

SECURITIES AND EXCHANGE COMMISSION

FORM 10KSB

Annual and transition reports of small business issuers [Section 13 or 15(d), not S-B Item 405]

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FILER

AskMeNow, Inc.

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-KSB

☒ Annual report under Section 13 or 15(d) of the Securities Exchange Act of 1934

For the fiscal year ended December 31, 2007

☐ Transition report under Section 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from _____ to _____

Commission file number 000-49971

AskMeNow, Inc.

(Name of small business issuer in its charter)

Delaware

(State or other jurisdiction of
incorporation or organization)

71-0876952

(IRS Employer Identification No.)

26 Executive Park, Suite 250

Irvine, CA 92614

(Address of principal executive offices)

(949) 861-2590

(Issuer's telephone number)

Securities registered under Section 12(b) of the Exchange Act:

Title of each class

None

Name of each exchange
on which registered

None

Securities registered under Section 12(g) of the Exchange Act:

Common Stock, \$0.01 par value per share

(Title of class)

Check whether the issuer is not required to file reports pursuant to Section 13 or 15(d) of the Exchange Act. ☐

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirement for the past 90 days. Yes ☒ No ☐

Check if there is no disclosure of delinquent filers in response to Item 405 of Regulation S-B contained in this form, and no disclosure will be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-KSB or any amendment to this Form 10-KSB. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒.

The issuer's revenues for its most recent fiscal year ended December 31, 2007 were \$54,536.

The aggregate market value of the common stock held by non-affiliates computed by reference to the \$0.14 closing price of such common stock on April 7, 2008 was \$7,073,227.

The number of shares of the issuer's common stock outstanding as of April 7, 2008 was: 58,915,400.

Documents Incorporated by Reference: None

Transitional Small Business Disclosure Format:

Yes ☐ No ☒

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PART I

Item 1. Description of Business.

Overview and Organizational History

AskMeNow, Inc. (the “Company”) is a communications technology company that provides users of mobile devices with access to information through its AskMeNow™ service, a mobile information content service that enables users of mobile devices to ask questions and receive answers on such devices regardless of location or time.

The Company was originally formed as a Delaware corporation on August 15, 2000 under the name Ocean West Holding Corporation with negligible assets and liabilities. In March 2002, the Company acquired all of the issued and outstanding shares of Ocean West Enterprises, Inc. (“OWE”) in an exchange of shares. OWE was formed in California in 1988 and engaged in the business of mortgage banking/brokering, operating under the name of Ocean West Funding.

Pursuant to the terms and conditions of the Securities Exchange Agreement and Plan of Reorganization dated as of April 14, 2005 (the “Exchange Agreement”), the Company agreed, among other things, to spin-off or otherwise dispose of OWE. As of May 23, 2005, OWE assumed and Consumer Direct of America (“CDA”), then the Company’s principal shareholder, jointly indemnified and held harmless the Company from, all liabilities of the Company pursuant to an Assignment and Assumption of Liabilities Agreement. Notwithstanding the completion of the Exchange Agreement as described below, the Company was unable to spin-off the assets of OWE. Therefore, pursuant to a Stock Purchase Agreement dated as of December 30, 2005, Container/ITW, Inc. purchased 100% of the capital stock of OWE for \$1.00 and acknowledged that pursuant to the Exchange Agreement, OWE had previously assumed all liabilities and obligations of the Company.

The closing of the Exchange Agreement occurred on June 6, 2005 (the “Closing”). Effective shortly thereafter, the Company also acquired InfoByPhone, Inc. (“InfoByPhone” or “IBP”), a Delaware corporation, in a reverse merger (the “Reverse Merger”) pursuant to which InfoByPhone became a wholly-owned subsidiary of the Company. InfoByPhone was originally organized as an Ohio limited liability company in January 2004 and became a Delaware corporation via merger in June 2004 in a transaction treated for accounting purposes as a recapitalization by the accounting acquirer, InfoByPhone, LLC.

In connection with the Reverse Merger, (i) the Company acquired all of the issued and outstanding shares of IBP in exchange for an aggregate 5,586,004 shares of authorized but unissued shares of common stock, par value \$0.01, of the Company that, together with 500,000 shares issued to Vertical Capital Partners, Inc. (n/k/a Arjent Ltd.) as a finder’s fee, constituted approximately 56% of the then-outstanding capital stock of the Company, (ii) the then-existing directors of the Company, Marshall Stewart and Daryl Meddings, agreed to resign and the two director designees of IBP joined the Company, (iii) the existing officers of the Company resigned and were replaced by the officers of IBP, (iv) neither IBP nor the Company had any debt or liability, and IBP had no less than \$750,000 cash or cash equivalents, and (v) the Company agreed to dispose of OWE. The transaction was treated for accounting purposes as a reverse merger by the accounting acquirer, InfoByPhone, Inc.

InfoByPhone is the sole operating business of the Company, and provides information services and content through the AskMeNow service. The Company also has a foreign subsidiary, AskMeNow, Inc. a Philippines corporation.

Unless the context requires otherwise or as otherwise indicated, references in this Annual Report to “we,” “us,” “our” and the “Company” refer to AskMeNow, Inc. and include our wholly-owned subsidiaries InfoByPhone, Inc. and AskMeNow, Inc. (Philippines).

Recent Developments

Bridge I Default and Settlement Offer

As of December 31, 2007, the Company was in default under each of the notes issued in its Bridge I offering. The Bridge I offering, which commenced in February 2007 and was closed to new investments in May 2007, consisted of an aggregate \$3 million of 12% senior promissory notes issued to accredited investors. The notes were originally due and payable 90 days after issuance, but the Company elected to exercise its right to extend the maturity of such notes by an additional 90 days, the result of which increased the interest rate of the notes to 14% per annum from original maturity until repayment in full.

The Company’s failure to pay the Bridge I notes when due constitutes an event of default and, according to the terms of such notes, the Company is obligated to pay each note holder the default interest rate of two percent (2%) per month on all amounts due and owing under such notes for each month or part thereof beyond the extended maturity date that such amounts remain unpaid. In the event of a default, each note holder may proceed to protect such holder’s rights in equity or by action at law, or both, enforce payment of the notes, and/or enforce any other legal or equitable right such holder may have.

The Company is in continuing discussions with the holders of the Bridge I notes regarding a settlement offer and is working to secure a further extension of the notes’ maturity date.

Series D Preferred Stock Offering

Beginning in January 2008, the Company commenced an offering of its Series D convertible preferred stock, \$0.01 par value per share, on a “best-efforts,” no minimum basis. The offering consisted of up to \$2 million of Series D preferred stock, or 2 million shares at a purchase price of \$1.00 per share. In connection with the offering, an investor is entitled to receive warrants to purchase two shares of the Company’s common stock, exercisable for a period of five years at \$0.10 per share, for every one share of Series D preferred stock purchased. Each warrant is redeemable by the Company at a price of \$0.01 at any time subsequent to the earlier of the third anniversary of the date of the final purchase and sale of the Series D stock and the date the common stock trades at or above \$1.00 per share for 20 consecutive trading days. Dividends are at a rate of 12% per annum and are payable in preference to the holders of common stock and any “junior securities” (as such term is defined in the designations for the Series D preferred stock) in shares of common stock upon conversion of the Series D preferred stock as discussed below.

The Series D preferred stock automatically converts into shares of common stock upon the earlier to occur of the six-month anniversary of the final closing date for the Series D offering, and the closing of a “change of control transaction” (defined to include a merger or sale of all or substantially all of the Company’s assets). The number of shares of common stock issuable upon conversion is equal to the product obtained by multiplying the then-applicable Series D conversion rate by the number of shares of Series D stock being converted. The Series D applicable conversion rate is the quotient obtained by dividing the sum of the original issuance price and any accrued and unpaid dividends thereon, if any, by the Series D applicable conversion value. The Series D applicable conversion value shall be the greater of (i) the weighted average price of the common stock for the 10 consecutive trading days prior to the date of conversion, less a 40% discount, and (ii) \$0.10, subject to adjustment in connection with the issuance of such preferred shares.

As of March 31, 2008, the Company had raised \$485,000 from the sale of 485,000 shares of Series D convertible preferred stock, and issued warrants to purchase 970,000 shares of common stock in connection with the issuance of such preferred shares.

Bridge I Warrant Anti-dilution Adjustment

In accordance with the terms and conditions of the Company’s \$3 million Bridge I offering, note holders were issued warrants exercisable at \$0.50 to purchase four shares of common stock for every \$1.00 principal amount loaned. As discussed above, during the first quarter of 2008 the Company commenced a private placement of its Series D convertible preferred stock that includes warrants that are exercisable at \$0.10 per share. The pricing of the warrants in the Series D preferred stock financing triggered the anti-dilution protection of the Bridge I senior promissory notes. Such anti-dilution protection resulted in the 15,600,000 warrants originally issued in the Bridge I financing to be increased five times to an aggregate 78,000,000 warrants, with an adjusted exercise price of \$0.10 per share. The warrants also provided for a cashless option; as of April 7, 2008, holders of an aggregate 23,064,000 warrants had exercised such warrants on a cashless basis and had been issued an aggregate 13,118,711 shares of AskMeNow common stock.

