

**ROBB EVANS AND
ROBB EVANS & ASSOCIATES LLC
Temporary Receiver of
Helping Hands of Hope, Inc., U.S. Blind Services, Inc.,
Employment Opportunities of America, Inc., and
Third Strike Employment, Inc., et al.**

**REPORT OF TEMPORARY RECEIVER'S ACTIVITIES
MAY 14, 2008 THROUGH JUNE 4, 2008**

This report covers the activities of the Temporary Receiver¹ since the inception of the Temporary Receivership. This is the first Report to the Court on the progress of the Temporary Receivership. It does not constitute an audit of financial condition and is intended only to provide information for use by the Court in assessing the progress of the Receivership.

Overview

As more fully described in this report, the Receivership Defendants function as a common enterprise either selling or supporting the sale of ordinary consumer products at inflated prices to consumers, many of whom completed a similar purchase about three months earlier. Telemarketers use company-prepared or self-prepared scripts that state the company is providing jobs for the disadvantaged and selling products that are prepared or packaged by the blind and disabled, with some stating or implying that the callers and the other workers are disabled veterans.

Custody, Control and Possession

After the Court issued its Temporary Restraining Order (the Order) with Appointment of Temporary Receiver, the Temporary Receiver entered the premises at four locations occupied by the Receivership Defendants. At each location the Temporary Receiver met with management or the senior person in charge and took control of the facility including the assets, documents, scripts, price lists, and the electronic and hard copy books and records. The Temporary Receiver interviewed the telemarketers and other supervisors at the marketing locations and interviewed Robyn Mayhan and other corporate personnel at the corporate headquarters. The Temporary Receiver determined operations could not continue legally based upon the scripts and marketing materials located and in use by the telemarketers. Consequently, operations were suspended at all locations.

¹ Reference to the Temporary Receiver in this report means the Temporary Receiver, the Temporary Receiver's Deputies, its staff, and its counsel.

The locations secured and controlled by the Temporary Receiver included three locations in Phoenix at 2201 E. Thomas Road; 2801 N. 24th Street; and 4522 N. 7th Street; and one in Glendale, Arizona at 6530 W. Glendale Avenue. The door locks controlling access to the four facilities were changed and the Temporary Receiver took control of the mail through the U.S. Postal Service.

Receivership Defendants and Affiliated Entities

The Receivership Defendants have used a series of corporate entities, including the four corporate defendants named in this action, to conduct business operations. The Temporary Receiver reviewed public records maintained by the Secretary of State in Arizona as well as corporate documents located at the offices of the Receivership Defendants.

Helping Hands of Hope, Inc. (Helping Hands) was incorporated in Arizona on February 4, 2003. The individual defendant Robyn Mayhan was listed as the sole officer and director. Helping Hands appears to operate as a DBA or subsidiary of Employment Opportunities of America, Inc., and market products to consumers as detailed below.

U.S. Blind Services Inc. (U.S. Blind) was incorporated in Arizona on April 12, 2001. U. S. Blind's sole officer and director is Robyn Mayhan. U. S. Blind markets products to consumers as detailed below.

Employment Opportunities of America, Inc. (EOA) was formed in Arizona on March 9, 2000. Robyn Mayhan is the sole officer and director of EOA. EOA functions as a corporate headquarters entity and does not appear to directly market products to consumers. All corporate headquarters personnel are employed and under the payroll of EOA.

Third Strike Employment, Inc. (Third Strike) was formed in Arizona on May 6, 2002. Robyn Mayhan is the sole officer and director of Third Strike. All telemarketers and supervisors involved in selling products to consumers are paid by this entity.

Bohica Financial Inc. (Bohica) was incorporated in Arizona on April 12, 2001. Robyn Mayhan is the sole officer and director of Bohica. Bohica functions as an in-house collection company, but presents itself as an independent collection agency to consumers who have not paid invoices.

The following entities are owned or otherwise controlled by Robyn Mayhan. The Temporary Receiver has not yet determined to what extent the following entities are affiliated entities under the Order. It is possible that several of these entities served as predecessor companies selling the same or similar products. Some entities appear to

own real estate and may own other assets. The Temporary Receiver will continue to investigate and analyze these entities.

American Veterans Alliance, Inc. was incorporated in Arizona on July 13, 2001. Robyn Mayhan is the sole officer and director of this entity.

Children's Aid Society, Inc. was incorporated in Arizona on September 19, 2003. Robyn Mayhan is the sole officer and director of the Children's Aid Society, Inc.

CRE Group LLC was formed in Arizona on June 13, 2001. Robyn Mayhan is listed as one of the three members of this limited liability company.

Infomercandise, Inc. was incorporated in Arizona on September 12, 2003. Robyn Mayhan is listed as the sole officer and director for this corporation.

Kera Investments LLC was organized in Arizona on November 14, 2007. Robyn Mayhan, Andrea Mayhan, and Edmund Raley are listed as the three members of this limited liability company.

Marquez 203, LLC was organized in Arizona on August 11, 2006. Robyn Mayhan is listed as one of several members of this limited liability company.

Privileged Buyer Products, Inc. (PBP) was incorporated in Arizona on July 17, 2000, listed Robyn Mayhan as the President and CEO. It appears that PBP was dissolved in 2004.

Super Kitty Properties, LLC was organized in Arizona on July 25, 2005. Robyn M. Mayhan is the only name listed in the manager and member section of the Articles of Organization.

Twenty Two Zero One, LLC was formed in Arizona on March 5, 2002 and lists Robyn Mayhan as one of the three members of this limited liability company.

Workers Assistance Corporation was incorporated in Arizona on January 27, 2003. Robyn Mayhan is the sole officer and director of Workers Assistance Corporation.

Telemarketing Operations and Products Offered

Telemarketing, Sales Scripts and Collateral Materials

The Temporary Receiver determined that the telemarketing operation was very similar in the three marketing locations, all of which were dirty and unkempt and contained no worthwhile office equipment or furniture. The supervision of the telemarketers

appears lax and employees appear to be able to call whomever they wish and say practically anything to complete the sales calls. The telemarketing supervisors maintain a short, self-prepared Do Not Call list. The supervisors were not aware of the requirement to subscribe to the Do Not Call list maintained by the Federal Trade Commission. Robyn Mayhan confirmed the companies do not subscribe to the Do Not Call list.

Each week the manager of the sales location picks up lists from the corporate headquarters titled PAIDS, which are consumers who completed a purchase about three months earlier. These names are divided among the telemarketers and apparently are considered the primary sales targets. The company also purchases leads with contact information located across the United States, except for the Southern states. Robyn Mayhan claims the lead supplier filters the purchased leads through the Do Not Call list maintained by the Federal Trade Commission. These leads are downloaded to an auto dialer in each telemarketing location. For the employees not wishing to use the auto dialer the leads are available in hard copy.

According to the sales managers, many of the telemarketers bring their own lists of leads and often trade them with other employees. The Temporary Receiver observed employee-prepared or employee-furnished lists of names at each location. It is apparent that hand-written lists or names from directories have not been filtered through the Do Not Call list.

In each location there were scripts being used by the telemarketers. Many use company-prepared scripts, with different versions referring to the "Disadvantaged" or "Blind or Disabled" persons getting a chance to work. The script further states that, without the consumer's order, "thousands of blind and disabled people would never have a chance to have a job and take care of their families."

Other telemarketers used self-prepared scripts. One script from the Glendale office stated the caller was a "handicapped veteran here at the veteran's workshop for the blind and disabled." That script also states that when a consumer agrees to buy the offered products, the caller, a disabled veteran, is able to provide food, shelter, and medicine for him and his wife.

A person claiming to be a former employee at the Glendale sales room told the Temporary Receiver in a face-to-face interview that he was given two personal identities to use by a supervisor. One was as a veteran with no legs. The other was as a blind veteran that had not worked in 20 years until hired by Helping Hands. The Temporary Receiver did not observe any disabilities with respect to this individual. The person said he quit after making one sale to an elderly woman.

The Temporary Receiver confirmed that telemarketers receive 50% of their verified sales daily in cash, with the balance paid in a weekly payroll check. Many of the

telemarketers elect to be paid as independent contractors, while others complete a form W-2 and are subject to regular withholding.

The company policy is to verify all sales and each sale room has employees whose only function is to verify sales with the customer. However, at the Glendale sales room, a telemarketer stated that one of the verifiers approves orders for her friends without verifying them.

All verifications are supposed to be recorded. The Temporary Receiver located some cassette tapes of recorded verifications at two locations (one had only three tapes), but was unable to determine if all verifications were recorded. However, at the Glendale location the manager and the verifier separately stated that verifications had not been recorded for about one year. When the Temporary Receiver discussed this information with Robyn Mayhan, she was astonished that verifications were not recorded at the Glendale sales room.

After sales over a certain limit are re-verified at the corporate headquarters, the approved sales orders for both U. S. Blind and Helping Hands are forwarded to a fulfillment service in Tucson for packaging and shipment.

The shipments by U.S. Blind include a pamphlet (Tab 1) stating the company's mission is to "promote employment opportunities for the blind and visually impaired." The pamphlet further states that the employees are disabled as defined in the New Americans With Disabilities Act. It further states that the consumer's purchase helps keep workshops open and makes it possible to provide employment for the blind and visually impaired.

The shipments by Helping Hands include a pamphlet (Tab 2) stating the company's mission is to "provide employment opportunities for physically, emotionally and mentally challenged men and women." It further states that the consumer's purchase helps provide employment for the handicapped and disadvantaged. The three employees in the pamphlets giving testimonials are no longer employed by Helping Hands.

An Account Statement Final Notice for four lightbulbs was returned from a consumer with a letter dated May 8, 2008. The Account Statement includes text that says "we...are a private enterprise that sells products that are manufactured and packaged by the blind and visually impaired nationwide." The supplier of the lightbulbs that are sold to consumers is discussed below.

The Temporary Receiver did not observe any handicapped or blind or visually impaired employees at any location. When the Temporary Receiver discussed the two pamphlets with Robyn Mayhan, she stated that both were about four years out of date. At that time, about four years ago, the companies did contract with some

workshops for the blind, but no longer do. The companies do not have the definitions from the New Americans With Disabilities Act and do not define their employees as such.

Ms. Mayhan further informed the Temporary Receiver that the intent of the companies was not to employ the handicapped, but it was to “employ people who are unemployable.” When asked by the Temporary Receiver to define unemployable, Ms. Mayhan declined to do so. The companies’ definition of unemployable may be taken from a posting on the front door of the Glendale location (Tab 3).

Products Offered

Included under Tab 4 is a document titled “MIXED PRODUCT PRICE LIST, PAYSCALE AND DESCRIPTION.” There are 38 products listed ranging in price from \$39.98 to \$179.98. Products include light bulbs, gift certificates, cleaning kits and cleaners, trash bags, Ziploc bags, pepper spray, pens and watches, ceramics, party supplies, knives, the American flag, tools, survival packs, and roadside emergency kits.

However, from talking to employees and telemarketers and reviewing company records, the items sold most often, and for which most scripts are written, are the light bulbs and trash bags. Two of the sales rooms have been promoting the gift certificates, which are described in more detail below.

