53,200             |
| Please make checks payable to: Framework 21   |     |                               |                      |
|   |     | <b>Subtotal</b>               | \$53,200             |
|   |     | <b>Hawaii GE Tax (4.712%)</b> | \$2,506.78           |
|   |     | <b>Total</b>                  | \$55,707.78          |
|   |     | <b>Payments/Credits</b>       | \$0.00               |
|   |     | <b>Balance Due</b>            | \$55,707.78          |

### 5.C Describe cost accounting system for tracking employee hours on an hourly service rate

Framework 21 utilizes a project or client based time tracking software system that all employees are required to use for its time and materials and fixed price service contracts. Employee assignments, tasks, hourly rates or fixed pricing costs are entered into time and cost tracking software upon service engagement and monitored by the responsible VP or Director at required intervals (e.g., weekly, bi-monthly, monthly) and prior to invoicing by the Accounting department. See Figure 5b for an illustration of a sample hourly and rate based invoice for Framework 21 services.

Figure 5b

| <b>Framework 21<sup>o</sup></b><br>900 Fort Street Mall<br>Pioneer Plaza, Suite 600<br>Honolulu, HI 96813  |           | <b>Invoice</b>  |             |                |           |   |  |
|--|-----------|---|-------------|----------------|-----------|---|--|
|  |           | <table border="1"> <tr> <th>Date</th> <th>Invoice #</th> </tr> <tr> <td>3/28/2011</td> <td>PE-001</td> </tr> </table> | Date        | Invoice #      | 3/28/2011 | PE-001  |  |
| Date   | Invoice # |   |             |                |           |   |  |
| 3/28/2011  | PE-001    |   |             |                |           |   |  |
| <table border="1"> <tr> <td colspan="2"><b>Bill To</b></td> </tr> <tr> <td colspan="2">           State of Hawaii Judiciary<br/>           Attn: Accounts Payable<br/>           999 Flagstone Ste. 411<br/>           Honolulu, HI 96813         </td> </tr> </table> |           |   |             | <b>Bill To</b> |           | State of Hawaii Judiciary<br>Attn: Accounts Payable<br>999 Flagstone Ste. 411<br>Honolulu, HI 96813 |  |
| <b>Bill To</b>   |           |   |             |                |           |   |  |
| State of Hawaii Judiciary<br>Attn: Accounts Payable<br>999 Flagstone Ste. 411<br>Honolulu, HI 96813  |           |   |             |                |           |   |  |
| WSCA MA: AZ123<br>WSCA PE Addendum: HI789  |           | <table border="1"> <tr> <th>Due Date</th> </tr> <tr> <td>4/28/2011</td> </tr> </table>                                |             | Due Date       | 4/28/2011 |   |  |
| Due Date   |           |   |             |                |           |   |  |
| 4/28/2011  |           |   |             |                |           |   |  |
| Services   | Hours     | Rate  | Amount      |                |           |   |  |
| Project Management: Provide installation oversight, status reports and updates to PE Project Manager   | 40        | \$185   | \$7,400     |                |           |   |  |
| Technical Consulting: Configure Oracle 11g for e-business suite 12.1; Provide Administration overview & documentation  | 80        | \$150   | \$12,000    |                |           |   |  |
| Please make checks payable to: Framework21   |           |   |             |                |           |   |  |
|  |           | <b>Subtotal</b>   | \$19,400    |                |           |   |  |
|  |           | <b>Hawaii GE Tax (4.712%)</b>   | \$914.13    |                |           |   |  |
|  |           | <b>Total</b>  | \$20,314.13 |                |           |   |  |
|  |           | <b>Payments/Credits</b>   | \$0.00      |                |           |   |  |
|  |           | <b>Balance Due</b>  | \$20,314.13 |                |           |   |  |

### 5.D Describe audit of billings [Describe how you audit your billings for accuracy. Explain how you would work with PE who is conducting an audit of their purchases through you]



We have accounting processes and procedures in place to provide the necessary oversight, reviews and approvals to help maintain accuracy in our billing process. Our ecommerce quoting system is integrated with our accounting system used to prepare invoices. All WSCA contract related invoices will be subject to approval and our internal review process prior to submitting to a Participating Entity.

As part of our checks and balance, we also undergo regular internal and external audits that analyze our accounting processes and procedures to ensure that we are compliant. The following outlines our current levels of review:

1. Accounting Manager
2. Division Manager and / or WSCA Account Manager
3. Annual External Audits
4. Internal Audits (every 1-2 years)

Our accounting and account management team will provide full cooperation and required resources to a Participating Entity to assist them with their own internal or external audits. We will work closely with the PE's designated contact or accounting office to provide requested documentation or reports from our ordering and accounting systems in the requested or mutually agreed upon time frame.