Series A and Series B Preferred Stock Anti-Dilution Adjustments

Also as a result of the Series D preferred stock offering, the Company agreed that the conversion price of the shares of its Series A and Series B preferred stock, as well as the exercise price of the warrants issued in connection with the Series A and Series B preferred stock offering, would be adjusted. The conversion price of the Series A and Series B preferred stock therefore will be the lower of \$0.25 and the conversion price for the Series D preferred shares, such Series D conversion price to be set in the future pursuant to the terms of that offering as described above. As adjusted, the Series A and Series B preferred stock warrants are exercisable at \$0.10 per share. Such provisions are applicable to any participant in the Series A and Series B preferred stock offering, even those who may have previously converted their preferred shares into the common stock of the Company, so long as such holders can demonstrate they have not yet sold such common shares. The Company also agreed to reduce the exercise price of the warrants issued to the placement agent for the Series A and Series B preferred stock offering. The Company is currently negotiating with the investor representative with respect to certain other adjustments in the number of warrants issuable to the Series A and Series B preferred stock holders and the conversion price for such shares.

Issuance of Common Stock for Services

Beginning in January 2008, the Company entered into an agreement for financial consulting services for a 12 month period and issued 3,000,000 shares of unregistered restricted common stock in consideration for such services.

Series B Convertible Preferred Stock Conversions

During the first quarter of 2008, holders of the Company’s Series B preferred stock, \$0.01 par value, elected to convert an aggregate 31,652 shares and accrued and unpaid dividends thereon into an aggregate 661,802 shares of unregistered common stock.

Short-term Liquidity Problems

During the first quarter of fiscal 2008, the Company experienced severe liquidity problems and had insufficient cash on hand to effectively manage its business. During such period, the Company raised \$485,000 from its Series D convertible preferred stock offering to accredited investors. The Company has continued to raise operating cash through additional debt and equity financings, and our management is in the process of negotiating additional financing, although no assurances can be given that such financing will be obtained on terms favorable to the Company or at all.

Corporate Income Taxes

The Company is delinquent in filing certain federal and state income tax returns for 2006 and 2005 and is working to complete and file such returns. The Company does not anticipate any tax liability due to the losses incurred to date and the net operating loss carryforwards available to the Company.

Our Company and Business

AskMeNow is a communications technology company, dedicated to optimizing the use of mobile cellular devices to improve individual productivity and efficiency and providing users with easier access to information regardless of location.

The Company's primary offering is the AskMeNow™ service, a mobile information content service that provides answers to questions a user may ask from virtually anywhere at virtually any time. AskMeNow enables users of any mobile device with text messaging/short message service ("SMS") or email capability to text message or email questions, or to download an application and submit questions using the application. The answer can be text messaged, e-mailed, or delivered through the application back to the consumer's mobile device, usually within a matter of minutes. We believe the AskMeNow service provides users a nearly effortless means of obtaining a concise answer to a wide variety of questions. We are currently working to develop delivery of answers through a process known as SMS to WAP. The Wireless Application Protocol or "WAP" is an open and non-proprietary specification that empowers mobile users with wireless devices to easily access and interact with information and services. We expect that the use of WAP will provide users with a richer experience, as answers can be shown on one screen, as opposed to multiple screens, and will take advantage of advertisers' desire to offer more compelling advertisements that can be shown not only in text but in graphics.

We believe the AskMeNow service has the capability to answer a wide array of information-based questions, including current news and events, sports scores, weather, entertainment, real time stock quotes and market data, driving directions, travel schedules and availabilities, comparison shopping, restaurant information and reservations, directory assistance, and random trivia (literature, history, science, etc.), so long as the information is available on the Internet at no fee to access or we are already licensed to access the data. All information is researched on the Internet or from one of our licensed content providers. Once information is accessed, it is refined to a format suitable for easy reading on the screen of a user's mobile device and sent back to the user. Our content partners include leading companies such as Cinema-source.com, Flytecomm.com, W3 Data for 411 information, Hotels.com, Reuters, Maps.com, Shopping.com, SportsNetwork, Astrology.com, StubHub.com, Custom Weather, Distributive Networks, Mobile Streams, and Baseball-Reference.com. In some cases, we pay a small monthly fee for access to information; in others, the access to the content is free. We also may have arrangements to share in advertising revenue generated from responses using content from one of our contract partners.

During 2007, we operated two platforms for asking questions: SMS/text messaging and through a downloaded application. We are charging \$0.25 per question answered or a basic monthly fee of between \$1.99 and \$4.99 for unlimited use. Users simply text a question to our SMS code (27563 or ASKME) and the service will provide answers to questions. Alternatively, users can go to our website or one of our partner websites to download our application.

Depending upon the country where our service is offered, charges may vary. Our current relationships with Rogers Wireless in Canada and Alltel in the United States are based upon distribution agreements with the carriers to distribute the AskMeNow products, both the SMS and downloadable applications. Both carriers charge fees for customer usage and split those fees with AskMeNow.

Currently, we are also integrated through a carrier billing aggregator that provides automated billing for the \$0.25 per question charge for all tier-one carriers (Alltel, Verizon, Sprint, T-Mobile, Cingular/AT&T) and some tier-two carriers. This charge is automatically reflected on an end user's monthly statement. We share the revenue with the aggregator, and generally are entitled to one-half of the fee.

As of April 5, 2008 we eliminated charges for asking questions. Further, our new product is only offered through SMS, WAP, and mobile Internet, and can be downloaded to most cell phones as an icon that provides an automatic link to our site. This will have a small impact on revenue as we will no longer be charging to answer questions; however, we anticipate a greater volume of questions due to the elimination of per query charges, enabling a greater revenue source through advertisements placed per answer. We do not expect that this change in revenue model in the short term will substantially impact our current operations, as the revenue from the current charges is not significant. Since we are eliminating the \$0.25 charge, we also expect to be able to provide almost all cell phone users in the United States with access to our SMS product; the only limitations are for users that cannot SMS on their current phones because of the phones' limitations or because they do not pay for access to text messaging.

During 2007, we had on average over 20,000 individual users per month, most of whom are using our service for free. Although we have been charging to use our service through carrier and distributor relationships, we accumulated many users prior to launching these relationships that were provided access to our service for free.

In November 2006, the Company's InfoByPhone subsidiary entered into an exclusive worldwide (exclusive of Italy) license agreement with Expert System S.p.A., d/b/a Cogito Italia, a leading company in the market of semantic intelligence. The technology license is for the mobile communications industry, and enables us to access, through a natural language query, information that comes from structured and unstructured sources. Cogito leverages advanced linguistic analysis and semantics to facilitate the understanding of text, and its technology aims to provide an effective answer to problems encountered during research, filtering, classification, mining and discovery.

The contract with Expert System required the Company to pay an upfront license fee of \$150,000 for the exclusive rights, and also requires preset integration fees for integrations into designated content, ongoing monthly maintenance fees for minimum amounts of technology integration, and license fees for server usage. The monthly minimum fees will range from \$60,000 to as much as \$500,000 as we generate advertising revenue and share in that revenue. After considerable integration work with Expert Systems in 2007, we intend to primarily use their technology to provide a natural language platform for questions seeking information from Wikipedia and for enterprise-related integrations. We anticipate either modifying or altogether changing our license agreement to accommodate this new relationship. We do not anticipate this will have an adverse affect on our products, and believe it will in fact reduce expenses as Expert Systems continues to provide technical assistance moving forward.

As indicated above, much of our licensed content requires minimum payments, although we anticipate that most of this content will be provided free after we generate advertising revenue once substantial volume has been reached. The text charges we pay for sending and receiving text messages varies per carrier and can be mitigated by volume; such charges also may be offset by advertising revenue.

Our Industry

The growth of new technologies in recent years has resulted in a shift in our rapidly changing society as the need and desire for accessibility to information expands. It is no longer acceptable to make an airline reservation during a typical 8-hour workday by calling a travel agent; nowadays we expect to have access at all times to multiple media that will provide us with all of the necessary information for booking a flight. This is a trend that is not limited to the travel industry. Sports fans do not wait for their local news to broadcast the score of their favorite team's game; rather, they see it scrolling across the bottom of the television screen, or posted on their favorite websites, or have the score alerts sent to their mobile device. Investors do not wait for the morning paper to check stock quotes, but expect to see them streaming across a cable news service or showing up in real time on their computer screens.

Fueled by technology's impact on the hunger for information, the Internet is now being surfed by millions of people at any given time. Millions of people perform searches each hour and millions more send emails each day, and these numbers continue to grow, as almost 70% of American households had Internet access at home in 2006. To be able to stay in constant contact, almost 250 million Americans now own cell phones, with 82% of Americans owning a cell phone as of November 2007. Wireless users were expected to send over 50 billion text messages in 2007, making mobile SMS an estimated \$2 billion industry.