The price list (Tab 4) shows three lightbulbs are sold for \$54.99 (\$18.33 each), and six lightbulbs are sold for \$87.99. Also included is an invoice dated February 6, 2008 from a supplier, PQL, in Simi Valley, California. PQL sells regular lightbulbs to Helping Hands, with shipment to the fulfillment service, for \$.36 (cents) a piece. The Temporary Receiver has asked PQL to reveal if it employs any handicapped or disabled persons. PQL has not replied to the Temporary Receiver.

The price list under Tab 5 shows that a box containing sixty 15-gallon trash bags or a box containing thirty 33-gallon trash bags are sold for \$79.98, or two boxes for \$149.97. Under Tab 5 is an invoice dated January 24, 2008 from Ace Packaging of Arizona. Ace Packaging sells, with shipment to the fulfillment service, sixty 15-gallon trash bags to Helping Hands for \$5.31 and thirty 33-gallon trash bags for \$4.94. Ace Packaging reports it does not employ any handicapped or disabled persons.

Two of the offices appear to sell a substantial number of gift certificates. The same price list shows the gift certificates may be purchased, and must be prepaid with a credit card or an authorized check, for \$39.99, \$50.99, \$84.99, \$109.99, and \$509.99. The gift certificates are sold in the name of Helping Hands or U.S. Blind. Additional comments about the sale of gift certificates are below.

Complaint Letters and Demands for Refunds

On the day the Temporary Receiver took control of the premises there were three items of certified mail relating to gift certificates. One from a consumer in Richmond, Virginia was addressed to US Blind. The letter stated that the consumer never ordered a gift certificate in the amount of \$509.99 and requested that her credit card be refunded.

Another letter from a consumer in Stansbury, Utah said that two Helping Hands gift certificates, one for \$1,260.00 and another for \$999.99 (a total of \$2,259.99), were not authorized, put him in financial trouble, and he requested the money be put back in his credit card account. He further stated he was a retired worker with only a modest retirement income and was trying to help those with impairments. The gift certificates were sold from two different sales rooms, apparently on the same day, and according to the procedure at the corporate headquarters, were supposedly verified with the consumer.

Another letter was from an attorney in Moscow, Idaho confirming that his client would receive a credit card refund for a Helping Hands gift certificate of \$759.99.

An Account Statement Final Notice for four lightbulbs was returned from a consumer with a letter dated May 8, 2008. The letter stated the consumer had left numerous messages with no response and further stated the lightbulbs were returned unopened before the end of September 2007.

Since the day of control, the U.S. Postal Service has forwarded mail for the Receivership Defendants to the Temporary Receiver's office. The mail includes complaints about unauthorized billings, unauthorized shipments, and improper solicitation of elderly persons for money for over-priced products.

Observation about Gift Certificate Sales

The Temporary Receiver analyzed credit card processing data forwarded by Cardservice International, Inc, the credit card processor for Helping Hands and U.S. Blind. From April 1, 2008 through May 12, 2008 there were 267 transactions processed. Twenty-four of these transactions were greater than \$800, far in excess of the schedules on the price list. Even more disturbing, nine of the sales were greater than \$3,000, ranging from \$3,560, to \$4,560, to \$5,560, and one sale at \$7,560.

The Temporary Receiver believes the details revealed by the record of credit card charges processed, and the content of the letters described above, document that the sale of gift certificates, and taking a credit card for payment, was poorly supervised, not carefully or properly reviewed, and may have resulted in significant unauthorized charges.

Accounting for Financial Results and Consumer Data

The Receivership Defendants use the QuickBooks accounting software for its accounting of operations. The Temporary Receiver has reviewed the QuickBooks records from April 2001 for Helping Hands, and from March 2001 for U.S. Blind. Under Tab 6 are printouts from the Receivership Defendants' QuickBooks profit and loss statements for Helping Hands and U.S. Blind. The Temporary Receiver has determined that all of the financial activities of Helping Hands were recorded on the books titled as EOA. Also, under Tab 6 is the Temporary Receiver's combination of both companies' account balances detailing selected categories. On a combined basis for about seven years ended May 13, 2008, the operation has been marginally profitable. Even though net sales for about seven years were approximately \$28.8 million, and the product purchase cost was only approximately \$2.6 million, or 9.0% of net sales, net income before taxes was merely \$178,913.

Telemarketer expenses were about \$13.1 million, or nearly five times the cost of the products sold to the consumers. Other shipping and fulfillment expenses totaled approximately \$3.6 million, resulting in a gross profit of \$9.5 million or 33% of net sales, compared to the 91% of sales remaining after the product cost. Bad debt expense of \$2.3 million, telephone expense of \$962,000, and other overhead expenses, primarily headquarters payroll, consumed all of the gross profit of \$9.5 million except for \$178,913 or 0.63% of net sales. Since FY 2006, QuickBooks records document a rapid decline in sales, resulting in a loss for the FY 2007 of \$759,000.00. The final results are not yet available for FY 2008.

The company uses an order fulfillment and verification database system for order entry to document all consumer sales data, including the collection or the write-off of consumer receivables. The database system began in October 2002 and does not fully cover the same period as the QuickBooks financial accounting system. To confirm that the cash reported as collected on the database system was entered into the QuickBooks accounting system, certified public accountants who are staff members of the Temporary Receiver compared the two systems for the five calendar years from 2003 through 2007.

The data for Helping Hands confirmed that of about \$11.0 million of net sales, the difference between the two systems was \$402,000, or 3.7%, with the larger amount reported in the QuickBooks system. The data for U. S. Blind confirmed that of about \$8.5 million of net sales, the difference between the two systems was \$340,000, or 4.0%, with the larger amount reported in the QuickBooks system.

With the information reviewed from both systems at this date, the Temporary Receiver believes the comparison shows that the cash collected from consumers has been recorded in the accounting system.

Charitable Contributions

The books and records of the Receivership Defendants reflect that a total of \$61,303.15 was donated to charity over the life of the companies, of which \$19,400 was donated to Children's Aide Society and the remainder was to various entities with none over \$10,000.

Bank Accounts & Cash Seized

The Temporary Receiver served the Order on five financial institutions. To date the institutions have reported they are holding a total of \$21,720.94 for the Temporary Receiver. In addition, the Temporary Receiver took control of \$7,458.11 in cash from the Receivership Defendants' premises.

Credit Card Merchant Processor Reserve Accounts

Under Tab 7 is a letter dated May 12, 2008 from Cardservice International, Inc. addressed to Helping Hands of Hope terminating the credit card merchant processing agreement. Also, under Tab 7 is a May 20, 2008 letter from Cardservice International, Inc. addressed to the Temporary Receiver. Cardservice International, Inc. is holding \$145,732.49 as reserves against potential future credit card chargebacks initiated by consumers. It is not clear at this time how much, if any, of these funds will be turned over to the Temporary Receiver.

Other Assets

The Temporary Receiver will continue to review corporate and public records to locate any other assets, including possible real property, of the Receivership Defendants and affiliates.

Respectfully submitted,

/s/

Robb Evans and
Robb Evans & Associates LLC
Temporary Receiver

TAB 1

PRODUCTS

The Ladies Hand-Painted Scarf S is 10" x 38". It has variegated shades from apricot to peach with hand painted oriental flowers in purple, pink and green.

S S \$ 59.99 2-S \$119.98 3-S \$179.97

Greeting Cards GC come 24 to a package. Suitable for all your holiday occasions.

GC \$49.99 2-GC \$99.98 3-GC \$149.97

The Duffle Bag DB is an extra-large sports bag made of durable water resistant nylon. It has plenty of pockets for all of your needs.

DB \$69.99 2-DB \$139.98 3-DB \$209.97

The Field Goggles EG are binoculars that include a carrying case and covers. They view 7 x 35.

EG \$99.99 2-FG \$199.98 3-FG \$299.97

Notice of Cancellation

1. You may cancel this order without any penalty or obligation within three business days from the delivery of the merchandise or premium (gift, bonus, prize or award), whichever is later.
2. If you cancel, any payments made by you will be returned within ten days after the receipt by the seller of your notice of cancellation.
3. To cancel this transaction, mail or deliver a signed and dated copy of your cancellation notice or send a telegram to the company whose name and address appear on the accompanying invoice and shipping label.
4. If you cancel, any merchandise or premium delivered to you must be returned at your expense to the company whose name and address appear on the accompanying invoice and the shipping label, no later than twenty-one business days after the receipt of this merchandise or premium, whichever is later.



Customer Service:
(877) 664-4007

U.S. Blind Services
P.O. Box 15100
Phoenix, AZ 85060-5100

USBLIND SERVICES

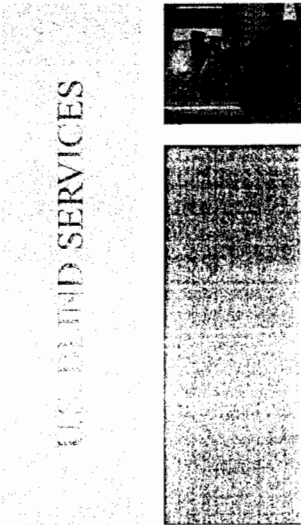
"Seeing the light thru giving."

Dear Valued Customer,

Thank you for your interest in US Blind Services. We are not a charity or a non-profit organization, but a for-profit company whose mission is to:

- Promote employment opportunities for the blind and visually impaired.
- Promote public awareness of the contributions and achievements of the blind and visually impaired.
- Impart a feeling of accomplishment and self-esteem in those less fortunate than ourselves.
- Demonstrate leadership in the corporate environment by proving that blending business and a social conscience can be productive and profitable.

The individuals we employ are disabled; as defined in the New Americans With Disabilities Act. We provide extensive training to our employees so they can be self-supporting and productive in the business environment rather than a dependent of our welfare system. Your purchase not only provides you with a useful product, but also helps keep our workshops open and makes it possible for us to provide employment for the blind and visually impaired.



I have worked for U.S. Blind Services for one year now. I have Schizophrenic Affective, a mental disorder that I take medication for. Before coming to work here, I could not hold a job, nor was I self supporting in any way. I have been taught a variety of office, and social skills. Now I am able to take care of my daughter and me. At one point, life seemed pretty hopeless, and I had given up. U.S. Blind Services has given me a chance to prove that I can hold a job and be a responsible person. Thanks to our entire customer support! It's because of you that so many people are able to become part of the mainstream of life.

- Cathy

I appreciate the opportunity that U.S. Blind Services has given me to work and take care of myself. I have had eye surgery twice with no results, but am not giving up. I will continue to take advantage of any new medical opportunities to regain my sight. Recently while crossing the street in a crosswalk, I was hit by a car in a hit and run accident. U.S. Blind Services has been very understanding, allowing me to work when I'm physically able to. Today I am a tax-paying citizen instead of a liability. I feel good about my life and myself today and am very grateful to our customers for all their support.