- Standard Reports: Licensing Information, Purchase/Volume Summary, Discount Summary

## 6.0 Provide Key Personnel Information

Riki Fujitani and his team of Vice Presidents, Directors and Principal Consultants represent key personnel that are responsible for managing, servicing, marketing and supporting the overall WSCA contract. The team has a diverse range of experience and expertise in public sector sales and marketing, software/database installation and support, vendor/client management and operations as well as professional services and project management.

Collaborative teamwork and knowledge sharing represent Framework 21's core values and provide the necessary account management redundancy to ensure uninterrupted levels of service and communication for all WSCA participating entities. Vice President, Scott Watanabe and Director, Kevin Awaya, will serve as the primary account managers for the WSCA contract. They, in collaboration with the other actively involved and key personnel will serve as each other's back-up or replacement in the event of illness, vacation, etc. for the WSCA contract.

### *Riki Fujitani, President*

Riki Fujitani is the President of Framework 21 and oversees the company's leadership team and overall strategic planning. Over the past 20 years, his leadership, business, legal and technical expertise have helped to grow the companies Fujitani has founded and directed.

Fujitani also serves as president of Ho'ike Holdings, a technology incubator. Prior to founding Ho'ike Holdings, Fujitani was Vice President of Information Technology for an \$80 million property and casualty insurance carrier. His product management, sales, marketing, research and design skills are the result of management positions Fujitani held with IBM, Dimensional Fund Advisors and TRW Electronic Systems Group. Earlier in his career Fujitani, who earned his law degree from the William S. Richardson School of Law at the University of Hawaii (Manoa), served as a corporate counsel, working on complex commercial litigation cases involving product liability, construction, and breach of contract claims.

Fujitani earned a Master of Business Administration from the Anderson Graduate School of Management at the University of California at Los Angeles and, a Bachelor of Science in Electrical Engineering from the University of California at Berkeley.

*Scott Watanabe, Vice President*

As a Vice President of Framework 21, Scott Watanabe is responsible for managing, developing and overseeing its Consulting and VAR relationships. Watanabe has over 25 years of experience in the Information Technology field and previously held positions for companies such as Wang Laboratories, Inc. and Oracle Corporation as their Regional Account Manager. In addition, he spent three years working in the public service sector for the State of Hawaii Government.

Watanabe spent several years at Oracle Corporation as their Regional Consulting Manager for Hawaii and is very knowledgeable about Oracle's products and services. At his previous company, Watanabe was responsible for the establishment and management of multiple State and Federal Contracts for Oracle software. He also managed client relationships and Oracle Channel relations for the delivery of those products.

Watanabe earned a Masters of Urban Planning and a Bachelor of Arts in Economics from the University of Hawaii at Manoa.

*Kevin Awaya, Director*

As one of the Directors of Framework 21, Kevin's mix of technology, business acumen and entrepreneurial experience guide the strategy and partner alliances for Framework 21. Kevin has over 15 years of technology, vendor management and executive leadership experience. Prior to joining Framework 21, Kevin served as the Chief Technology Officer of Hoike Services, Inc, a Honolulu-based technology start up. Kevin also served in numerous technical advisory and consulting roles supporting the development, implementation and maintenance of numerous enterprise class systems in Fortune 500 companies.

Kevin earned his Bachelor's Degree in Computer Science from Hawaii Pacific University.

*Michelle Taft, Director*

As a Director of Framework 21, Michelle has nearly 10 years of experience in the professional services industry. Prior to joining Framework 21, Michelle served as the VP of Professional Services for CampusDocs, Inc. SaaS ECM services provider for higher education organizations. Michelle has a broad range of professional services experience ranging from business process optimization and change management to IT systems implementation and systems support and operations.

Michelle earned her Masters of Business Administration with concentrations in Marketing and Finance from Portland State University and her Bachelor's Degree in International Studies with concentrations in Political Science and French from the University of Idaho and the University of Savoie, France. Michelle is also a PMP certified project manager and member of various organizations including PMI, AIIM and ARMA.

*Geary Chun, Principal Consultant*

Geary Chun has over 20 years of experience in delivering Oracle solutions and services. Chun began his career at Oracle Corporation, eventually becoming a Product Development Manager with responsibility for the Fixed Assets product within the Oracle eBusiness Suite. Chun currently works as an Oracle consultant and has experience in implementing both custom and packaged software solutions. He has participated in all phases of projects in many different capacities including: project management, solution design, software development, testing, documentation and training. Chun is also a certified Oracle University instructor and has taught many courses including Oracle SQL, PL/SQL, Reports and Discoverer.