The move from the television screen to the computer screen is taking the obvious progression to the cell phone, sometimes referred to as the “third screen”, and AskMeNow seeks to be at the forefront of this shift. The competition among cellular carriers has resulted in a near saturation and a bottom line for offerings and pricing of mobile phone calling, which is highly evident in the heightened carrier concentration experienced recently. The newest trend for mobile device makers and distributors is data and content. Ring tones, wallpaper, email, and mobile web browsers have all seen great increases in users and monetary value in recent times as the market sees a shift from simple cell phones to fully portable multi-media mobile devices. Over half of mobile subscribers use their device for something other than making phone calls, with users utilizing their device to play games, take and share pictures, download ring-tones, and enter web browsers. A large percentage of users also are communicating through text messages - a March 2008 Pew Research report noted that 58% of cell phone users had sent or received a text message, up from 41% in 2006.

As a cutting edge technology that has become common place, mobile phones reach an audience that crosses all demographics and age groups, although research shows that early adoption of new mobile applications and devices is heaviest amongst younger age groups that are highly sought after by marketers. U.S. Cellular has reported that 60% of all children in the United States own a cell phone, and 54% of “tweens” (children between the ages of 10 and 15) will own a cell phone in the next three years. Moreover, two out of every five children in the 8 to 14 age group already own a cell phone. A majority of these younger users are interested in multifunction cell phones that offer greater access to different types of media, including cameras and MP3 players.

Marketers are already starting to see the potential for getting their message out in highly targeted ways through new emerging media. In 2008, total spending on emerging media is predicted to hit \$14.7 billion. Emerging media includes search, digital billboards, social networking and mobile marketing and gaming. Total U.S. spending on Internet advertising was expected to reach \$19.5 billion in 2007, a 19% increase over spending of \$16.4 billion in 2006, and the predicted spending for 2008 is almost \$24 billion. Marketers are beginning to realize the value of contextually supplying messages and furthering it with the ability to reach their highly targeted users anywhere and anytime via their mobile devices. More than a third of college students reported receiving a text message advertisement on their mobile device in 2007, up from 13% in 2005. Receiving text message ads is not confined to college students. According to a Nielsen Mobile Survey in March 2008, 23% of all U.S. mobile subscribers had viewed mobile advertising in the previous 30 days, and the number who recalled seeing an advertisement jumped 38% from 42 million to 58 million between the second and fourth quarters of 2007.

Our Products & Services

We believe that this societal paradigm shift and reliance on technology to make greater amounts of information more readily accessible opens the door for a mobile application like the AskMeNow service. We are a services-based company, focused on increasing the productivity of individuals by enhancing the functionality of mobile devices. In today’s world, we believe there is a direct correlation between access to information and productivity, and AskMeNow seeks to provide more information to the mobile user, with the goal of making them more productive than ever before.

We believe the AskMeNow service can be offered currently to mobile device users and enterprise clients in any country where English is the spoken language and, when available in other languages, to users and clients in other countries in which we have developed the service. Further, we believe our service will be suited to users in countries that have significant cellular penetration in the population and substantial enterprise usage.

As noted above, AskMeNow has to date provided two ways to access our service, text message/SMS or through a downloaded application. As of April 2008 we have expanded our product offering by including access to AskMeNow via the WAP or the Internet. We will continue to offer access through text messaging. However, we expect that our new downloadable applications will be “thin” client applications, meaning that the user will only download an icon to their phone, which will bring the user directly to the AskMeNow mobile site. Our new site will be designed to offer templates for asking many content questions and provides a search box for information inside Wikipedia. The templates create a framework for questions in the most commonly asked information verticals. Verticals are companies who are partners because they offer extensions of similar products, and include directory assistance, weather, stock quotes, directions, sports scores, movie times, dictionary, flight information, shopping, restaurants, horoscopes and news. Under each category the user is prompted to enter the exact information needed to give them an accurate response. For example, weather requires a zip code or city and state, stock quotes requires a ticker symbol and the trading market, and sports scores require the league and the team name. Once the correct information is entered into the template, the user simply pushes send and the answer is returned either by SMS or on the screen of our website. The answers to these questions will be culled from our content partner’s databases through the unique Extensible Markup Language or “XML” feeds we have established. The answers are correctly formatted, then paired with an appropriate contextually-based paid advertisement or marketing message and sent directly back to the end user’s device.

AskMeNow™ Alerts

We have also developed an information alert service that will enable users to receive content that they would like without having to submit a question to AskMeNow. This service is currently operating with a selection of our content partners and provides a daily push of automated content - for example, receiving a word of the day from Webster’s Dictionary. We anticipate releasing a more advanced version in 2008 whereby users will also be able to select from a range of information based on availability from our content partners, and have content sent directly to their device at pre-arranged times or simply receive a notification that information is available from the content source and can be accessed by clicking through to a designated landing site.

AskMeNow™ Enterprise

Utilizing licensed software from Expert System, we can offer an AskMeNow™ enterprise solution that enables telecommunications companies to automate access to customer service data using a natural language query system. In March 2008, we announced a service agreement with Research in Motion to provide the technology platform to provide Blackberry™ users access to customer service data.

AskMeNow™ Ad Services offer marketers and advertisers a platform for messaging potential customers. Taking advantage of our relationship with our customers, we are able to extend the reach of an advertiser directly to the end consumer. Our customers are mobile; our messages are targeted and reach our users while on the go. We have partnered with a variety of advertising platform providers, enabling an outsourced mechanism for selling and managing advertising campaigns.

One goal of advertisers is to provide their specific offering at the moment a potential user is ready to use a product or service. AskMeNow supports this goal by connecting advertisers with potential customers when those customers inquire about relevant products. Our customer base is developed with personal demographic information, interests and location depending upon the phone. This means an advertiser or marketer who places a ConTEXTual™ Marketing Message through our service is reaching a large audience of targeted potential customers when their message means the most. Advertisers therefore can limit or eliminate the need to pay for unnecessary impressions at inopportune times amongst individuals with a low chance of ever using their product or service.

Since every company and product/service is different, we offer advertisers and marketers a variety of ways to ConTEXTually market through the AskMeNow™ Ad Services:

- **Brand Texting** - Corporate or product brand names can be positioned for awareness on a cost per message basis and sent to targeted users.
- **Vertical Texting** - Advertisers can bid on keywords and information categories or verticals so that their product or service can be marketed exclusively to users who ask questions that concern their desired vertical, use particular keywords, etc. Vertical texting is the third screen equivalent of paid search and allows marketers to relay their brand's message directly to those interested in their vertical.
- **Performance Texting** - The pay per performance or inquiry-based program consists of text messaging targeted to users with a message to contact the advertiser. For instance, a user might ask a question about flowers. We would answer the question with an advertisement attached to the answer that would require the user to click the ad and be taken to another web site to purchase flowers. We can generate revenue either at the time of the click or if an item is purchased. Performance texting can be based on cost per call to a unique 800 number, cost per click (not available on all consumer devices), cost per request for additional info, cost per use of coupon code at website, and other methods.
- **Coupon Texting** - With coupon texting, electronic coupons can be text messaged to users and made redeemable at a given location. They can be sent to highly individualized users at the time of decision and point of purchase.

The richness of the media impression delivery differs depending upon the end user's device. With a BlackBerry™ and other smart-phones that receive email, we have the ability to make marketers' messages theoretically infinite in size, and to include graphics, text, pictures, click-through links, and more. On newer cell phones we also have the ability to send media impressions via MMS (meta-messages) or a WAP gateway (a mini website link). On older cell phones we have the ability to stay within the 160 text only character limit of the SMS format. As current and new mobile users adopt more modern, improved devices, we expect that AskMeNow's ability to deliver marketer's media impressions in increasingly rich formats will continue to grow.

As technology progresses and greater numbers of new, more sophisticated devices are adopted by the cell phone using public, we also expect to be able to take advantage of our content partners' existing relationships to allow for much greater targeting and local advertising. We anticipate that new avenues of potential advertisers and marketers will help us to expand our advertising services offerings and garner depth amongst users, making our service more valuable to marketers.

Sales & Marketing

Like the introduction of any new product or service, the success of our sales and marketing is critical to our success as a company. Our sales team is focused on establishing as many distribution points as possible while our marketing group is charged with creating innovative ways for AskMeNow and our distribution partners to acquire users.

Sales

We intend to continue our efforts to establish relationships with carriers, handset manufacturers, resellers and content providers in North America to gain access to their distribution networks. We currently do all sales directly using our own staff; however, we may at times contract with consultants to provide services for creating relationships that will benefit the company. Most of these relationships require long sales cycles that are difficult for small companies to execute. The growth of AskMeNow is dependent upon the distribution of our products and services; thus we have implemented a concentrated effort to partner with as many companies as possible that are interested in sharing revenue from the distribution of our products and services, including our mobile search platform and enterprise solution.

Mobile Carriers/ Handset Manufacturers

- Canadian Carriers - We are currently under contract with the largest Canadian carrier, Rogers Wireless, and have recently finalized an agreement with Bell Canada. We are working with other Canadian carriers to maximize our distribution network and hope to close other agreements in 2008. All of our relationships will be based upon revenue share agreements for advertisements. Currently, Rogers is offering our service for a fee.
- U.S. Carriers - We are currently under contract with Alltel Wireless, a leading cellular carrier with over 10 million users. Currently, Alltel is offering our service for a fee. We are in discussions with other U.S. carriers and hope to close other agreements in 2008.