- Matthew



PRODUCTS

Lightbulbs **LB** - clear or frosted: 25, 40, 60, 75 & 100 watts. 3-way 30/70/100 or 50/100/150 frosted only - add \$1 per bulb. Guaranteed for 10 years with free replacement.
3-LB \$45.00 4-LB \$56.00 6-LB \$78.00

Citrus Sensation Cleaner **CS** is a concentrated cleaner that is made from the oils of oranges & other citrus fruits. It will degrease and shine. Highly concentrated! 32 oz.
CS \$59.99 2-CS \$119.98 3-CS \$179.97

The Cleaning Kit **CK** contains one bottle of cleaner, one cleaning towel, your choice of air freshener and your choice of trash bags.
CK \$159.99 2-CK \$319.98 3-CK \$479.97

Trash Bags - opaque or black. 15 gal office 60 per box **TB15C** or **TB15B**, 33 gal kitchen 30 per box **TB33C** or **TB33B**, 45 gal lawn/leaf (black only) 20 per box **TB45B**.
TB \$69.99 2-TB \$139.98 3-TB \$209.97

Freezer Bags -

ZLL - 100, 8"x8", quart sized freezer storage bags
ZLS - 50, 9"x12", 1/2 gallon sized freezer storage bags
ZL \$59.99 2-ZL \$119.98 3-ZL \$179.97

US Blind Pin GAP is a lapel pin with a symbol of an angel.

GAP \$29.99 2-GAP \$59.98 3-GAP \$89.97

The Ladies' and Men's Watch Sets **LAW** contains 2 versions of a similar watch, one for men and one for women. They are made by Denacci and have quartz movement.

LMW \$119.99 2-LMW \$239.98 3-LMW \$359.97

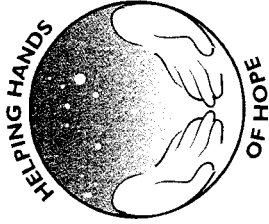
Candle Set **CAN** set of three natural soy wax candles in strawberries & cream, blackberry cobbler, and blueberry muffin with decorative fruit scene topper.

CAN \$129.99 2-CAN \$259.98 3-CAN \$389.97

The American Flag **FLG** is 3'x5' made of polyester with reinforced eyes for display. *Does not include pole.*

FLG \$49.99 2-FLG \$99.98 3-FLG \$149.97

TAB 2



Dear Valued Customer,

Thank you for your interest in helping hands of hope. We are not a charity or a non-profit organization, but a for-profit company whose mission is to:

- Provide employment opportunities for physically, emotionally and mentally challenged men and women in an atmosphere tailored to utilize their individual talents.
- Promote public awareness of the contributions and achievements of the disabled and disadvantaged.
- Impart a feeling of accomplishment and self esteem in those less fortunate than ourselves.
- Demonstrate leadership in the corporate environment by proving that blending business and a social conscious can be productive and profitable.

The individuals we employ are disabled as defined in the New Americans With Disabilities Act. We provide extensive training to our employees so they can be self-supporting and productive in the business environment rather than a dependant of our welfare system. Your purchase not only provides you with a useful product, but also helps provide employment for the handicapped and disadvantaged.

Notice of Cancellation

1. You may cancel this order without any penalty or obligation within three business days from the delivery of the merchandise or premium (gift, bonus, prize or award), whichever is later.
2. If you cancel, any payments made by you will be returned within ten days after the receipt by the seller of your notice of cancellation.
3. To cancel this transaction, mail or deliver a signed and dated copy of your cancellation notice or send a telegram to the company whose name and address appear on the accompanying invoice and shipping label.
4. If you cancel, any merchandise or premium delivered to you must be returned at your expense to the company whose name and address appear on the accompanying invoice and the shipping label, no later than twenty-one business days after the receipt of this merchandise or premium, whichever is later.

Customer Service:
(877) 664-0007

Helping Hands of Hope
P.O. Box 80380
Phoenix, AZ 85060-0380



Helping Hands of Hope

Success Stories



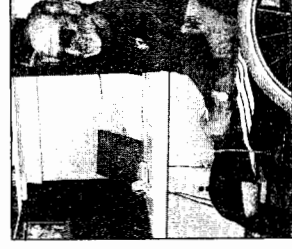
Hi, my name is Francine. I was raised in an old fashioned comfortable way. Life was good until the age of 14, then my life began to change. The only things that seemed to matter were parties, drugs and boyfriends. I moved to Arizona in 1991 in hopes of a better life, but things didn't go as I had planned. I continued using drugs and had lost all control of my life. I lost all 3 of my children, my family and any self-respect I may have had left. At this point I really didn't feel that I was employable, and probably wasn't, but Helping Hands of Hope gave me a chance. Two years later I'm still employed here and I don't use drugs anymore! I attend counseling during business hours and they actually encourage me to do so. I have learned customer service, phone, and computer skills since I have been here. I am actually a valued employee. Today I have my children and family back in my life, a good job, and a future full of hope.

— Francine



My name is Garen. I have been diagnosed with the physical illness of Bilateral Avascular Neuroses. I have already had a total right hip replacement and will require future surgical procedures. I also have been crippled with the disease of addiction, which left me hopeless, jobless, spiritually and emotionally bankrupt most of my adult life. Not until the Helping Hands of Hope reached out to me and offered me employment did my life begin to change. I have been here for a year now, actually one of the first times in my life that I have ever been able to hold a job. I have been taught various office and people skills, and am actually a supervisor now! As a direct result of our customers support and Helping Hands of Hope I'm on the right path to success.

— Garen



Helping Hands of Hope has given me a reason to get up in the morning. In 1971 I received an honorable discharge from the United States Navy, after being paralyzed from the waist down. I have since had both of my legs amputated. Because of my health I am only able to work part-time. I graduated Arizona State University in 1984 with a Bachelor of Science in Therapeutic Recreation. Helping Hands of Hope has given me a job with a flexible schedule and I am able to be self-supporting. Today I can get up and get the job done, which makes me feel more like a human being. Thanks to so many people for making this possible.

— Dean

TAB 3

HELPING HANDS of HOPE WHANTS YOU!

Employment Opportunities

We Are Seeking Highly Motivated People

TRAINING AVAILABLE

Felony Record	NO PROBLEM
Probation	NO PROBLEM
A.F.D.C.	NO PROBLEM
Homeless	NO PROBLEM
Single Parent	NO PROBLEM
Just Can't Find a Job	NO PROBLEM
Problems	NO PROBLEM
Alcohol Use	NO PROBLEM
Drug History	NO PROBLEM

**Learn To Earn Between
\$400.00 to \$1000.00 + per Week**

EASILY

CALL 623-847-4457

TAB 4

MIXED PRODUCT PRICE LIST, PAYSCALE AND DESCRIPTION

ALL PACKAGES SUBJECT TO \$9.99 SHIPPING AND HANDLING FEE

LB - Lightbulbs - clear or frosted: 25, 40, 60, 75 & 100 watts
3-way 30/70/100 or 50/100/150 frosted only - add \$1 per bulb
guaranteed for 10 years with free replacement

ITEM PRICE UNITS
BULBS 3
\$ 57.99
4

BULBS 4
\$ 65.99
4

BULBS 6
\$ 87.99
6

BULBS 7+1
\$ 105.99
7

LIGHTBULBS 8+2
\$ 119.99
8

ITEM PRICE UNITS
BULBS 9+3
\$ 129.99
9

BULBS 11+4
\$ 147.99
11

BULBS 15+5
\$ 169.99
15

BULBS 30+10
\$ 289.99
30

**ADD OVER 40 PACK
EACH SET 4 BULBS
\$40.00
4**

GCERT - The Gift Certificate can be used to purchase any of our products, given to friends and can be donated to any organization as a tax deductible donation. **PREPAID ONLY!**

ITEM PRICE UNITS
GIFT CERT
\$ 39.99
3

GIFT CERT
\$ 59.99
5

GIFT CERT
\$ 87.99
7

GIFT CERT
\$ 109.99
10

GIFT CERT
\$ 509.99
50

CK - The Cleaning Kit contains one bottle of cleaner, one cleaning towel, your choice of air freshener and your choice of trash bags.

ITEM PRICE UNITS
CLEANING KIT
\$ 169.98
14

CLEANING KIT 2
\$ 329.97
28

CLEANING KIT 3
\$ 489.96
42

CLEANING KIT 4
\$ 649.95
56

CLEANING KIT 5
\$ 809.94
70

IB - Trash bags - white or black. 15 gal office 60 per box **IB15C** or **IB15B**, 33 gal kitchen 30 per box **IB33C** or **IB33B**. 45 gal lawn/leaf (black only) 20 per box **IB45B**

ITEM PRICE UNITS
IB
\$ 79.98
5

IB 2
\$ 149.97
10

IB 3
\$ 219.96
15

IB 4
\$ 289.95
20

IB 5
\$ 359.94
25

ZLL - 100, 8"x8", quart sized freezer storage bags
ZLS - 50, 9"x12", 1/2 gallon sized freezer storage bags

ITEM PRICE UNITS
ZL
\$ 69.98
4

ZL 2
\$ 129.97
8

ZL 3
\$ 189.96
12

ZL 4
\$ 249.95
16

ZL 5
\$ 309.94
20

APC - All Purpose Cleaner is a 32 oz. bottle of super-concentrated cleaner/degreaser that works on almost anything.

ITEM PRICE UNITS
APC 1
\$ 79.98
5

APC 2
\$ 149.97
10

APC 3
\$ 219.96
15

APC 4
\$ 289.95
20

APC 5
\$ 359.94
25

CS - Citrus Sensation Cleaner is a concentrated cleaner that is made from the oil of oranges & other citrus fruits it will degrease and shine. Highly concentrated!

ITEM PRICE UNITS
CITRUS
\$ 69.98
4

CITRUS 2
\$ 129.97
8

CITRUS 3
\$ 189.96
12

CITRUS 4
\$ 249.95
16

CITRUS 5
\$ 309.94
20

GAP - US Blind Pin is a label pin with a symbol of four linked hands in a gold color.

ITEM PRICE UNITS
PIN
\$ 39.98
1

PIN 2
\$ 69.97
2

PIN 3
\$ 99.96
3

PIN 4
\$ 129.95
4

PIN 5
\$ 159.94
5

HHP - Helping Hands Pin is a lapel pin with a symbol of four linked hands in a gold color.

ITEM	PRICE	UNITS	PIN 1	PIN 2	PIN 3	PIN 4	PIN 5
	\$39.98	1	\$69.97	\$99.96	\$129.95	\$159.94	\$189.93
			2	3	4	5	5

RPS - Red Pepper Spray contains uv dye for identification by police, sprays up to 8 ft, works on animals and people. illegal to take to the airport or if used with criminal intent.

ITEM	PRICE	UNITS	RPS 1	RPS 2	RPS 3	RPS 4	RPS 5
	\$49.98	3	\$109.97	\$159.96	\$209.95	\$259.94	\$309.93
			6	9	12	15	15

DPS - The deluxe pen set is a set of four pens, fountain, roller pen, message pen, and checkbook pen. The set comes in a leather bound case with a refill pack of 5 refills for each pen, plus 2 batteries for the message pen.

