

Our mission is to provide and refer marketing, communications and computer networking and integration advice to small and medium-sized businesses in the financial services industry. Our engagements include assessing a client business models, management approach and back office procedures.

As part of the plan of FSI to augment its financial resources and consider attractive business opportunities, FSI's principal stockholders have entered into discussions with an unnamed, unaffiliated third party with respect to a potential merger transaction which could result in the discontinuance of our current operations, change of control/ownership and new management. There can be no assurance that a merger or other significant transaction will be consummated with the third party or, if consummated, that FSI or its stockholders would realize any benefits from it.

Strategy

On certain clients we have used independent consultants to provide a full range of marketing, communications, and information technology services. Our strength is that our president has access to significant numbers of business leaders and decision makers and can provide introductions and leads to us and the independent consulting groups with which we work. Our president has a significant number of contacts and also has worked with a large number of independent consultants over the past 30 years. Therefore, we are able to be involved with a wide array of consulting opportunities and requirements.

Our independent contractors enter directly into an agreement with the client, and we receive a negotiated portion of the fees received. If several independent contractors are involved, we generally serve as project manager. The contractor normally bills and collects the fees from the end client. We are generally not entitled to our fees until the contractor collects its fees.

Substantially all of our services have involved performing services to improve the backroom operations of financial institutions and evaluate the workflow and management procedures performed in the backrooms of financial services companies. We expect to continue our business in the future in the same way as it has been conducted in the past. We will seek a wide range of engagements based on the contact base of our president. Many of these contacts have been and will continue to be in the financial services industry.

Because of our strategy and the fact that we perform only a few engagements a year, a small number of clients comprise substantially all of our revenue each year. Two clients accounted for substantially all of our revenue for the years ended June 30, 2006 and 2005:

	2006	2005
SIG Consulting Group	9.78%	85%
American Oriental Bioengineering, Inc.	90.22%	15%

Our President is a director of American Oriental Bioengineering, Inc., a Chinese company whose shares trade in the United States.

We expect a similar trend of limited client numbers with an emphasis on work for American Oriental Bioengineering, Inc. for the foreseeable future.