- Research In Motion - In March 2008 we signed a services contract to provide technology for natural language search of a proprietary customer service database. This enterprise-focused product will be offered to other carriers and handset manufacturers as a means to generate revenue and enhance the AskMeNow brand.

Resellers

We have a distributor relationship with Handango, a large online reseller of applications for mobile devices. Handango began selling our application in the fourth quarter of 2004, and as of December 31, 2007 had sold to over 1,000 customers the AskMeNow downloadable application for a variety of phones at a price of \$4.99 a month. We continue to utilize Handango and intend to increase the applications to be sold to include many popular brands of phones. We also intend to continue offering our new applications through Handango, although there will be no fee for downloading the applications; rather, Handango will share in advertising revenue with AskMeNow. We are pursuing other online resellers that are in a position to distribute our product to a large audience and share in advertising revenue.

Content Providers

We have developed a number of content and distribution relationships with a variety of online portals that utilize the AskMeNow service to distribute their content, via a mobile platform, while at the same time using their resources to promote the shared service and acquire new AskMeNow customers. We intend to focus significant effort to partner with leading content partners in a variety of information verticals, as their online distribution could be of significant value to AskMeNow.

Marketing

Retail Marketing - Direct to the End User

For AskMeNow to become a viable business and competitor in the mobile content and information world, our brand will need to be marketed to the hundreds of millions of North American cellular users. As we move to launch our new free AskMeNow portal with Canadian carriers, we intend to advertise our brand through local television spots, radio, and billboards in select locations throughout Canada. Complementing this outreach will be specific cross promotions with content partners, advertisers and relevant retail verticals. These advertisements will be supplemented with publicity and promotional support. All retail marketing, directed at the end user, will be intended to increase sign up at our www.askmenow.com site or through one of our partner relationships, and to strengthen brand awareness. This marketing strategy will be dependent upon our ability to raise significant capital.

Wholesale Marketing - Carriers, others

Mobile carriers and other distribution points such as resellers and content providers will be heavily focused to promote the AskMeNow brand. Working to position our product in prime placement on decks of carriers and on home pages of online content providers is an ongoing function of marketing. We believe it will take significant time to establish value to our partners and expect that prime placement will potentially come as we gain traction with our products.

Development & Production

During 2005, we created AskMeNow, Inc. (Philippines), our wholly-owned foreign subsidiary with over 100 employees that provided our back-end research for queries, engineering to help develop and manage our software and hardware, and an accounting department to manage both our American and offshore operations. During the first quarter of fiscal year 2008, our operations in Manila ceased as we move forward with the development and implementation of a fully-automated response system to all queries.

We continue to enhance and improve our core product, either through internal development or through outsourced programming and development consultancy.

Technology

We have developed a website, <http://www.askmenow.com>, that offers users insight into the AskMeNow service and provides valuable information about the products we offer, how to use them, product benefits and features, answers to frequently asked questions, contact information, and the ability to sign up for the service.

We have developed a mobile website as well as the technology to allow for transmission of information through SMS. Our applications are designed to be “thin” client applications and are used solely for connecting an end user directly to our mobile site. We own the www.AskWiki.com site and are developing, in cooperation with Expert Systems of Italy, a natural language search mechanism for the content of Wikipedia.

Our servers are hosted in an outsourced facility that is maintained 24 hours a day, 7 days a week.

We have developed the software codes that are used in the AskMeNow service. To protect our proprietary rights, we currently rely on copyright, trademark and trade secret laws, confidentiality agreements with employees and third parties, and agreements with consultants, vendors and customers, although we have not signed such agreements in every case. Despite such protections, a third party could, without authorization, copy or otherwise obtain and use our intellectual property. We can give no assurance that our agreements with employees, consultants and others who participate in development activities will not be breached, or that we will have adequate remedies for any breach, or that our trade secrets will not otherwise become known or independently developed by competitors. We have filed for a provisional process patent for our software that covers our methodology for processing questions and answers through our Manila facility and a provisional patent for the delivery of advertisements on a mobile device, both of which are based upon using natural language. In general, there can be no assurance that our efforts to protect our intellectual property rights through copyright, trademark and trade secret laws will be effective to prevent misappropriation of our intellectual property. Our failure or inability to protect our proprietary rights could materially and adversely affect our business, financial condition and results of operations.

Content

We have established relationships with leading content providers in a variety of information verticals that our integral to AskMeNow's success. Currently we have the following strategic relationships:

- Custom Weather
- Sports Network
- Maps.com
- W3Data for 411 information
- Hotels.com
- StubHub.com
- FlyteComm.com
- Cinema-Source.com
- Shopping.com
- Astrology.com
- Distributive Networks
- Reuters
- Mobile Streams
- Baseball-Reference.com

AskMeNow's ability to access already existing, quality content in major information verticals is essential to our success, as it greatly reduces the time and costs associated with researching and answering users' questions. The content strategy is to acquire the most widespread amount of data and information feeds from industry leaders, beginning in the verticals that are most frequently the subject of questions. The more content in different areas that we have to offer, we believe the more attractive we become as a service. Eventually we aim to have content on direct feeds that covers anyone who carries a mobile device, providing content specific to their interests, gender, age, location, and more. While content deals are not a necessity for answering all of our user's questions, we feel that as we move forward and garner a larger customer base, our ability to quickly and effectively access a vast array of information will greatly enhance the service and make it far more desirable to the end user.

Competition

There are many companies that could be considered in 'like' businesses, including OnStar, telephone-carrier supported 411, Yahoo and Google. There are also a number of start-up companies offering automated content, some for a fee and some for free, such as 4INFO and Jump Tap. These companies all offer access to a wide array of content through multiple platforms, including voice and text. Voice offers the ability to understand all queries whereas text generally can only understand formatted queries or only provide links to answers when questions are posed in natural language, versus actual specific answers. We believe AskMeNow is different because it offers natural language query into Wikipedia, as well as formatted search tabs for access to many other categories of content. Descriptions of our competitors and their products follow.

- 4 million subscriptions in 2006 with the target audience in-vehicle systems, and standard on all General Motors vehicles in the U.S. and Canada by the end of 2007.
- Single Button press on vehicle console connects driver to OnStar operator.
- Yearly fees range from \$199 for minimum service to \$399 for full service, which includes concierge service that provides driving directions, restaurant recommendations and hotel reservations.
- Of the top categories of inquiries, primarily related to the automobile and driving directions.

Carrier Supported 411

- Limited to simple directory assistance for phone number and address look-up, and simple directions, fees range from \$0.50 to \$2.00 per query.
- Some of the services are beginning to offer answers to wider content subjects, such as driving directions and closest business to a specified location.

Google and Others

- Google and Yahoo both have mobile sites and provide an SMS service that receives and responds to questions via text messaging. A distinct difference between their mobile sites and AskMeNow is that they allow for a user to leave their site and view information from other sites, hence losing the ability to continually monetize each page view with an advertisement. AskMeNow keeps all customers within our content silo, enabling monetization of every page.
- In 2002, former executives of Symbian and Psion PLC, two U.K. telecommunications companies, formed Issue Bits, an Internet-based question-answer service that operates only in a text messaging format and is currently available only to selected U.K. mobile phone users.
- 4INFO is a venture-funded startup company that offers an SMS messaging service with much of the same content as AskMeNow or Google SMS. Our research shows, however, that the company is only able to offer shallow amounts of information and does not have the capability to answer natural language questions that require accessing unstructured data.
- Jump Tap is a search engine dedicated to mobile phones that tries to provide relevant answers with popular key word requests.
- The service appears similar to Google and Yahoo mobile search and is being offered to carriers and mobile virtual network operators as a white label mobile search platform.

Research and Development

Research and development activities are undertaken by the Company on its own initiative to improve our existing products and to develop new products using the latest technologies that can satisfy customer requirements. During the years ended December 31, 2007 and December 31, 2006, the Company spent \$72,693 and \$222,005, respectively, on research and development activities.

Employees

As of December 31, 2007, we employed eight full-time employees in the United States, including four members of management. Our Philippines subsidiary employed approximately 25 persons as of December 31, 2007.

RISK FACTORS

You should carefully consider the following risk factors in evaluating our business. There are a number of risk factors that could cause our actual results to differ materially from those that are indicated by forward-looking statements. Some of the risks described relate principally to our business and the industry in which we operate. Others relate principally to the securities market and ownership of our common stock. The risks and uncertainties described below are not the only ones we face. Additional risks and uncertainties that we are unaware of, or that we currently deem immaterial, also may become important factors that affect us. If any of the following risks occur, our business, financial condition or results of operations could be materially and adversely affected. You should also consider the other information included in this Annual Report on Form 10-KSB for the fiscal year ended December 31, 2007, including the financial statements and notes thereto included herewith.

RISKS RELATING TO THE COMPANY

The Company's qualified financial statements question our ability to continue in business.