ITEM	PRICE	UNITS	DELUXE PEN	DELUXE PEN 2	DELUXE PEN 3	DELUXE PEN 4	DELUXE PEN 5
	\$99.98	7	\$189.97	\$279.96	\$369.95	\$459.94	\$549.93
			14	21	28	35	35

GC - Greeting Cards come 24 to a package. Suitable for special occasions and holidays.

ITEM	PRICE	UNITS	GREETING CARDS	GREETING CARDS 2	GREETING CARDS 3	GREETING CARDS 4	GREETING CARDS 5
	\$59.98	3	\$109.97	\$159.96	\$209.95	\$259.94	\$309.93
			6	9	12	15	15

WIN - The Winnie the Pooh and Friends Statues are a variety of collector's item ceramic statues from the Walt Disney Collection. They retail for over \$150 in the Magic Kingdom.

ITEM	PRICE	UNITS	POOH & TIGGER	POOH & TIGGER 2	POOH & TIGGER 3	POOH & TIGGER 4	POOH & TIGGER 5
	\$109.98	8	\$209.97	\$309.96	\$409.95	\$509.94	\$609.93
			16	24	32	40	40

CI - Miracle Cleaning Towel cleans and polishes with lemon oil. Great for copper, brass, silver, metals, removes heat rings from wood, starch from iron, and scuff marks from tile.

ITEM	PRICE	UNITS	CLEANING TOWEL	CLEANING TOWEL 2	CLEANING TOWEL 3	CLEANING TOWEL 4	CLEANING TOWEL 5
	\$49.98	2	\$89.97	\$129.96	\$169.95	\$209.94	\$249.93
			4	6	8	10	10

PP - The Party Pac is an assorted box of 206 party supplies. It contains: balloons, banners, horns, candles, streamers, cups, utensils, hats, crowns, invitations, baggies, plates and more.

ITEM	PRICE	UNITS	PARTY PAC	PARTY PAC 2	PARTY PAC 3	PARTY PAC 4	PARTY PAC 5
	\$79.98	6	\$149.97	\$219.96	\$289.95	\$359.94	\$429.93
			12	18	24	30	30

DB - The Duffie Bag is an extra large sports bag made of durable water resistant nylon. It has plenty of pockets for all of your needs.

ITEM	PRICE	UNITS	DB	DB 2	DB 3	DB 4	DB 5
	\$79.98	5	\$149.97	\$219.96	\$289.95	\$359.94	\$429.93
			10	15	20	25	25

FG - The Field Goggles are binoculars that include a carrying case and covers. They view 7 x 35.

ITEM	PRICE	UNITS	FG	FG 2	FG 3	FG 4	FG 5
	\$109.98	8	\$209.97	\$309.96	\$409.95	\$509.94	\$609.93
			16	24	32	40	40

SEP - The Survival Fanny Pac is a durable pouch which serves as a mini survival kit. It contains a flashing light, clip light, whistle, sewing kit, multi-function tool, poncho, compass, mirror & more

ITEM	PRICE	UNITS	FANNY PAC	FANNY PAC 2	FANNY PAC 3	FANNY PAC 4	FANNY PAC 5
	\$139.98	11	\$269.97	\$399.96	\$529.95	\$659.94	\$789.93
			22	33	44	55	55

SPA - The Spinning Photo Album is a sterling silver photo carousel. It holds 12 3"x5" photos.

ITEM	PRICE	UNITS	PHOTO SPINNER	PHOTO SPINNER	PHOTO SPINNER	PHOTO SPINNER	PHOTO SPINNER
	\$ 109.98	8	\$ 209.97	\$ 309.94	\$ 409.95	\$ 509.94	
		6	16	24	32	40	

TEE - The All-American Tee Shirts are a set of two white tee shirts with red, white and blue flag and eagle patterns. They are in a one-size-fits-all (approx. Mens XL).

ITEM	PRICE	UNITS	Tee-Shirts	Tee-Shirts	Tee-Shirts	Tee-Shirts
	\$ 89.98	6	\$ 169.97	\$ 249.96	\$ 329.95	\$ 409.94
		4	8	12	16	20

FX - Fire Extinguisher - 22 oz kitchen size. A and B fires only. Not for use on electrical fires. Do not sell in CA or TX.

ITEM	PRICE	UNITS	FIRE X 1	FIRE X 2	FIRE X 3	FIRE X 4	FIRE X 5
	\$ 69.98	4	\$ 129.97	\$ 189.96	\$ 249.95	\$ 309.94	
		4	8	12	16	20	

AF - Air Freshner is 2-8 oz. spray bottles, environmentally friendly. **AFV** - cinnamon, **AFV** - vanilla, **AFS** - spearmint **AFR** - regular/potpouri, **AFL** - Lemon, **AFP** - peach

ITEM	PRICE	UNITS	AIR FRESHNER 1	AIR FRESHNER 2	AIR FRESHNER 3	AIR FRESHNER 4	AIR FRESHNER 5
	\$ 69.98	4	\$ 129.97	\$ 189.96	\$ 249.95	\$ 309.94	
		4	8	12	16	20	

WC - Windchimes are 13-20 inches long, hand painted metal **WCA** - angel, **WCB** - butterfly, **WCL** - heart **WCH** - hummingbird/flower

ITEM	PRICE	UNITS	WIND CHIME 1	WIND CHIME 2	WIND CHIME 3	WIND CHIME 4	WIND CHIME 5
	\$ 69.98	4	\$ 129.97	\$ 189.96	\$ 249.95	\$ 309.94	
		4	8	12	16	20	

AOG - All Occasion Gift-Wrap_includes 24 cards & envelopes, and 10 sheets of gift wrap. Suitable for any occasion.

ITEM	SALES	UNITS	AOG 1	AOG 2	AOG 3	AOG 4	AOG 5
	\$ 69.98	4	\$ 129.97	\$ 189.96	\$ 249.95	\$ 309.94	
		4	8	12	16	20	

K - The Kitchen Knife Set contains 7 precision blades, 1 knife sharpener, 1 roast fork, 1 cutting board and 1 pair of kitchen shears

ITEM	PRICE	UNITS	KNIFE	KNIFE 2	KNIFE 3	KNIFE 4	KNIFE 5
	\$ 89.98	6	\$ 169.97	\$ 249.96	\$ 329.95	\$ 409.94	
		6	12	18	24	30	

SMD - The Soup Mug Duo is a set of two heavy soup mugs that are oven and dishwasher safe. They are decorated with country patterns.

ITEM	PRICE	UNITS	SOUP MUG DUO	SOUP MUG DUO 2	SOUP MUG DUO 3	SOUP MUG DUO 4	SOUP MUG DUO 5
	\$ 69.98	4	\$ 129.97	\$ 189.96	\$ 249.95	\$ 309.94	
		4	8	12	16	20	

FLG - The American Flag is 3'x5' made of polyester with reinforced eyes for display. Does not include pole.

ITEM	PRICE	UNITS	FLAG	FLAG 2	FLAG 3	FLAG 4	FLAG 5
	\$ 59.98	3	\$ 109.97	\$ 159.96	\$ 209.95	\$ 259.94	
		3	6	9	12	15	

HB - The handy-man's tool belt is a padded wrap-around back support, attachable nail bag, tape measure holder, tape roll ring, and drill holster. Padded belt for comfort.

ITEM	PRICE	UNITS	HANDYMAN BELT	HANDYMAN BELT 2	HANDYMAN BELT 3	HANDYMAN BELT 4	HANDYMAN BELT 5
	\$ 109.98	8	\$ 209.97	\$ 309.96	\$ 409.95	\$ 509.94	
		8	16	24	32	40	

BBB - The Bath and Body Kits are an assortment of bath products in an attractively arranged case or basket. They contain: soap, body lotion, scrubbers, bath gel and much more.	BATH & BODY 1 ITEM PRICE UNITS \$ 459.94 35	BATH & BODY 2 ITEM PRICE UNITS \$ 189.97 14	BATH & BODY 3 ITEM PRICE UNITS \$ 279.96 21	BATH & BODY 4 ITEM PRICE UNITS \$ 359.96 28	BATH & BODY 5 ITEM PRICE UNITS \$ 459.94 35
WW - The Weekly Weeder is a handy kit for gardening. It includes a yellow durafoam kneeling pad and a 16" ergonomic garden tool which can be a trowel, rake, seeder and measurer.	WEEKLY WEED 1 ITEM PRICE UNITS \$ 79.98 5	WEEKLY WEED 2 ITEM PRICE UNITS \$ 149.97 10	WEEKLY WEED 3 ITEM PRICE UNITS \$ 219.96 15	WEEKLY WEED 4 ITEM PRICE UNITS \$ 289.96 20	WEEKLY WEED 5 ITEM PRICE UNITS \$ 359.94 25
LMW - The Ladies' and Men's Watch Sets contains 2 versions of a similar watch, one for men and one for women. They are made by Denacci and have quartz movement.	WATCHES 1 ITEM PRICE UNITS \$ 129.98 10	WATCHES 2 ITEM PRICE UNITS \$ 249.97 20	WATCHES 3 ITEM PRICE UNITS \$ 369.96 30	WATCHES 4 ITEM PRICE UNITS \$ 489.95 40	WATCHES 5 ITEM PRICE UNITS \$ 609.94 50
CAN - Candle Set is a set of three natural soy wax candles in strawberries & cream, blackberry cobbler, and blueberry muffin with decorative fruit scene topper.	Candle Set 1 ITEM PRICE UNITS \$ 129.98 11	Candle Set 2 ITEM PRICE UNITS \$ 269.97 22	Candle Set 3 ITEM PRICE UNITS \$ 399.96 33	Candle Set 4 ITEM PRICE UNITS \$ 529.95 44	Candle Set 5 ITEM PRICE UNITS \$ 659.94 55
S - The Ladies Hand-Painted Scarf is 10" x 38". It is variegated shades from apricot to peach with hand painted oriental flowers in purple, pink and green.	SCARF 1 ITEM PRICE UNITS \$ 69.98 4	SCARF 2 ITEM PRICE UNITS \$ 129.97 8	SCARF 3 ITEM PRICE UNITS \$ 189.96 12	SCARF 4 ITEM PRICE UNITS \$ 249.95 16	SCARF 5 ITEM PRICE UNITS \$ 309.94 20
SCW - The Super-Cling Wrap is 12" wide and 600 linear ft per roll. It clings better than any product on the supermarket shelf.	CLING WRAP 1 ITEM PRICE UNITS \$ 99.98 7	CLING WRAP 2 ITEM PRICE UNITS \$ 189.96 14	CLING WRAP 3 ITEM PRICE UNITS \$ 279.96 21	CLING WRAP 4 ITEM PRICE UNITS \$ 369.95 28	CLING WRAP 5 ITEM PRICE UNITS \$ 459.94 35
GLB - The Silver Musical Globe is a precious sterling silver globe that contains a Noah's arc caricature with glittery snow. It plays "It's a Small World" as the animals on the base rotate.	MUSIC GLOBE 1 ITEM PRICE UNITS \$ 129.98 10	MUSIC GLOBE 2 ITEM PRICE UNITS \$ 249.97 20	MUSIC GLOBE 3 ITEM PRICE UNITS \$ 369.96 30	MUSIC GLOBE 4 ITEM PRICE UNITS \$ 489.95 40	MUSIC GLOBE 5 ITEM PRICE UNITS \$ 609.94 50
PIG - The Piggy Bank is an adorable plush black and white cow. It has a slot on the back for storing coins and a removable bottom for retrieval.	PIGGY BANK 1 ITEM PRICE UNITS \$ 79.98 4	PIGGY BANK 2 ITEM PRICE UNITS \$ 129.97 8	PIGGY BANK 3 ITEM PRICE UNITS \$ 189.96 12	PIGGY BANK 4 ITEM PRICE UNITS \$ 249.95 16	PIGGY BANK 5 ITEM PRICE UNITS \$ 309.94 20
TOOL - The Mechanics Tool Set is a 102 piece set in a zippered storage case. It includes 54 sockets, 30 driver bits, magnetic screwdriver, hex keys and more. SAE AND METRIC.	TOOL 1 ITEM PRICE UNITS \$ 139.98 11	TOOL 2 ITEM PRICE UNITS \$ 269.97 22	TOOL 3 ITEM PRICE UNITS \$ 399.96 33	TOOL 4 ITEM PRICE UNITS \$ 529.95 44	TOOL 5 ITEM PRICE UNITS \$ 659.94 55
REK - The Roadside Emergency Kit has 31 pieces and comes in a hardshell carrying case. It includes jumper cables, screwdrivers, tire pressure gauge, nut driver set, pliers, work gloves, electrical tape, and 12 assorted fuses.	ROAD KIT 1 ITEM PRICE UNITS \$ 179.98 15	ROAD KIT 2 ITEM PRICE UNITS \$ 349.97 30	ROAD KIT 3 ITEM PRICE UNITS \$ 519.96 45	ROAD KIT 4 ITEM PRICE UNITS \$ 689.95 60	ROAD KIT 5 ITEM PRICE UNITS \$ 859.94 75