Chun earned a Master of Business Administration from the Anderson Graduate School of Management at the University of California at Los Angeles and, a Bachelor of Science in Computer Science from the University of California at Berkeley.

*Alan Larsen, Principal Consultant*

Alan has 25 years of experience working as a Senior Technical Consultant for numerous government organizations and companies specializing in Oracle Database Management and Development. Alan has experience working with most of the State of Hawaii agencies and departments, including but not limited to, Department of Transportation, Department of Health, and Department of Taxation, Department of the Attorney General as well as the City and County of Honolulu.

Like his peers at Framework 21, Alan is a certificated Oracle Education Instructor and has taught many courses as a result. Additionally, Alan is an Oracle Database Administrator Certificated Professional (OCP).

Alan earned his Bachelor's Degree in Computer Science from Baylor University.

*Michael Komoda, Principal Consultant*

As a principal consultant with Framework 21, Michael's focus is on Oracle technology in the areas of Database, Fusion Middleware and Oracle eBusiness. As system architect, he has designed and implemented Highly Available (HA) clustered databases, Business Intelligence systems, Identity Management and Single Sign On solutions, and eBusiness Technology data interface and integrated solutions.

Michael has over 15 years of experience in all phases of design, development, and implementation. Prior to joining Framework 21, Michael worked for Oracle, KPMG Consulting and Accenture and served clients within the healthcare, utilities, transportation and all levels of government including the DoD. Michael is experienced in all phases of IT implementations that include defining user requirements, developing and testing system components, creating and maintaining project schedules, and preparing and presenting project briefings to executives. His work experience also includes business development, proposal writing and sales presentations.

Michael earned his Bachelor of Science in Electrical and Computer Engineering at the University of Colorado, Boulder. He is currently a 9i and 10g database Oracle Certified Professional (OCP).

## **7.0 Provide Information on Financial Stability**

Framework 21 is wholly owned by Tradewind Capital Group, a private investment group founded in 1993 and with over \$100M in assets. As such, see below three year unaudited financials for Tradewind Capital Group.

| Tradewind Capital Group, Inc.<br>Consolidated Balance Sheets<br>As of December 31, 2010 and 2009 and 2008 |                       |                       |                       |
|---|-----------------------|-----------------------|-----------------------|
|   | 2010                  | 2009                  | 2008                  |
| <b>Assets</b>   |                       |                       |                       |
| Investments   |                       |                       |                       |
| Bonds   | \$ 3,819,752          | \$ -                  |                       |
| Investment in LLC's   | 1,985,568             | 1,941,332             | 1,437,095             |
| Preferred stock   | 2,017,570             | 1,950,800             | 6,150,503             |
| Common stock  | 24,134,229            | 16,376,300            | 15,715,778            |
| Real estate   | 53,545,847            | 52,961,826            | 49,365,391            |
| Other investments   | 16,384,132            | 15,045,897            | 11,361,636            |
| Cash  | 31,147,546            | 22,470,424            | 31,947,985            |
| Total Cash & Invested Assets  | 133,034,644           | 110,746,579           | 115,978,388           |
| Furniture, fixtures and equipment   | 86,241                | 122,272               | 1,156,592             |
| Other assets  | 1,715,458             | 1,412,125             | 1,724,495             |
| <b>TOTAL ASSETS</b>   | <b>134,836,343</b>    | <b>112,280,976</b>    | <b>118,859,475</b>    |
| <b>Liabilities and Equity</b>   |                       |                       |                       |
| Income taxes payable (receivable)   | (3,237,571)           | (4,226,193)           | (1,479,598)           |
| Other liabilities   | 2,780,956             | 2,671,233             | 2,640,679             |
| Notes payable   | 20,799,434            | 21,106,026            | 21,349,326            |
| Deferred tax liability (asset)  | (649,289)             | (1,397,235)           | (4,529,463)           |
| Due to (from) affiliates  | (200,278)             | (71,108)              | (161,562)             |
| <b>TOTAL LIABILITIES</b>  | <b>19,493,252</b>     | <b>18,082,723</b>     | <b>17,819,382</b>     |
| Capital stock   | 1,000                 | 1,000                 | 1,000                 |
| Additional paid in capital  | 125,773,323           | 105,471,455           | 105,471,455           |
| Beginning retained earnings   | (15,452,075)          | (9,128,021)           | 305,183               |
| Net income (loss)   | (337,316)             | (6,324,054)           | (9,433,204)           |
| Accumulated other comprehensive income  | 3,422,092             | 1,786,957             | (731,959)             |
| Share-based compensation  | 200,188               | 157,386               | 56,696                |
| <b>TOTAL CONTROLLING EQUITY</b>   | <b>113,607,212</b>    | <b>91,964,723</b>     | <b>95,669,171</b>     |
| Noncontrolling interest   | 1,735,879             | 2,233,530             | 5,370,922             |
| <b>TOTAL EQUITY</b>   | <b>115,343,091</b>    | <b>94,198,253</b>     | <b>101,040,093</b>    |
| <b>TOTAL LIABILITIES &amp; EQUITY</b>   | <b>\$ 134,836,343</b> | <b>\$ 112,280,976</b> | <b>\$ 118,859,475</b> |