The Company's independent registered public accounting firm issued an unqualified report with an explanatory paragraph on the Company's audited financial statements as of and for the year ended December 31, 2007. The report raised substantial doubt about the Company's ability to continue as a going concern. In addition, Note 1 of our Notes to Consolidated Financial Statements for the year ended December 31, 2007 states that the Company's continued existence is dependent upon its ability to raise capital and successfully market and sell its products. We have had an extensive history of losses and will continue to incur losses as we pursue our business model. See "Report of Independent Registered Public Accounting Firm" and Note 1 of the Notes to Consolidated Financial Statements.

We have a limited operating history.

AskMeNow organized its first operating company in January 2004, completed our reverse merger and became a public reporting company in June 2005, and did not launch our AskMeNow service until November 2005. We therefore have a limited operating history upon which we can accurately forecast our future performance, including future sales. You should, therefore, consider us subject to all of the business risks associated with a new business. The likelihood of our success must be considered in light of the expenses, difficulties and delays frequently encountered in connection with the formation and initial operations of a new and unproven business.

AskMeNow has only limited revenue to date and is dependent on a single product.

Although several other services are contemplated or under development, AskMeNow currently offers only one product, the AskMeNow™ service, and anticipates that this product will account for substantially all of the Company's revenues, if any, for the foreseeable future. All of the proceeds of our Series A and Series B preferred stock offering were used to launch and commercialize our AskMeNow service and the proceeds of our 2007 bridge loan offerings were also used to commercialize our product. Proceeds from our Series D convertible preferred stock offerings were used to fund operations. Therefore, our prospects are currently entirely dependent upon the future performance of a single product and a single business. We do not have the resources to re-introduce our product or to diversify our business if our initial product launch is unsuccessful.

If we cannot establish sufficient usage of the AskMeNow service among cell phone and hand-held device users, our business will fail.

We will be successful only if a significant number of cell phone and hand-held device users adopt our service as a method of making inquiries over their cell phones and hand-held devices. Cell phone and hand-held device users have a variety of other search techniques, including other search engines and subject-matter directories, available to them to obtain information. It is difficult to predict the rate at which users will sample our services and the extent to which they will adopt them as their search technology. Even in the case of repeat users, it is difficult to know whether they return to our service because they are satisfied with our offerings or because they are dissatisfied with the alternatives. At any time, users of our services might revert to prior search techniques or choose new search techniques altogether. It is possible that sufficient acceptance of our search technologies and services will not occur in order to maintain our viability, based upon the current options available to end users and the potential of such users not having any interest in the services we provide.

Our growth will depend on our ability to attract and retain new users through effective promotional campaigns.

We believe that favorable consumer and business community perceptions of the Company's brands are essential to our future success. Accordingly, we intend to pursue brand-enhancement strategies, which may include mass market and multimedia advertising, promotional programs and public relations activities, which strategies will likely require significant expenditures. As with any public awareness campaign, we face the risk that such expenditures might not lead to the desired result; that is, we might not experience any net increase in our brand recognition, brand loyalty or number of new users. Furthermore, even if such increases occur, they might not be sufficiently large to justify the accompanying cost. If we are unable to promote brand awareness and loyalty in a cost-effective manner, it will be unlikely that we will attract new users and our existing user base might shrink through attrition. We intend to allocate approximately \$100,000 in 2008 to promotions geared toward increasing customer usage. This assumes we will be able to raise sufficient capital to pay for these promotions through debt and equity financings, combined with revenue generated from advertising sales and enterprise licensing fees; however, we may be unable to support this level of promotion without the required capital, and we cannot be sure that such expenditures will be sufficient to increase sales and revenues.

Our success is dependent on our ability to respond to technological changes and evolving customer requirements.

Our success will depend not only on our ability to market and promote the AskMeNow service but also to develop and introduce new products and professional services that keep pace with competitive introductions and technological developments, satisfy diverse and evolving customer requirements, and otherwise achieve market acceptance. The market for the AskMeNow service is characterized by rapid technological developments and frequent new product introductions, enhancements and modifications. Any failure by us to anticipate or respond adequately to changes in technology, or any significant delays in our product development efforts, could make our services unmarketable or obsolete. In addition, we may not be able to offer future versions, enhancements or upgrades of our products that respond to technological advances or new market and customer requirements. We may need to make substantial capital expenditures and incur significant research and development costs to develop and introduce new products and enhancements. If we fail to timely develop and introduce new technologies, our business, financial condition and results of operations would be adversely affected.

If we cannot obtain additional financing we may have to delay or suspend our operations.

As of January 1, 2008, the Company did not have any cash available for operations. Since then, limited funds have been raised, although additional financing is needed to ensure our ability to continue our operations. During 2007, the Company issued bridge notes in the aggregate principal amount of \$3,300,000, of which \$3,000,000 are currently in default under the terms of the loan agreements. The Company also raised \$725,000 during 2007 from the sale of its Series A and B preferred stock. The Company used all of such proceeds to implement its business plan and is in the business of seeking additional financing.

If we are to fully implement our business plan, we anticipate that our use of cash will be substantial for the foreseeable future, and will exceed our cash flow from operations during the next 12 months and thereafter, absent a significant increase in sales. To fully implement our business plan, we will require additional working capital for enhancing our infrastructure, salaries and wages, and increased marketing and advertising. Unless funds from operations significantly increase over the next 12 months, we will not have sufficient working capital to hire additional employees, implement marketing campaigns or otherwise pursue our business plan.

Any additional equity financing may be dilutive to stockholders, and any debt financing, if available, may involve restrictions on the Company's ability to pay dividends on its capital stock or the manner in which the Company conducts its business. The inability to obtain sufficient funds may require the Company to delay or suspend its operations.

The Company is dependent on third-party providers and consultants.

The Company relies on a number of third-party providers to obtain information necessary to answer queries posed by users, deliver advertisements, and build applications for the AskMeNow service. The Company has obtained agreements from the parties whom the Company deems necessary; however, the Company does not have agreements with every such party, and the agreements it does have may be terminated and may therefore deny AskMeNow access to certain providers and content. Should the Company be unable to enter into satisfactory arrangements with these parties or in the event of the failure of any third-party supplier, consultant, or other provider to timely perform their obligations or commitments, the AskMeNow service would be unable to operate in an efficient manner, which could result in the loss of customers or a curtailment of its operations. Our content providers are either paid a small monthly fee for access to content, ranging from \$1,000 - \$2,000 per month, or are free with a revenue share based upon advertising revenue. We have signed contracts with advertising promoters that are primarily revenue sharing agreements based upon volume and other factors. We have had relationships with consultants that provide technology assistance; such consultants are paid by either a prearranged fee for specific work or are paid by the hour.

The operating performance of computer systems and cell phone provider infrastructure is critical to our business and reputation.

Any system failure, including network, software or hardware failure due to a computer virus or otherwise, that causes an interruption in our service or a decrease in our responsiveness could result in reduced cell phone and hand-held user traffic and reduced revenues for our business. In addition, any disruption to our customers' use of our service due to problems with cell-phone or hand-held networks may result in a reduction in the use of our service, which would decrease our revenues.

Our international operations expose us to additional risks and additional international expansion efforts might lose money.

Our main facility for the AskMeNow service was located in the Philippines until March 2008, at which we employed most of our full-time employees. Our foreign operations, although now closed, subject the Company to various risks associated with international operations, including the difficulties and costs of staffing and managing foreign operations, differing tax rules and regulations and unanticipated tax costs, foreign regulatory requirements, and fluctuations in currency exchange rates, foreign economies and business cycles.

Existing or new competitors may develop competing or superior technologies.

We have developed and are continuing to develop our AskMeNow service. The Company is aware of several similar products that currently or will in the future likely compete with the AskMeNow service. Larger companies such as Google have the capital, technology, personnel, and marketing strength to support their existing products and develop new products to compete with the AskMeNow service. It is possible that competing services will emerge that may be superior and/or less expensive than the Company's AskMeNow service, or that similar technologies may render the AskMeNow service obsolete or uncompetitive and prevent the Company from achieving or sustaining profitable operations.

If the protection of our intellectual property is inadequate, our competitors may gain access to our content and technology.

We seek to develop and maintain the proprietary aspects of our products and technology. To protect our proprietary content and technology, we rely primarily on a combination of contractual provisions, confidentiality procedures, trade secrets, and patent, copyright, and trademark laws. Despite our efforts to protect our proprietary rights, unauthorized parties may attempt to copy aspects of our products and intellectual property or to obtain and use information that we regard as proprietary. We will seek to avoid disclosure of our trade secrets through a number of means including, but not limited to, requiring those persons with access to our proprietary information to execute work for hire and confidentiality and non-disclosure agreements and restricting access to our source codes. We seek to protect our software, documentation, and other written materials under trade secret and copyright laws, which afford only limited protection. We do not currently have any issued patents for proprietary products or technologies, and other parties may have dominating patent claims, although we have applied for patent protection for two different areas of our processes. There can be no assurances that such applications will result in issued patents, or that such patents will offer any meaningful protection or competitive advantage.