TAB 5



4012 West Turney Avenue
 Suite B-3
 Phoenix, AZ 85019

Invoice

Date	Invoice #
1/24/2008	97295

Bill To
Helping Hands of Hope 2201 East Thomas Road Phoenix, AZ 85016

Ship To
Fulfillment Services 6874 S. Palo Verde Rd Suite 160 Tucson, AZ 85706 RECEIVING OPENS @ 8AM

P.O. No.	Terms	Rep	FOB
	Net 10	ML	EXPRESS IT

Description	Qty	Price	Per	Amount
9 x 12 .002 Clear Ziplock Bags 50 Bags per Box	50	2.23	SET	111.50
8 x 8 .002 Clear Ziplock Bags 100 Bags per Box	200	2.76	SET	552.00
Fold Up Printed Cartons	250	0.00		0.00
LTP243375WG60 15 Gallon White .75 Mil Low Density Tie Tie Can Liners 60/RL	250	5.31	ROLL	1,327.50
LTP243375EG60 15 Gallon Black .75 Mil Low Density Tie Tie Can Liners 60/RL	500	5.31	ROLL	2,655.00
LTP32GA95EG3 33 Gallon Black 1 Mil Low Density Tie Tie Can Liners 30/RL	200	4.94	ROLL	988.00
Large Size Can Liner Carton	950	0.00		0.00
Generic Cling Wrap. 12" x 600' Cling Wrap with Label & Dispenser Box	100	7.02	EACH	702.00
20 x 20 200# Kraft Pads	300	0.26	SHEET	78.00

Total	
THANK YOU FOR YOUR BUSINESS!	
Payments/Credits	
Balance Due	

Phone #	Fax #
602-272-7231	602-272-7743

TAB 6

HELPING HANDS OF HOPE, INC. AND U.S. BLIND SERVICES, INC.
(Under Temporary Receivership of Robb Evans and Robb Evans & Associates LLC
Commencing May 13, 2008)

REPORTING OF CERTAIN ACCOUNTS ON THE COMBINED BASIS

	Per Defendants' QuickBooks				Per Court Report
	Helping Hands	U.S. Blind	Combined		
Total Income	\$ 17,920,904.76	\$ 13,847,937.05	\$ 31,768,841.81		
Returns	<u>(1,655,769.96)</u>	<u>(1,334,715.66)</u>	<u>(2,990,485.62)</u>		
	<u>\$ 16,265,134.80</u>	<u>\$ 12,513,221.39</u>	<u>\$ 28,778,356.19</u>	Net sales	<u>\$28.8 million</u>
Product Cost (under Cost of Goods Sold)	<u>\$ 2,119,639.48</u>	<u>\$ 440,473.91</u>	<u>\$ 2,560,113.39</u>	Product purchase cost	<u>\$2.6 million</u>
Net Income	<u>\$ (134,296.41)</u>	<u>\$ 313,209.46</u>	<u>\$ 178,913.05</u>	Net income before taxes	<u>\$178,913</u>
Distributors (under Cost of Goods Sold)	<u>\$ 7,926,551.84</u>	<u>\$ 5,162,649.21</u>	<u>\$ 13,089,201.05</u>	Telemarketer expenses	<u>\$13.1 million</u>
Total Cost of Goods Sold	\$ 13,601,204.14	\$ 5,663,785.76	\$ 19,264,989.90		
Less:					
Total Distributors	(7,926,551.84)	(5,162,649.21)	(13,089,201.05)		
Product Cost	<u>(2,119,639.48)</u>	<u>(440,473.91)</u>	<u>(2,560,113.39)</u>		
	<u>\$ 3,555,012.82</u>	<u>\$ 60,662.64</u>	<u>\$ 3,615,675.46</u>	Other shipping and fulfillment expenses	<u>\$3.6 million</u>
Total Bad Debt to BOA	<u>\$ 1,201,067.06</u>	<u>\$ 1,075,282.49</u>	<u>\$ 2,276,349.55</u>	Bad debt expense	<u>\$2.3 million</u>
Total Telephone Expense	<u>\$ 961,584.80</u>	<u>\$ -</u>	<u>\$ 961,584.80</u>	Telephone expense	<u>\$962,000</u>

**Employment Opportunities Of America
Profit & Loss
January 1, 2000 through May 14, 2008**

	Apr '00 - Mar 01	Apr '01 - Mar 02	Apr '02 - Mar 03	Apr '03 - Mar 04	Apr '04 - Mar 05	Apr '05 - Mar 06	Apr '06 - Mar 07	Apr '07 - Mar 08	Apr 1 - May 14, 08	TOTAL
Ordinary Income/Expense										
Income										
Product Income	-	2,690,768.30	2,769,861.42	1,371,296.06	2,536,989.93	3,939,453.73	2,965,722.19	-	-	16,274,091.63
Deposits Clearing	-	-	-	4,328.23	(54,127.28)	(26,375.76)	116,144.84	2,076,086.51	173,909.80	2,289,966.34
NON CC Payments	-	-	-	-	-	-	-	(59.99)	-	(59.99)
CC Payments	-	-	-	-	-	-	-	(160.73)	-	(160.73)
Chargebacks	-	-	-	-	-	-	-	(1,359.92)	(3,293.95)	(4,653.87)
Write-offs	-	-	-	-	-	-	(5,701.33)	-	-	(5,701.33)
Credits	-	2,138.79	(6,763.42)	(3,359.38)	(9,403.79)	(28,659.98)	(340,565.25)	(49.99)	-	(232,266.73)
Refunds	-	2,692,907.09	2,763,098.00	1,372,264.91	2,473,458.86	3,884,417.99	2,503,383.71	(13,697.53)	-	(400,310.96)
Total Income	-	2,692,907.09	2,763,098.00	1,372,264.91	2,473,458.86	3,884,417.99	2,503,383.71	2,060,758.35	170,615.85	17,920,904.76
Cost of Goods Sold										
Distributors										
Distributors - Other	-	1,460,976.99	1,793,418.30	645,819.59	876,692.72	1,102,770.25	1,046,207.52	887,900.00	65,175.00	7,878,960.37
Halfway Houses	-	358,193.74	556,137.15	284,905.23	376,196.24	319,064.33	157,467.97	211,629.82	26,691.47	2,290,285.95
Due From John Gray	-	279,198.33	423,399.76	193,792.04	327,635.48	368,407.86	363,802.40	153,476.96	9,926.65	2,119,639.48
Due From THERESA Pappas	-	-	-	-	-	51,313.25	282,354.82	44,921.69	-	378,569.76
Total Distributors	-	1,460,976.99	1,802,317.02	663,063.22	898,141.84	1,102,770.25	1,046,207.52	887,900.00	65,175.00	7,926,551.84
Postage & Delivery	-	358,193.74	556,137.15	284,905.23	376,196.24	319,064.33	157,467.97	211,629.82	26,691.47	2,290,285.95
Product Cost	-	279,198.33	423,399.76	193,792.04	327,635.48	368,407.86	363,802.40	153,476.96	9,926.65	2,119,639.48
warehouse-outsourced	-	-	-	-	-	51,313.25	282,354.82	44,921.69	-	378,569.76
Packaging Supplies	-	89,625.04	76,480.75	31,389.75	33,617.07	72,948.10	351.00	-	-	304,411.71
Warehouse Department Labor	-	79,739.39	95,242.56	24,256.89	52,728.82	21,892.46	4,499.47	5,686.90	536.50	284,562.79
Contract Labor	173.52	614.00	(1,184.65)	46,834.15	86,972.44	67,382.48	22,812.88	100.60	-	223,705.42
Equipment Lease	-	2,607.06	25,441.47	15,865.50	15,177.64	9,391.08	2,351.99	1,920.96	531.49	73,287.19
Other Warehouse Expense	-	-	-	-	150.00	-	-	-	-	150.00
Total COGS	173.52	2,270,954.55	2,977,834.06	1,260,106.58	1,790,619.53	2,013,169.81	1,879,848.05	1,305,636.93	102,861.11	13,601,204.14
Gross Profit	(173.52)	421,952.54	(214,736.06)	112,158.33	682,839.33	1,871,248.18	623,535.66	755,121.42	67,754.74	4,319,700.62
Expense										
General & Administrative										
Returns	-	275,773.14	271,412.59	175,423.79	335,735.93	295,631.66	301,792.85	-	-	1,655,769.96
Bad Debt to BOA	-	400,762.01	277,407.00	99,501.05	43,032.27	380,326.91	143,944.06	-	-	1,344,973.30
Bad Debt to BOA - Other	-	(124,500.00)	93.76	(19,500.00)	-	-	-	-	-	(143,906.24)
Bad Debt Recovery from BOA	-	276,262.01	277,500.76	80,001.05	43,032.27	380,326.91	143,944.06	-	-	1,201,067.06
Total Bad Debt to BOA	-	53,524.40	63,750.39	54,246.31	56,874.31	87,613.53	56,641.92	52,629.48	13,164.54	438,444.88
Printing and Reproduction	-	15,590.23	28,685.18	26,623.01	43,156.65	46,677.06	40,293.71	33,938.80	5,712.19	240,676.83
Office Expense	-	8,123.19	20,614.14	22,511.30	23,409.74	24,173.03	24,074.48	23,233.61	2,811.04	148,950.53
Utilities	-	850.00	29,373.21	38,338.18	12,271.50	18,012.16	16,498.89	7,295.00	-	122,638.94
Computer Rep & Maint	-	12,051.77	27,093.74	25,731.40	17,260.02	15,084.28	17,109.45	4,926.89	757.72	120,015.27
Repair & Maintenance	-	484.90	801.73	94,333.30	752.94	-	-	120.00	-	96,492.87
Miscellaneous	-	-	57.33	6,023.48	6,613.80	46,481.60	25,806.06	35.71	-	85,017.98
Reimbursement	-	-	33,416.00	17,048.00	22,508.00	-	-	-	-	72,972.00
Depreciation Expense	-	-	-	-	-	-	-	-	-	-