| Tradewind Capital Group, Inc.<br>Consolidated Income Statement<br>For the Years Ended December 31, 2010 and 2009 and 2008 |                  |                   |                    |
|---|------------------|-------------------|--------------------|
|   | 2010             | 2009              | 2008               |
| <i>Revenues</i>   |                  |                   |                    |
| Net investment income (loss)  | \$ (1,079,089)   | \$ 2,095,830      | \$ 1,728,058       |
| Gain (loss) from securities and real estate sales   | 1,802,946        | (6,276,970)       | (11,081,333)       |
| Technology revenues   | 3,668,688        | 3,241,417         | 3,494,978          |
| Other revenues  | <u>220,854</u>   | <u>83,948</u>     | <u>377,393</u>     |
| Total revenues  | 4,613,399        | (855,775)         | (5,480,904)        |
| <i>Expenses</i>   |                  |                   |                    |
| Compensation  | 2,918,516        | 3,387,462         | 4,583,221          |
| Research and development expenses   | 3,749,099        | 4,304,989         | 5,492,496          |
| Sales and marketing   | 140,971          | 214,393           | 586,716            |
| Other expenses  | <u>1,835,539</u> | <u>3,571,042</u>  | <u>3,930,650</u>   |
| Total expenses  | <u>8,644,125</u> | <u>11,477,876</u> | <u>14,593,083</u>  |
| Income (loss) from operations   | (4,030,726)      | (12,333,651)      | (20,073,987)       |
| Other income (expense)  | <u>-</u>         | <u>(7,047)</u>    | <u>380,208</u>     |
| Income (loss) before income taxes   | (4,030,726)      | (12,340,698)      | (19,693,779)       |
| Income tax benefit (expense)  | <u>1,195,759</u> | <u>2,879,250</u>  | <u>6,467,138</u>   |
| Income (loss) before noncontrolling interest  | (2,834,967)      | (9,461,448)       | (13,226,641)       |
| Loss attributed to noncontrolling interest  | <u>2,497,651</u> | <u>3,137,394</u>  | <u>3,803,437</u>   |
| Net income (loss)   | (337,316)        | (6,324,054)       | (9,423,204)        |
| Other comprehensive income (loss), net of taxes   | <u>1,635,134</u> | <u>2,518,916</u>  | <u>(6,527,331)</u> |
| Comprehensive income (loss)   | \$ 1,297,818     | \$ (3,805,138)    | \$ (15,960,535)    |

*Hoike Networks, Inc. DBA Framework 21 Three Year Unaudited Financials*

|   | 2010           | 2009           | 2008           |
|---|----------------|----------------|----------------|
| Cash                                      | 81,198         | 37,009         | 106,987        |
| Investment in subsidiaries                | 177,651        | 227,651        | 230,431        |
| Furniture, fixtures & equipment           | -              | -              | 22,774         |
| Other receivables                         | 5,890          | 112            | 16,241         |
| Deferred tax asset                        | 4,859          | 7,071          | 9,722          |
| <b>TOTAL ASSETS</b>                       | <b>269,598</b> | <b>271,843</b> | <b>386,155</b> |
|   |                |                |                |
| Taxes, licenses, & fees                   | 907            | 5              | 1,825          |
| Federal income taxes payable (receivable) | (111)          | (7,177)        | 5,095          |
| Payable to affiliates                     | 5,240          | 4,849          | (9,957)        |
| Accounts payable                          | 185            | 113            | 2,060          |
| Accrued liabilities                       | 14,222         | 22,009         | 44,621         |
| Other liabilities                         | -              | -              | 5,000          |
| <b>TOTAL LIABILITIES</b>                  | <b>20,443</b>  | <b>19,800</b>  | <b>48,643</b>  |
|   |                |                |                |
| Capital stock                             | 166,298        | 166,298        | 166,298        |
| Beginning retained earnings               | 85,746         | 171,213        | 747,914        |
| Net income                                | (2,888)        | (85,467)       | 128,300        |
| Dividends to stockholders                 | -              | -              | (705,000)      |
| <b>Total controlling equity</b>           | <b>249,155</b> | <b>252,044</b> | <b>337,512</b> |
|   |                |                |                |
| <b>TOTAL LIABILITIES &amp; EQUITY</b>     | <b>269,598</b> | <b>271,843</b> | <b>386,155</b> |