Other parties may have patent rights relating to the same subject matter covered by our products or technologies, enabling them to prevent us from operating without obtaining a license and paying royalties. The validity and enforceability of our proprietary technology, if any, may also be affected by future legislative actions or judicial decisions. We have applied for no trademark registrations, and may not file or receive any in the future. Potential trademarks may not provide us with any competitive advantages. None of our trademarks may be registrable, and other parties may have priority of use of such trademarks or variants thereof. Policing unauthorized use of our products is difficult and costly, and while we are unable to determine the extent to which piracy of our intellectual property exists, piracy can be expected to be a persistent problem. In addition, the laws and enforcement mechanisms of some foreign countries do not protect our proprietary rights as much as do the laws of the United States. Our means of protecting our proprietary rights may not be adequate here or abroad and our competitors may independently develop similar technology, duplicate our products or design around patents issued to us or our content or other intellectual property.

Any claims of infringement, misappropriation or similar conduct, with or without merit, would likely be time-consuming, result in costly litigation, cause delays in implementation of our services and/or require us to enter into license agreements. Licenses, if required, may not be available on terms acceptable to us, the absence of which could seriously harm our business.

A breach of our security could damage our reputation and deter customers from using our services.

We attempt to protect our computer systems and network from physical break-ins, security breaches and other disruptive problems caused by the Internet or other users. Computer break-ins could jeopardize the security of information stored in and transmitted through our computer systems and network, which could reduce our ability to retain or attract customers, damage our reputation or subject us to litigation. We could be subject to denial of service, vandalism and other attacks on our systems by cell phone hackers. Although we intend to continue to implement security technology and establish operational procedures to prevent break-ins, damage and failures, these security measures might fail. Our insurance coverage might be insufficient to cover losses that result from such events.

In order to obtain market acceptance, we will need to expand our operations and we may not effectively manage any future growth.

As of April 7, 2008, we employed five persons in the United States, including members of management, and no employees in the Philippines. In the event our products and services achieve market acceptance, we will need to increase staffing and effectively train, motivate and manage our employees. We will also need to scale up our operations in order to service our customers, and increase our sales and marketing, customer support and product development efforts. If we grow, we also will be required to improve our operational and financial systems, procedures and controls, and expand, train, retain, and manage our employee base. However, there are significant risks associated with such growth. If our systems, procedures, and controls are inadequate to support our operations, our expansion would be halted, and we could lose our opportunity to gain market share. Failure to manage growth effectively could harm the Company's business, financial condition, or results of operations. Our future performance may also depend on the effective integration of acquired businesses. This integration, even if successful, may take a significant period of time and expense, and may place a significant strain on our resources.

Government regulation and legal uncertainties could harm our business.

Any new law or regulation pertaining to cell phone usage and cell phone add-on services, or the application or interpretation of existing laws, could decrease the demand for our services, increase our cost of doing business or otherwise seriously harm our business. There is, and will likely continue to be, an increasing number of laws and regulations pertaining to the usage of cell phones and add-on services. These laws or regulations may relate to liability for information retrieved from or transmitted over cell phones, online content regulation, user privacy, taxation and the quality of products and services. Furthermore, the growth and development of electronic commerce may prompt calls for more stringent consumer protection laws that may impose additional burdens on electronic commerce companies as well as companies like us that provide electronic commerce-related services.

We file tax returns in such states as required by law based on principles applicable to traditional businesses. However, one or more states could seek to impose additional income tax obligations or sales tax collection obligations on out-of-state companies, such as ours, which engage in or facilitate electronic commerce. A number of proposals have been made at state and local levels that could impose such taxes on the sale of products and services through cell phones or the income derived from such sales. Such proposals, if adopted, could substantially impair the growth of electronic commerce and seriously harm our profitability.

Legislation limiting the ability of the states to impose taxes on cell phone-based transactions was enacted by Congress. Legislation imposing a three-year moratorium on certain state taxes on electronic commerce transactions, known as the Internet Tax Freedom Act, was enacted by Congress in 1998, and subsequently extended to November 1, 2014. The moratorium applies to multiple or discriminatory taxes on electronic commerce, except for those in effect on the date of legislative enactment in 1998. It is unclear what other action, if any, Congress might take with respect to state taxation of electronic commerce. The imposition of such taxes on services such as ours could impair the growth of the electronic commerce marketplace and impair our ability to remain profitable.

In addition, we are not certain how our business might be affected by the application to cell phone commerce of existing laws governing issues such as property ownership, copyrights, encryption and other intellectual property issues, taxation, libel, obscenity and export or import matters. The vast majority of such laws were adopted prior to the advent of the cell phone. As a result, they do not contemplate or address the unique issues of the cell phone and related technologies. Changes in laws intended to address such issues could create uncertainty in the cell phone market. Such uncertainty could reduce demand for our services or increase the cost of doing business as a result of litigation costs or increased service delivery costs.

Due to the nature of the cell phone, it is possible that the governments of other states and foreign countries might attempt to regulate cell phone transmissions or prosecute us for violations of their laws. We might unintentionally violate such laws, such laws might be modified and new laws might be enacted in the future. Any such developments (or developments stemming from enactment or modification of other laws) could increase the costs of regulatory compliance for us or force us to change our business practices.

The loss of our CEO's services or the departure of key personnel could have a detrimental effect on the Company.

Our success depends on identifying, hiring, training, and retaining qualified professionals. If a significant number of our current employees or our Chief Executive Officer resigned, we may be unable to complete or retain existing projects or pursue new projects. The Company's success is highly dependent on the retention of existing management and technical personnel, particularly Darryl Cohen, the Company's Chief Executive Officer and current sole executive officer. Although the Company has entered into a three-year employment agreement with Mr. Cohen, at this stage in the Company's history, the loss or unavailability of his services could seriously impede its ability to complete the development of the AskMeNow service. Moreover, his agreement expires in July 2008. Stockholders could lose a substantial portion of their investment, if not their entire investment, if the Company was to lose the services of Mr. Cohen.

We require work for hire agreements with substantially all of our technical and professional employees. The invention and confidentiality provisions contained in the work for hire agreements may not be enforced by a court if the Company were to seek to enforce its rights under these provisions. Even if we retain our current employees, our management must continually recruit talented professionals for our business to grow. These professionals must have skills in software development, business strategy, marketing, branding, technology, and creative design. We compete intensely for qualified personnel with other companies. If we cannot attract, motivate, and retain qualified professionals, our business and results of operations will be materially and adversely affected. The Company also risks being unable to timely attract the highly skilled, experienced and motivated employees necessary to execute its business strategy.

We have discovered previously undisclosed liabilities associated with the Reverse Merger.

As disclosed under “Item 3 - Legal Proceedings” below, there were significant undisclosed liabilities that were either misrepresented to us or that we were unable to discover prior to the Reverse Merger. The indemnities and warranties which InfoByPhone received are not expected to fully cover such liabilities due to, among other things, the financial condition of OWE and the unresponsiveness of its principals to our demands. While we intend to fully pursue all legal recourse against such persons, our operations may be adversely affected by our failure to recover any such claims.

SECURITIES RISKS

Investors may find it difficult to trade or obtain quotations for our common stock.

Although our common stock is quoted on the OTCBB, trading of our common stock is limited. There can be no assurance a more active market for our common stock will develop. Accordingly, investors must bear the economic risk of an investment in our common stock for an indefinite period of time. Even if an active market develops, Rule 144 promulgated under the Securities Act, which provides for an exemption from the registration requirements under the Securities Act under certain conditions, requires, among other conditions, a holding period prior to the resale of securities acquired in a nonpublic offering. We may not be able to fulfill our reporting requirements in the future under the Securities Exchange Act of 1934, as amended (the “Exchange Act”) or disseminate to the public any current financial or other information concerning us, as is required by Rule 144 as part of the conditions of its availability.

Our common stock is considered “a penny stock” and as a result may be difficult to sell.

Our common stock is deemed to be a “penny stock”, which is an equity security that has a market price of less than \$5.00 per share or an exercise price of less than \$5.00 per share, subject to specific exemptions. This designation requires any broker or dealer selling these securities to disclose certain information concerning the transaction, obtain a written agreement from the purchaser and determine that the purchaser is reasonably suitable to purchase the securities. These rules may restrict the ability of brokers or dealers to sell our common stock and may affect the ability of investors to sell their shares. In addition, since our common stock is currently traded on the OTCBB, investors may find it difficult to obtain accurate quotations of our common stock and may experience a lack of buyers to purchase such stock or a lack of market makers to support the stock price.

A significant number of our shares are eligible for sale, and their sale could depress the market price of our stock.

Sales of a significant number of shares of our common stock in the public market could harm the market price of our common stock. As additional shares of our common stock become available for resale in the public market, the supply of our common stock will increase, which could decrease its price. The holders of certain of our convertible securities also have registration rights concerning the shares of underlying common stock. Some or all of the shares of our common stock may be offered from time to time in the open market pursuant to Rule 144, and these sales also may have a depressive effect on the market for the shares of our common stock. In general, a non-affiliated holder who has held restricted shares for six months may sell into the market our common stock in an amount equal to 1% of the outstanding shares. Such sales may be repeated once each three months, and any restricted shares of our common stock may be sold by a non-affiliate after they have been held for one year without regard to any volume limitations.