Employment Opportunities Of America
Profit & Loss
January 1, 2000 through May 14, 2008

	Apr '00 - Mar 01	Apr '01 - Mar 02	Apr '02 - Mar 03	Apr '03 - Mar 04	Apr '04 - Mar 05	Apr '05 - Mar 06	Apr '06 - Mar 07	Apr '07 - Mar 08	Apr 1 - May 14, 08	TOTAL
Insurance	-	1,206.55	5,903.45	13,390.89	-	5,055.67	12,563.40	17,499.72	1,485.00	71,121.79
Donations	-	850.00	500.00	863.95	-	-	17,088.37	36,265.75	2,835.08	58,403.15
Computer Service	-	17,285.57	20,106.94	4,000.00	-	-	5,769.07	6,447.76	-	53,608.34
Automobile Expense	-	747.07	10,181.95	773.42	2,250.96	1,924.12	32,475.86	597.58	-	48,950.96
Bank Service Charges	-	890.77	3,509.89	8,578.06	10,117.69	8,229.60	10,370.42	5,577.05	357.08	47,620.56
Professional Fees	-	-	469.20	2,561.95	1,709.10	13,393.72	3,668.31	7,805.09	251.15	29,858.52
Returns - ACH	-	12,929.98	15,100.17	-	-	-	-	-	-	28,030.15
Taxes-Other	-	1,536.52	1,176.92	2,485.42	6,947.88	10,586.41	50.00	-	-	22,783.15
Advertising	-	143.78	1,139.10	5,324.82	1,144.00	2,120.23	8,767.50	175.00	-	18,814.43
Meals & Entertainment	-	5,573.05	2,226.40	2,399.36	632.94	1,665.95	5,011.66	944.54	-	18,453.90
Property Taxes	-	-	2,780.29	1,930.97	11,646.55	-	-	-	-	16,357.81
Small Tools & Equipment	-	-	-	6,363.10	1,779.10	4,242.46	-	-	-	12,384.66
Licenses and Permits	-	831.56	493.06	5,542.53	1,156.26	1,971.17	1,981.86	150.00	-	12,126.44
Dues and Subscriptions	-	107.70	2,466.14	1,268.90	1,485.70	1,165.40	1,928.46	987.56	-	9,409.86
Janitorial	-	-	2,342.86	1,350.00	625.00	-	-	3,000.00	600.00	7,917.86
Returns - Checks	-	3,729.57	1,745.13	-	-	-	-	659.85	829.98	6,964.53
Merchant Bankcard Fees	-	2,386.86	-	443.77	-	-	368.33	-	-	3,198.96
False Alarm	-	-	425.00	765.00	680.00	-	-	780.00	-	2,650.00
Check Orders	-	-	-	-	-	-	-	1,180.74	-	1,180.74
Collection Service	-	800.88	-	-	-	-	-	-	-	800.88
Security Equipment	-	-	-	-	-	-	742.06	53.81	-	795.87
Check printing	-	290.20	423.90	-	-	-	-	-	-	714.10
Filing Fees	-	140.00	142.69	90.00	258.00	-	-	-	-	630.69
Travel	-	-	192.24	372.05	-	-	-	-	-	564.29
Other Office - 3620	-	300.00	-	-	-	-	-	-	-	300.00
Uncategorized Expenses	-	-	170.00	-	-	-	-	-	-	170.00
Employee Training	-	-	-	-	-	-	124.09	-	-	124.09
void	-	-	-	-	-	-	-	-	-	-
General & Administrative - Other	-	-	-	-	-	-	-	-	-	-
Monthly Accrual - Expense	-	-	3,000.00	(4,000.00)	(8,000.00)	-	-	-	-	(9,000.00)
Total General & Administrative	-	692,399.70	827,200.40	594,784.01	599,104.01	988,951.06	751,183.51	167,390.66	25,968.70	4,646,982.05
P/R										
Gen Wages										
Mgmt	-	85,326.69	80,786.07	61,525.53	77,127.52	171,500.00	58,666.24	79,522.38	9,509.70	623,964.13
Rever Dept	-	52,737.01	86,791.99	52,543.76	53,483.07	53,155.06	44,716.81	85,629.26	5,553.05	434,610.01
Collect Dept	(173.52)	36,060.38	38,903.45	34,765.68	43,957.36	37,368.79	28,526.36	15,259.78	3,396.27	238,054.55
Post Dept	-	8,757.50	33,686.53	42,647.92	52,313.77	39,393.35	18,936.98	30,375.25	5,585.90	231,697.20
Cust Svc Dept	-	17,151.19	41,638.79	21,158.79	14,482.15	23,975.49	13,548.32	16,217.18	985.85	149,155.76
Administrative	-	43,543.86	39,424.54	-	-	-	-	-	-	82,968.40
Acctg Dept	-	-	6,903.95	1,860.09	3,381.91	-	15,858.96	41,116.01	2,425.87	71,546.79
Commissions	-	44.75	166.46	5,097.10	11,682.57	9,582.30	1,086.38	30.00	-	27,689.56
OIT	-	1,415.09	17,219.96	995.59	-	396.00	-	-	-	20,026.64
Vacation	-	1,172.45	4,049.28	2,109.27	672.00	2,302.00	2,667.46	3,016.22	676.68	16,665.36
Other office	-	90.00	7,102.58	5,277.45	-	-	-	-	-	12,470.03
Wages	-	105.47	255.76	4,628.04	-	-	-	-	-	4,989.27
Gen Wages - Other	-	-	-	161.50	-	499.87	-	-	-	499.87
Reimbursement	-	-	-	-	-	-	-	17.29	-	17.29

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Computer Input			80.92							80.92
Total Gen Wages	(173.52)	246,404.39	357,008.28	232,770.72	257,100.35	338,162.86	184,007.51	271,183.37	28,133.32	1,914,597.28
P/R Taxes - Compupay Impound										
P/R Taxes - Compupay Impound - Other	(4,903.29)	3,627.32	-	11,701.43	17,156.17	15,837.15	40,128.99	114,659.95	13,696.24	211,905.96
SS Exp	-	17,886.23	28,438.00	(4,035.28)	63.10	-	-	-	-	42,352.05
Unemployment	-	7,423.40	8,691.78	73.78	35.62	-	66.99	-	-	16,291.57
Med Exp	-	4,183.04	6,620.57	(943.75)	14.76	-	-	51.39	-	9,926.01
AZ Job Training Tax	-	5.19	-	-	-	-	-	-	-	5.19
Total P/R Taxes - Compupay Impound	(4,903.29)	33,125.18	43,750.35	6,796.18	17,271.65	15,837.15	40,195.98	114,711.34	13,696.24	280,480.78
P/R CLEARING	-	-	(152.55)	(100.00)	-	-	66,270.07	(16,787.98)	8,582.52	57,812.06
P/R Exp	-	-	14.08	3,704.96	-	-	-	-	-	3,719.04
Drug Test	-	-	1,394.00	952.00	202.00	264.98	62.00	-	-	2,874.98
Med Exp	-	-	-	974.61	-	1,647.59	120.00	887.86	55.35	2,535.82
TUITION REIMBURSEMENT	-	-	-	-	-	80.00	-	-	-	1,767.59
Emp Train	-	440.00	980.99	205.00	40.00	-	-	-	-	1,745.99
Emp Rec	-	-	337.21	-	-	-	-	-	-	337.21
employee incentive	-	-	-	-	-	-	137.31	55.00	-	192.31
Holiday	-	-	-	64.00	-	88.00	-	-	-	152.00
P/R Exp - Other	-	-	408.02	(1.00)	(22,150.68)	300.22	-	-	-	(21,443.44)
Total P/R Exp	-	440.00	3,134.30	5,899.57	(21,908.68)	2,380.79	937.31	942.86	55.35	(8,118.50)
Total P/R	(5,076.81)	279,969.57	403,740.38	245,366.47	252,463.32	356,380.80	291,410.87	370,049.59	50,467.43	2,244,771.62
Telephone Expense										
L.D. - 002 thomas & 24th street	-	21,536.71	22,025.49	24,538.56	24,276.76	17,553.64	13,629.90	28,664.27	2,045.60	154,270.93
L.D. - 408 Glendale & 6St	-	-	12,095.69	18,340.68	24,698.89	19,124.95	13,362.03	2,682.49	293.87	90,598.30
L.D. - 417 Dallas (Commerce Rd)	-	10,603.96	22,497.58	10,408.37	26,293.01	6,791.40	-	-	-	76,594.32
L.D. - 400 Corp 2201 E. Thomas	-	-	11,044.09	18,139.13	8,169.04	13,839.71	19,023.93	5,832.29	502.23	76,550.42
L.D. - 001 36th St	-	11,492.79	17,851.93	22,819.81	22,981.02	-	-	-	-	75,145.55
Local- Telephone	-	36,336.98	19,885.93	-	-	770.45	-	-	-	58,993.36
L.D. - 006 27th	-	3,191.06	24,845.19	15,370.33	13,169.26	539.07	-	-	-	57,114.91
L.D. - 422 7th St	-	18,384.33	7,373.82	(10,218.69)	13,667.90	10,611.66	8,494.55	1,585.41	252.01	50,150.99
Switched Telephone All	-	35,966.94	879.24	1.08	307.96	2,937.01	2,391.24	2,047.36	240.00	45,770.83
L.D. - General	-	8,235.87	30,084.11	1,925.42	136.58	3,638.18	-	-	-	44,020.16
local-400 2201 E. Thomas	-	-	3,573.83	6,528.16	4,910.87	3,022.04	10,278.67	10,667.73	1,110.96	40,092.26
L.D. - 2301 E. Osborn	-	31,915.11	3,950.16	32.67	27.50	-	-	-	-	35,925.44
800 line -400 2201E. Thomas	-	-	-	7,351.39	3,051.68	2,092.32	918.84	15,400.06	2,402.46	31,216.75
Telephone Expense - Other	-	12.28	18,839.38	(343.97)	1,345.56	508.44	1,707.53	-	-	22,069.22
L.D. - 455 Callaghan San Antonio	-	5,043.95	7,976.37	7,051.62	-	-	-	-	-	20,071.94
local-408 67th Glendale	-	-	627.60	3,733.59	563.54	2,759.00	3,206.61	4,797.28	441.75	16,129.37
L.D. - 422 7th St. Phx	-	-	3,539.42	7,314.04	3,233.83	-	-	-	-	14,087.29
L.D. - 431 Mobile, AL	-	-	4,725.74	5,026.99	-	-	-	-	-	9,752.73
L.D. - 3527 N. 24th St.	-	1,510.60	5,713.93	-	-	-	-	-	-	7,224.53
Local - 001 36th st	-	-	725.44	3,670.60	915.53	870.56	-	-	-	6,182.13
L.D. - 461 Oklahoma	-	6,077.73	5.64	-	-	-	-	-	-	6,083.37