|   | 2010           | 2009             | 2008           |
|---|----------------|------------------|----------------|
| Revenue                                   | 170,641        | 93,890           | 471,468        |
| <b>Total revenue</b>                      | <b>170,641</b> | <b>93,890</b>    | <b>471,468</b> |
| Compensation expenses                     | 143,901        | 140,968          | 178,043        |
| Operating expenses                        | 30,535         | 71,666           | 84,004         |
| <b>Total deductions</b>                   | <b>174,436</b> | <b>212,634</b>   | <b>262,047</b> |
| <b>Operating gain(loss)</b>               | <b>(3,794)</b> | <b>(118,744)</b> | <b>209,421</b> |
| Dividends, interest & others              | -              | 24               | 1,783          |
| Equity in earnings of subsidiaries        | -              | (2,780)          | 2,641          |
| <b>Net investment income</b>              | <b>-</b>       | <b>(2,756)</b>   | <b>4,424</b>   |
|   |                |                  |                |
| <b>Income from operations</b>             | <b>(3,794)</b> | <b>(121,500)</b> | <b>213,845</b> |
| <b>Net operating gain(loss)</b>           | <b>(3,794)</b> | <b>(121,500)</b> | <b>213,845</b> |
| <b>Income before federal income taxes</b> | <b>(3,794)</b> | <b>(121,500)</b> | <b>213,845</b> |
| Federal income tax benefit(expense)       | 3,088          | 38,683           | (60,361)       |
| State income tax benefit(expense)         | 30             | -                | (24,550)       |
| Deferred income tax benefit(exp)          | (2,212)        | (2,650)          | (634)          |
| <b>Net income (loss)</b>                  | <b>(2,888)</b> | <b>(85,467)</b>  | <b>128,300</b> |

|  | 2010       | 2009       | 2008       |
|--|------------|------------|------------|
| <u>Cash Flows Provided by (Used in) Operating Activity</u> |            |            |            |
| Cash received from customers                               | \$ 172,793 | \$ 112,041 | \$ 523,789 |
| Cash received from affiliated companies                    | 140        | 1,540      | 2,835      |
| Cash received from interest & dividends                    | -          | 26         | 1,781      |
| Cash paid for payroll and benefits                         | (146,998)  | (167,179)  | (164,884)  |
| Cash paid for operating expenses                           | (28,519)   | (70,486)   | (68,508)   |
| Cash payments for COGS                                     | (8,842)    | (4,392)    | (36,382)   |
| Cash payment for rent                                      | (4,569)    | (4,440)    | (7,935)    |
| Total  | (15,995)   | (132,890)  | 250,696    |
| <u>Cash Flows Provided by (Used in) Investing Activity</u> |            |            |            |
| Sale (Purchase) of fixed assets                            | -          | 22,774     | -          |
| Distribution paid from Consulting LLC to Hoike Networks    | 50,000     | -          | -          |
| Total  | 50,000     | 22,774     | -          |
| <u>Cash Flows Provided by (Used in) Financing Activity</u> |            |            |            |
| Dividends paid by Networks to Holdings                     | -          | -          | (705,000)  |
| Total  | -          | -          | (705,000)  |
| Operating, Investing and Financing Cash Flows              | 34,005     | (110,116)  | (454,304)  |
| <u>Other Cash Flows and Adjustments</u>                    |            |            |            |
| Cash receipts (payment) for income tax                     | 10,184     | 40,138     | (81,075)   |
| Total  | 10,184     | 40,138     | (81,075)   |
| Net increase (decrease) in Cash and Cash Equivalents       | 44,189     | (69,978)   | (535,379)  |
| Cash, Cash Equivalents and Investments - Beg               | 37,009     | 106,987    | 642,366    |
| Cash, Cash Equivalents and Investments - End (a)           | \$ 81,198  | \$ 37,009  | \$ 106,987 |

## 8.0 Provide Information on Subcontractors

Framework 21 will not be engaging subcontractors for services or purchases contracted or acquired through the WSCA award.