Our authorized share capital may be used as an anti-takeover device.

The Company currently has authorized for issuance 300 million shares of its common stock and 10 million shares of its preferred stock. The preferred stock may be issued in one or more series from time to time with such designations, voting and other rights, preferences and limitations as the Board of Directors may determine. The Board of Directors will have the authority to issue a significant number of shares of both our common stock and preferred stock without further stockholder approval. This may have the effect of delaying or preventing a change of control. Although the preferred stock is not designed to prevent a change in control, it could be used to create voting impediments or to frustrate persons seeking to affect a takeover or otherwise gain control of the Company, and therefore protect the continuity of the Company's management.

We do not anticipate paying dividends in the foreseeable future, and the lack of dividends may have a negative effect on our stock price.

We have never declared or paid any cash dividends or distributions on our capital stock. We currently intend to retain our future earnings to support operations and to finance expansion and therefore we do not anticipate paying any cash dividends on our common stock in the foreseeable future.

We may interpret or implement critical accounting policies incorrectly.

We follow generally accepted accounting principles for the United States in preparing our financial statements. As part of this work, we must make many estimates and judgments about future events. These estimates affect the value of the assets and liabilities, contingent assets and liabilities, and revenue and expenses that we report in our financial statements. We believe these estimates and judgments are reasonable, and we make them in accordance with our accounting policies based on information available at the time. However, actual results could differ from our estimates, and this could require us to record adjustments to expenses or revenues that could be material to our financial position and results of operations in future periods.

Item 2. Description of Property.

The Company's principal operating offices are located at 26 Executive Park, Suite 250, Irvine, California 92614. The lease is for approximately 2,641 square feet under a three year lease ending in 2008, at a current monthly rental rate of \$5,779. We also leased approximately 1,100 square feet of office space under a month-to-month lease in Deerfield Township, Ohio at a monthly rent of \$2,523 and approximately 300 square feet of office space in Long Island, New York at a monthly rent of \$1,455. The leases in New York and Ohio were terminated in December 2007.

We also leased approximately 1,100 square meters of office space under a one-year lease in Makati City, Manila, Philippines at a monthly rent of \$6,130, which lease term expired in September, 2007 and was continued thereafter on a month-to-month basis. In the first quarter of 2008, the Company vacated the Manila property and terminated the associated lease.

The Company evaluates on a continuing basis the suitability and adequacy of all of its office locations. The Company believes its present facilities are adequate for its operating purposes, in good operating condition and well maintained.

Item 3. Legal Proceedings.*Pending Litigation Matters*

The Company has been advised that there are 448,420 outstanding warrants to purchase common stock of the Company, a portion of which may still be exercisable despite former management's representation and warranty that there were no outstanding warrants at the time of the Reverse Merger. Included in these warrants are 300,000 claimed to be exercisable at \$0.25 per share through August 15, 2007. The alleged holder of these warrants, Remsen Funding Corporation (a former consultant of the Company), filed a lawsuit in the United States District Court for the Southern District of New York (06 CV 609) on February 1, 2006 seeking specific performance of an agreement which provided for "piggyback" registration rights and seeking to have the Company include the 300,000 shares underlying the warrants in its then-pending registration statement on Form SB-2. Notwithstanding the fact that the subject matter of the lawsuit is still in dispute, the Company has agreed to register the shares. On July 16, 2007, the plaintiff filed an amended complaint. The amended complaint alleged damages of not less than \$525,000, which the Company believes is without merit. The Company has answered the complaint, denied the claims and asserted various affirmative defenses. Discovery has commenced, and the matter is scheduled for trial in or about July 2008. As of December 31, 2007, the Company has not accrued any liability regarding this claim.

In December 2005, the Company received a claim from an attorney for Marshall Stewart, the former CEO of the Company. Mr. Stewart was employed by the Company under an employment agreement dated September 1, 2004. Mr. Stewart was to be compensated \$180,000 per year in base salary plus bonuses through August 31, 2007. Mr. Stewart's claim is for a breach of contract alleged to have occurred in late 2004 when the Company was under the control of Consumer Direct of America, the Company's then-principal shareholder ("CDA"), and for CDA's failure to advise the Company's stockholders of the sale of the company until after the Reverse Merger. As of December 31, 2007, the Company has not accrued any liability related to the claim and no further developments have occurred regarding this claim.

On May 5, 2006, a judgment by default in the amount of \$604,391 was entered in favor of Indymac Bank, F.S.B., in the Los Angeles Superior Court against the Company (then known as Ocean West Holding Corporation), former subsidiary Ocean West Enterprises, Inc. ("OWE"), CDA, and Does 1 through 100, inclusive. The underlying complaint brought by the federal bank alleged a default by OWE under settlement agreements with the bank, which had purchased certain loans from OWE. The complaint did not state a cause of action against the Company. Pursuant to Section 13.3 of the Securities Exchange Agreement and Plan of Reorganization dated as of April 14, 2005 (the "Exchange Agreement"), the Company gave CDA notice of a breach of the representations and warranties set forth in, among other things, Section 5.5 of the Exchange Agreement. In addition, CDA assumed and agreed to indemnify the Company from any and all liabilities as of May 23, 2005, whether known or unknown, pursuant to the Assignment and Assumption of Liabilities Agreement of the same date entered into in connection with the Reverse Merger (the "Assumption Agreement"). Personal service upon the Company's registered agent was claimed, but the Company was never served and sought to remove the judgment. On August 8, 2007, the default judgment against the Company was vacated in the Los Angeles Superior Court on the basis that the Company had not been properly served. During the quarter ended September 30, 2007, OWE and the Company were named as defendants in the legal matter of Indymac Bank, F.S.B. vs. Ocean West Enterprises, Inc. (Case No. GC036470). The Company served a cross-complaint against the plaintiffs and they have not responded. As of December 31, 2007, the Company has not accrued any liability related to the claim.

The Company has been advised by Pioneer Credit Recovery, Inc. that the U.S. Department of Treasury has placed with Pioneer an account owed to it by the Company's former subsidiary, OWE. The former principals of OWE did not disclose that they and OWE had guaranteed three HUD loans in the aggregate amount of \$151,980. In the event a claim is made against the Company by Pioneer, the U.S. government or any agency or instrumentality thereof, or any other party, the Company will seek indemnification from the former principals of OWE, CDA, and their respective affiliates under both the Exchange Agreement and the Assumption Agreement. As of December 31, 2007, the Company has not accrued any liability for this guarantee.

The Company may also be subject to routine litigation in the ordinary course of business.

As of December 31, 2007, the Company was in default under the \$3,000,000 principal amount of senior promissory notes issued in its Bridge I note offering. The Company's failure to pay such notes when due constitutes an event of default and, according to the terms thereof, the Company is obligated to pay each note holder the default interest rate of two percent (2%) per month on all amounts due and owing under such notes for each month or part thereof beyond the extended maturity date that such amounts remain unpaid. In the event of a default, each note holder may proceed to protect such holder's rights in equity or by action at law, or both, enforce payment of the notes, and/or enforce any other legal or equitable right such holder may have.

The Company is in continuing discussions with the holders of the Bridge I notes regarding a settlement offer and is working to secure an extension of the note payment terms.

Item 4. Submission of Matters to a Vote of Security Holders.

Not applicable.

PART II

Item 5. Market for Common Equity, Related Stockholder Matters and Small Business Issuer Purchases of Equity Securities.

The Company's common stock is traded on the Over-The-Counter Bulletin Board under the symbol "AKMN.OB." The following table sets forth the high and low bid information for the Company's common stock for each quarter during the last two fiscal years, as reported by OTCBB. The quotations listed below reflect inter-dealer prices, without retail mark-up, mark-down or commission and may not represent actual transactions.

	Common Stock	
	High	Low
<u>Year Ended December 31, 2007:</u>		
Quarter Ended March 31, 2007	\$0.68	\$0.56
Quarter Ended June 30, 2007	\$0.68	\$0.60
Quarter Ended September 30, 2007	\$0.70	\$0.65
Quarter Ended December 31, 2007	\$0.13	\$0.12
<u>Year Ended December 31, 2006:</u>		
Quarter Ended March 31, 2006	\$2.28	\$0.96
Quarter Ended June 30, 2006	\$1.39	\$0.77
Quarter Ended September 30, 2006	\$0.97	\$0.23
Quarter Ended December 31, 2006	\$0.87	\$0.25

On April 7, 2008, the closing price of our common stock as reported on the OTCBB was \$0.14 per share.

Stockholders

As of April 7, 2008, there were approximately 1,018 holders of record of our common stock.

Dividends

In the fiscal year ended December 31, 2007, we did not pay any cash dividends on any shares of our common stock. We do not anticipate paying any dividends on our common stock in the foreseeable future. The decision to pay dividends on our common stock will depend on our situation with regard to profitability and cash availability.