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L.D. 441 Baton Rouge, Louisiana	-	2,634.43	3,128.52	-	-	-	-	-	-	5,762.95
local 002- 24th Street	-	-	-	-	988.17	2,231.13	1,261.50	1,062.65	148.94	5,692.39
Florida Blvd.	-	-	5,061.11	-	-	-	-	-	-	5,061.11
local 422- 7th Street	-	-	-	-	791.04	688.72	966.85	1,037.49	268.04	3,752.14
local #900 Corp N. 108th pl	-	-	-	363.66	455.00	-	1,263.49	295.00	-	2,377.15
L.D. - Boa	-	1,478.66	4.74	-	-	-	-	-	-	1,483.40
EOA Dedicated charge	-	-	-	-	-	772.71	-	-	-	772.71
Local - 127 W. Juanita (Chris)	-	-	419.71	242.21	-	-	-	-	-	661.92
L.D. - 338 N 98th St (Chris)	-	-	445.03	-	-	-	-	-	-	445.03
Long Distance Accrual	-	-	-	(2,468.80)	-	-	-	-	-	(2,468.80)
Total Telephone Expense	-	197,421.40	227,319.69	139,826.85	149,983.14	88,750.69	76,505.14	74,072.03	7,705.86	961,584.80
Office Rent	-	-	-	4,000.00	32,000.00	24,000.00	48,000.00	48,000.00	4,000.00	160,000.00
Rent - 400 2201 E. Thomas	-	-	8,740.60	10,388.42	16,786.95	28,835.57	34,083.84	35,348.95	2,990.79	148,295.52
Rent - 002 24th Street	-	11,124.40	-	906.46	-	800.00	-	-	-	147,871.09
Rent Expense	12,000.00	-	134,162.63	-	-	-	-	-	-	-
Rent - 408 Glendale	-	-	7,582.06	14,099.54	13,133.60	27,491.21	30,700.42	33,313.20	2,739.54	129,069.57
Rent - 422 7th Street	-	14,444.20	10,137.60	11,659.60	11,263.15	14,664.18	12,944.63	14,385.91	2,037.99	91,537.26
Rent - 001 36th Street	-	14,796.80	16,041.79	14,336.00	16,168.96	-	-	-	-	61,343.55
Rent - 006 27th Ave	-	3,160.80	13,070.02	14,649.07	14,504.42	-	-	-	-	45,384.31
Rent - 000 Scotts, Az	-	-	1,591.51	14,677.64	-	11,652.05	7,691.96	6,660.27	-	44,293.43
Rent - 417 Dallas	-	6,621.92	10,366.66	7,346.16	16,908.14	-	-	-	-	41,262.88
Rent - 2301 E. Osborn	-	16,317.88	11,207.34	1,808.66	3,668.77	-	-	-	-	33,002.65
Rent - 455 San Antonio	-	3,831.94	10,188.68	4,724.00	-	-	-	-	-	18,744.62
Rent - 441 Louisiana	-	2,881.92	10,182.66	1,059.00	-	-	-	-	-	14,123.58
Rent -2307 E. Osborn	-	-	-	-	6,123.87	-	-	-	-	6,123.87
Rent - 431 Mobile, AL	-	-	800.00	3,200.00	-	-	-	-	-	4,000.00
Rent - 3527 N. 24th St	-	2,520.00	-	-	-	-	-	-	-	2,520.00
Rent - 461 Oklahoma	-	1,450.00	-	-	-	-	-	-	-	1,450.00
Office Rent - Other	-	-	-	-	-	-	-	-	-	-
Total Office Rent	12,000.00	77,149.86	234,101.55	102,856.55	130,557.86	107,443.01	133,420.85	139,728.33	11,768.32	949,026.33
Legal & Acctg	28,000.00	14,662.18	40,360.01	47,414.82	60,603.17	73,740.64	48,805.32	45,158.08	3,092.20	361,836.42
CC FEES	-	-	-	-	-	-	22,716.96	33,005.06	597.74	56,319.76
Admin	-	7,959.01	1,593.68	2,791.51	-	-	-	-	-	12,344.20
Rever	-	86.00	4,074.03	2,353.30	-	-	-	-	-	6,513.33
Data Input	-	1,916.29	3,476.71	-	-	-	-	-	-	5,393.00
Leads	-	-	-	-	-	-	-	-	-	2,500.00
Cust Svc	-	-	1,262.24	259.63	-	-	-	1,500.00	1,000.00	1,521.87
Filing	-	699.92	412.66	365.50	-	-	-	-	-	1,478.08
BANK SUSPENSE	-	-	-	-	-	1,194.74	-	-	-	1,194.74
O/T	-	-	507.64	59.25	-	-	-	-	-	566.89
Amortization Expense	-	-	185.00	185.00	185.00	-	-	-	-	555.00
consultation fee	-	-	-	500.00	-	-	-	-	-	500.00
Prepaid inventory	-	-	-	-	-	-	-	-	-	-
prepaid expenses	-	-	(16,071.03)	(17,842.31)	(13,025.93)	-	-	-	-	(46,939.27)
Total Expense	34,923.19	1,272,263.93	1,728,162.96	1,118,920.58	1,179,870.57	1,616,460.94	1,324,042.65	830,903.75	100,600.25	9,206,148.82

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Net Ordinary Income	(35,096.71)	(850,311.39)	(1,942,899.02)	(1,006,762.25)	(497,031.24)	254,787.24	(700,506.99)	(75,782.33)	(32,845.51)	(4,886,448.20)
Other Income/Expense										
Other Income	-	863,833.26	1,737,131.92	895,600.00	402,000.00	195,000.00	-	-	-	4,093,565.18
FULLFILLMENT INCOME	-	-	12,625.37	88,748.39	51,687.18	14,000.00	51,000.00	190,935.20	30,300.00	439,196.14
Intercompany PAYABLE	-	53,841.62	265,683.35	-	-	-	-	-	-	319,524.97
Other Income	-	912.59	-	-	-	-	-	-	-	912.59
Other Access Deposits	-	-	-	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-	-	-	-
Total Other Income	-	918,587.47	2,015,440.64	984,348.39	453,687.18	209,000.00	51,000.00	190,935.20	30,300.00	4,853,198.88
Other Expense										
Interest Expense	-	20,108.59	-	11,520.97	1,930.07	32,103.36	-	-	-	65,662.99
Other Expenses	-	10,771.18	29,700.02	(12,645.88)	-	-	-	-	-	27,825.32
BAD/Uncollectable Debts	-	-	-	-	-	-	7,558.78	-	-	7,558.78
Total Other Expense	-	30,879.77	29,700.02	(1,124.91)	1,930.07	32,103.36	7,558.78	-	-	101,047.09
Net Other Income	-	887,707.70	1,985,740.62	985,473.30	451,657.11	176,896.64	43,441.22	190,935.20	30,300.00	4,752,151.79
Net Income	(35,096.71)	37,396.31	42,841.60	(21,288.95)	(45,374.13)	431,683.88	(657,065.77)	115,152.87	(2,545.51)	(134,296.41)

US Blind Services, Inc.
Profit & Loss
All Transactions

Ordinary Income/Expense	Mar 31, 01	Mar 31, 02	Mar 31, 03	Mar 31, 04	Mar 31, 05	Mar 31, 06	Mar 31, 07	Mar 31, 08	May 13, 08	TOTAL
Income										
Product Income	24.95	1,612,355.26	2,499,774.83	2,183,142.65	2,165,781.33	2,320,807.48	1,659,130.52	131,317.65	-	12,572,334.67
Deposits Clearing	-	-	-	-	(1,676.41)	17,529.80	129,920.74	1,045,286.55	116,816.78	1,307,877.46
3rd Strike - Product Income	-	-	247,664.38	-	-	-	-	-	-	247,664.38
chargebacks	-	-	-	-	-	-	-	(59.99)	-	(59.99)
write offs/ credits	-	-	-	-	-	-	(3,341.31)	(100.75)	-	(3,442.06)
Refund	-	(203.78)	(1,304.17)	(5,837.34)	(6,725.92)	(17,773.72)	(237,125.44)	(7,297.06)	(169.98)	(276,437.41)
Total Income	24.95	1,612,151.48	2,746,135.04	2,177,305.31	2,157,379.00	2,320,563.56	1,548,584.51	1,169,146.40	116,646.80	13,847,937.05
Cost of Goods Sold										
Distributors										
Distributors - Other	-	2,200.00	252,511.30	494,394.04	1,135,987.91	1,302,806.61	1,103,200.00	771,000.00	80,910.00	5,143,009.86
Loan Rec. - Syrena Marketing	-	-	-	6,635.71	13,003.64	-	-	-	-	19,639.35
Total Distributors	-	2,200.00	252,511.30	501,029.75	1,148,991.55	1,302,806.61	1,103,200.00	771,000.00	80,910.00	5,162,649.21
Product Cost	-	-	99,906.17	213,388.80	70,873.93	35,503.01	20,802.00	-	-	440,473.91
Postage	-	-	24,000.00	4,640.00	23,500.00	8,522.64	-	-	-	60,662.64
Total COGS	-	2,200.00	376,417.47	719,058.55	1,243,365.48	1,346,832.26	1,124,002.00	771,000.00	80,910.00	5,663,785.76
Gross Profit	24.95	1,609,951.48	2,369,717.57	1,458,246.76	914,013.52	973,731.30	424,582.51	398,146.40	35,736.80	8,184,151.29
Expense										
Returns	-	145,139.48	221,141.86	246,224.90	266,336.10	212,851.18	225,892.66	17,129.48	-	1,334,715.66
Bad Debt to BOA										
Bad Debt to BOA - Other	-	221,913.89	194,781.66	142,687.36	-	414,986.11	99,563.59	1,349.88	-	1,075,282.49
Bad Debt Recovery from BOA	-	-	-	-	-	-	-	-	-	-
Total Bad Debt to BOA	-	221,913.89	194,781.66	142,687.36	-	414,986.11	99,563.59	1,349.88	-	1,075,282.49
Depreciation Expense										
Returns 3rd Strike	-	-	-	59,672.00	16,554.00	-	-	-	-	76,226.00
Bank Service Charges	-	8,149.24	13,996.29	8,810.49	6,307.74	4,012.14	4,234.68	4,141.77	87.67	61,285.45
Rent	-	-	1,684.98	12,000.00	16,000.00	16,000.00	-	-	-	49,740.02
Returned Check	-	-	-	-	-	-	-	-	-	45,684.98
ACH Return/Errors	-	6,000.50	18,010.84	-	-	-	-	56.00	-	24,067.34
Returned Check - Other	-	2,104.08	2,701.26	-	-	-	-	6,100.97	69.99	10,976.30
Total Returned Check	-	8,104.58	20,712.10	-	-	-	-	6,156.97	69.99	35,043.64
Bad Debt 3rd Strike	-	-	-	-	-	-	-	-	-	34,623.49

US Blind Services, Inc.
Profit & Loss
All Transactions

	Mar 31, 01	Mar 31, 02	Mar 31, 03	Mar 31, 04	Mar 31, 05	Mar 31, 06	Mar 31, 07	Mar 31, 08	May 13, 08	TOTAL
CC FEES	-	-	-	-	-	-	15,124.48	18,585.22	569.20	34,278.90
Computer Equip/ Repair	-	-	7,900.00	-	6,000.00	-	-	-	-	13,900.00
Taxes	-	-	1,499.46	3,826.79	4,896.98	2,029.63	50.00	-	-	12,302.86
Lawn Maintenance	-	-	11,540.00	-	-	-	-	-	-	11,540.00
Repair & Maintenance	-	-	4,674.96	4,102.77	850.00	-	-	-	-	9,627.73
Sales Rep	-	7,391.35	1,065.00	-	356.25	-	-	-	-	8,812.60
Auto Expense	-	-	1,394.12	6,900.00	-	-	-	-	-	8,294.12
Office Expense	-	298.78	1,871.35	1,792.75	344.93	511.92	1,019.55	-	-	5,839.28
Employee Training	-	-	-	-	4,200.00	-	-	-	-	4,200.00
Small Equipment/ Tools	-	-	3,844.00	-	-	-	-	-	-	3,844.00
Professional Fees	-	-	3,760.00	-	-	-	-	-	-	3,760.00
donation	-	-	-	100.00	200.00	-	2,600.00	-	-	2,900.00
Payroll Expenses	-	-	-	-	-	-	-	-	-	-
001 Payroll	-	-	2,500.00	-	-	-	-	-	-	2,500.00
Collections	-	-	75.00	-	-	-	-	-	-	75.00
Total Payroll Expenses	-	-	2,575.00	-	-	-	-	-	-	2,575.00
Customer Leads	-	-	-	-	-	-	2,500.00	-	-	2,500.00
Meals and Entertainment	-	-	1,494.86	647.88	-	-	-	-	-	2,142.74
Dues and Subscriptions	-	-	200.00	-	-	250.00	318.00	975.00	-	1,743.00
Administration Costs	-	-	1,705.93	-	-	-	-	-	-	1,705.93
Consulting Fee	-	-	1,600.00	-	-	-	-	-	-	1,600.00
Telephone	-	-	1,574.52	-	-	-	-	-	-	1,574.52
License/Permits	-	-	635.74	15.00	15.00	30.00	-	15.00	-	710.74
Misc.	-	316.85	-	187.75	35.48	-	-	-	-	540.08
Wages-Admin	-	540.00	-	-	-	-	-	-	-	540.00
Check Orders	-	-	-	-	-	-	-	443.74	-	443.74
Printing & Reproduction	-	97.00	209.40	84.61	47.05	-	-	-	-	438.06
insurance	-	-	129.45	-	-	-	-	-	-	129.45
Stolen / Un-authorized Charges	-	-	-	-	-	73.95	-	-	-	73.95
Fees	-	-	45.00	-	-	-	-	-	-	45.00
void	-	-	-	-	-	-	-	-	-	-
Total Expense	-	391,951.17	595,944.62	487,052.30	322,143.53	650,744.93	351,302.96	48,797.06	726.86	2,848,663.43
Net Ordinary Income	24.95	1,218,000.31	1,773,772.95	971,194.46	591,869.99	322,986.37	73,279.55	349,349.34	35,009.94	5,335,487.86
Other Income/Expense										
Other Income	-	27,433.05	12,017.31	-	1,389.00	-	-	-	-	40,839.36
Other Income	-	-	-	-	-	-	-	-	-	-

US Blind Services, Inc.
Profit & Loss
All Transactions

	Mar 31, 01	Mar 31, 02	Mar 31, 03	Mar 31, 04	Mar 31, 05	Mar 31, 06	Mar 31, 07	Mar 31, 08	May 13, 08	TOTAL
Intercompany PAYABLE	-	-	(29,125.37)	(124,994.63)	(91,376.27)	(16,000.00)	(175,557.00)	(368,152.20)	(30,300.00)	(835,505.47)
FULLFILLMENT EXPENSE	-	(863,833.26)	(1,734,431.92)	(904,600.00)	(427,000.00)	(255,500.00)	-	-	-	(4,185,365.18)
Total Other Income	-	(836,400.21)	(1,751,539.98)	(1,029,594.63)	(516,987.27)	(271,500.00)	(175,557.00)	(368,152.20)	(30,300.00)	(4,980,031.29)
Other Expense	-	-	42,247.11	-	-	-	-	-	-	42,247.11
Other Expense	-	-	42,247.11	-	-	-	-	-	-	42,247.11
Total Other Expense	-	-	42,247.11	-	-	-	-	-	-	42,247.11
Net Other Income	-	(836,400.21)	(1,793,787.09)	(1,029,594.63)	(516,987.27)	(271,500.00)	(175,557.00)	(368,152.20)	(30,300.00)	(5,022,278.40)
Net Income	24.95	381,600.10	(20,014.14)	(58,400.17)	74,882.72	51,486.37	(102,277.45)	(18,802.86)	4,709.94	313,209.46

TAB 7



Services by Cardservice International



May 12, 2008

Helping Hands Of Hope
2201 E Thomas
Phoenix, AZ 85016

RE:Termination for Helping Hands Of Hope

Merchant # 267775048882

Dear Robyn Mahan,

Please be informed that effective immediately from the above date the merchant processing agreement between Card Service International and Helping Hands Of Hope will be terminated. We will no longer purchase any sales drafts representing MasterCard/Visa sales. You must remove all displays, decals and other materials that indicate acceptance of Mastercard/Visa sales to your customers.

Consistent with the terms of the Agreement, we have established a Termination Reserve Account in the amount of \$143,663.66. Additionally, any batches processed going forward will also be held in reserve. These funds will be held for the greater of six months or longer as is consistent with the MasterCard and Visa Rules and Regulations. The funds will be used to fund potential chargebacks. If, in the allotted time frame, there are no chargebacks we will return the funds less cancellation & investigative fees.

Please be advised that obligations to fund any chargebacks resulting from sales processed for the Client by Card Service International survive termination of the agreement between the Client and Card Service International.

Should you have any questions concerning this matter, I can be reached at (800)-259-8184.

Sincerely,

Thomas Allen

Risk Management

AG credited



Paula Carrasco
303 967-5255 (T)
303 967-5338 (F)
paula.carrasco@firstdata.com

First Data Corporation
Legal Department
6200 South Quebec Street
Suite 260B
Greenwood Village, CO 80111
www.firstdata.com

May 20, 2008

Via email Anita_jen@robbevens.com and DHL delivery

Anita Jen
Robb Evans & Associates LLC
11450 Sheldon Street
Sun Valley, California 91352-1121

Re: Federal Trade Commission v. Helping Hands Inc. et al (CV080909 PHXJAT)

Dear Ms. Jen:

Cardservice International, Inc. ("CSI") in receipt of the Temporary Restraining Order with Asset Freeze which was forwarded to Michael Cohen on May 14, 2008. The purpose of this letter is to explain the relationship that exists between CSI and its merchants and to provide you with the required information regarding the defendants named in the above referenced matter.

CSI is a credit card processing company. Its service provides merchants the opportunity to accept credit cards for the sale of their goods and services. The duties and obligations between CSI and its merchants are contained in the commercial Merchant Agreement entered into between the parties.

Pursuant to the Merchant Agreement, CSI agrees to process the merchant's credit card transactions provided the merchant fulfills certain obligations as stated in the contract. To briefly summarize the standard procedures, to receive payment for a sale, a cardholder's relevant credit card information is entered into a merchant's point of sale device. Then following a series of computerized entries and notifications, money for the sale is deposited into the merchant's account, less a percentage fee.

The money is deposited conditionally into a merchant's account, subject to a consumer's (or a consumer's card issuing bank's) right to dispute the validity of the sale. The consumers' interests are protected through the "chargeback" process. A chargeback is initiated when a consumer and/or a consumer's credit card issuing bank disputes a charge or believes there is a billing error. If the card issuing bank determines that the consumer has a valid dispute, the consumer is relieved of the obligation to pay. As the merchant service provider, CSI is required to reimburse the card issuing bank. CSI then has the right under the Merchant Agreement to be reimbursed that amount from the merchant.

Given the provisional nature of the credit extended, the Merchant Agreement authorizes CSI to automatically recapture chargeback amounts from the merchant's account. However, CSI is required to reimburse the card issuing bank for the disputed charge whether or not the merchant has sufficient funds to cover the chargeback. Therefore, if a merchant is unable to cover a disputed charge, CSI will be compelled to reimburse the card issuing bank and seek repayment from the merchant.

Credit Card Association rules and procedures require processing services such as CSI to "stand in the shoes" of merchants because credit card processing commerce would not function if credit card issuers and acquiring banks had to rely on potentially defunct merchants to satisfy the needs of consumers. As a consequence of standing in the merchant's shoes, CSI, at times, must seek reimbursement from a

merchant when the credit card transaction process demands that a consumer be relieved of the obligation to pay a disputed bill.

In summary, these procedures are designed to protect consumers from unauthorized and/or improper credit card charges. Those consumers affected by unauthorized and/or improper charges receive a credit on their bill and CSI seeks reimbursement from the Merchant.

CSI has reviewed its records with regards to the defendants named in the above referenced matter. CSI has identified the following open accounts:

- Helpings Hands of Hope – Merchant Account # 267775048882. The account was open from September 2003 to May 12, 2008. The account was closed by CSI's Risk department due to excessive chargebacks. CSI established a reserve to fund chargebacks. At this time, while the reserve balance is currently reflected as \$142,793.65, we will not know what amounts, if any, may be available until the time period for all chargebacks has expired. The account application, transaction history for the last six months, and a chargeback report for the last six months are enclosed per your request.
- US Blind Services – Merchant Account # 267775045888. The account was opened in September 2003 and is currently active. CSI has placed this account on funding diversion as directed by the TRO. As of May 20, 2008, CSI has secured \$2,068.83. The account application, transaction history for the last six months, and a chargeback report for the last six months are enclosed per your request.
- Bohica Financial – Merchant Account # 267775500882. The account was opened in September 2003 and is currently open. CSI has placed this account on funding diversion as directed by the TRO; however, CSI has been unable to secure any funds at this time as the account has not processed any transactions since April 2008. The account application, transaction history for the last six months, and a chargeback report for the last six months are enclosed per your request.
- Info Merchandise – Merchant Account # 267777482881. The account was open from September 2003 to April 2004.

Should you have any questions about the enclosed materials, or require additional information, please contact me at 303 967-5255.

Sincerely,



Paula Carrasco
Legal Analyst

Enclosures