If any dividends on the Company's Series A and Series B preferred stock shall not have been paid or set apart in full for the holders of such series of preferred stock when payable, dividends or distributions with respect to the common stock cannot be paid or made unless and until the preferred stock dividends have been paid or set apart for payment. The holders of the Company's Series D convertible preferred stock are entitled to receive, and the Company is bound to pay, in preference to the holders of the common Stock and any "junior securities", mandatory annual dividends.

Securities Authorized for Issuance under Equity Compensation Plans

The following table sets forth, as of December 31, 2007, certain information regarding the securities authorized for issuance under the Company's equity compensation plans and programs. For more information on these plans, please see Note 9 to the Consolidated Financial Statements included herewith.

Equity Compensation Plan Information Table

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans
Equity compensation plans approved by security holders			
<i>2005 Management and Director Equity Incentive and Compensation Plan</i>	1,924,000	\$0.82	76,000
<i>2006 Employee Stock Incentive Plan (1)</i>	1,981,000	\$0.52	8,019,000
Equity compensation plans not approved by security holders			
<i>Options issued to officers and directors (2)</i>	4,700,000	\$0.54	
<i>Options issued to employees and consultants (3)</i>	5,950,000	\$0.70	
<i>Warrants issued with Preferred Stock (4)</i>	19,920,000	\$0.50	
<i>Warrants issued to Director for financing (5)</i>	452,164	\$0.50	
<i>Warrants issued for services (6)</i>	1,598,420	\$0.46	
<i>Warrants issued for financial services (7)</i>	4,600,000	\$0.50	
<i>Warrants issued for IR services (8)</i>	200,000	\$0.50	
<i>Warrants issued in settlement of debt (9)</i>	52,500	\$2.00	
<i>Warrants issued with debt (10)</i>	12,900,000	\$0.50	
Total	54,278,084		8,095,000

The 2006 Employee Stock Incentive Plan, as amended, was approved and adopted by the Board of Directors on August 4, 2006, and (1) became effective upon the approval of the Company's stockholders at the annual meeting held on August 1, 2007. The plan provides for the issuance of up to 10,000,000 shares of common stock.

(2) The Company has and will likely continue to provide stock options outside of its current equity plans to officers and directors as part of their annual compensation. (See Item 10. Executive Compensation)

(3) The Company has and will likely continue to provide stock options outside of its current equity plans to employees and consultants as part of their annual compensation.

The Company has and will most likely continue to attach warrants to issuances of preferred stock as additional consideration to (4) preferred holders in order to attract equity investment. These warrants are necessary based on the significant level of risk involved in such an investment and the financial condition of the Company.

The Company has and will likely to continue to issue warrants to providers of debt funding in exchange for such providers' agreement (5) to extend the maturity date of such debt. These warrants are necessary based on the significant level of risk involved in such an investment and the financial condition of the Company.

(6) From time to time, the Company has issued warrants to providers of legal and consulting services in lieu of cash payments for those services.

The Company has and will most likely continue to issue warrants to financial advisors who assist with the placement of the Company's (7) debt or equity instruments. The issuance of warrants to these advisors reduces the cash costs that would otherwise be associated with raising capital.

- (8) The Company has generally included warrants in compensation agreements for providers of investor relations and/or public relations services. This practice significantly reduces the cash costs to the Company in order to obtain these services.
- (9) During 2006, the Company issued warrants as part of the final payment of an outstanding note payable.
- The Company has and will likely continue to attach warrants to issuances of debt as additional consideration to the promissory note
- (10) holders in order to attract debt investment. These warrants are necessary based on the significant level of risk involved in such an investment and the financial condition of the Company.

Recent Sales of Unregistered Securities

Preferred Stock

Commencing April 25, 2006, the Company began an offering to accredited and foreign investors of Series A preferred stock in the form of a Unit, with each Unit consisting of (i) 5,000 shares of Series A preferred stock, and (ii) warrants to purchase 50,000 shares of the Company's common stock, exercisable for a period of three years at a price of \$0.50 per share. On July 20, 2006, a supplement to the private placement memorandum used in connection with the offering of such Units was approved, which supplement re-priced the offering and modified the preferred stock offered. All investors that had invested in the Series A private placement were offered an opportunity to exchange their shares of Series A preferred stock for shares of Series B preferred stock that were identical in all respects to the Series A shares except for the conversion price, which was reduced to \$0.50 per share. In addition, the number of warrants issued per Unit was increased from 50,000 to 100,000 warrants while the exercise price remained at \$0.50 per share. The number of warrants issuable to the placement agent also increased from 1,000,000 to 2,000,000 (or such proportionately smaller number if less than the maximum offering amount was raised), exercisable at \$0.50 per share of common stock rather than \$1.00 per share.

The Company completed the sale of an additional 14.5 Units for gross proceeds of \$725,000 in the first quarter of 2007 until the offering was closed to new investment on February 28, 2007. The offering closed with a total of 134.1 Units of the Series A and B preferred stock issued for aggregate gross proceeds of \$6,705,000 (\$2,375,000 from the sale of 237,500 shares of Series A preferred stock, and \$4,330,000 from the sale of 433,000 shares of Series B preferred stock). The placement agent in connection with such offering received warrants to purchase, with a cashless exercise feature, 1,000,000 shares of common stock of the Company, exercisable at \$0.50 per share for a term of five years, as well as (1) an aggregate of \$707,000 sales commissions, (2) \$162,000 in non-accountable expenses, and (3) 1,200,000 shares of common stock. During the year ended December 31, 2007, Series A holders exchanged 342,500 Series A shares for 342,500 Series B shares. As of December 31, 2007, there were 22,458 and 295,933 shares of Series A and Series B preferred stock issued and outstanding, respectively. As of December 31, 2007, Series A and Series B accrued dividends from the record date to the year then-ended were \$9,906 and \$143,654, respectively.

Common Stock

In January 2007, the Company sold the placement agent 140,000 shares of unregistered restricted common stock at a price of \$0.01 per share in connection with the agent's placement of shares of preferred stock in the Company's Series A and B stock offering. The Company recorded the amount as a subscription receivable of \$1,400 during the first fiscal quarter of 2007. The subscription receivable was offset by an administrative expense due to reimbursable costs incurred by the placement agent as of December 31, 2007.

Between January and March 2007, the Company issued an aggregate 165,000 shares of unregistered restricted common stock to a professional services firm for investor relations services. The Company determined a value for the shares of \$74,400 based on the fair market value of the stock at the time the services were performed. The Company recorded the entire amount as an administrative expense as of December 31, 2007.

In June 2007, the Company issued 5,000 shares of unregistered restricted common stock to a vendor for the purchase of a website domain name. The Company determined a value for the shares of \$4,000 based on the fair market value of the stock at the time of the purchase. The Company recorded the entire amount as an asset on the balance sheet in the second fiscal quarter of 2007.

In October 2007, the Company issued 225,000 shares of common stock to non-employee consultants in lieu of payment for services provided. The Company calculated a fair value of \$180,000 for these shares based on the value of the shares on the date of issuance and recorded the amount as an administrative expense as of December 31, 2007.

In October 2007, the Company issued 300,000 shares of common stock to a professional services firm for financial consulting services. The Company calculated a fair value of \$210,000 for these shares based on the value of the shares on the date of issuance and recorded the amount as an administrative expense as of December 31, 2007.

Warrants

In August 2006, the Company issued warrants to purchase 200,000 shares of common stock to a vendor with an exercise price of \$0.50 per share in partial consideration for the vendor's agreement to act as the Company's public/investor relations representative for a term of one year. The warrant agreement provided for vesting of 100,000 shares three months after the date of grant and the remaining 100,000 shares six months after the date of grant and a term of five years. During the first fiscal quarter of 2007, the Company recorded the fair market value of the remaining 16,667 warrants, which vested during the quarter, based on the fair value of each warrant estimated on the date of grant using the Black-Scholes option pricing model with the following weighted average assumptions used for grants in 2006: dividend yield of zero, expected volatility of 219%, risk-free interest rate of 4.84%, and expected lives of five years. The Company recorded \$5,265 in administrative expense in the first fiscal quarter of 2007 in connection with such warrants.

In May 2007, the Company issued warrants to purchase 452,164 shares of common stock to a director with an exercise price of \$0.50 per share and a term of five years in exchange for his agreement to extend the maturity date of his promissory note with the Company. The Company recorded the fair market value of the warrants based on the fair value of each warrant estimated on the date of grant using the Black-Scholes option pricing model with the following weighted average assumptions used for grants in 2007: dividend yield of zero, expected volatility of 242%, risk-free interest rate of 5.07%, and expected lives of five years. The Company recorded \$337,465 in additional interest expense in the second fiscal quarter of 2007 in connection with these warrants.

In July 2007, the Company issued warrants to purchase 100,000 shares of common stock to an attorney with an exercise price of \$0.57 per share and a term of three years for his agreement to reduce legal fees. The Company recorded the fair market value of the warrants based on the fair value of each warrant estimated on the date of grant using the Black-Scholes option pricing model with the following weighted average assumptions used for grants in 2007: dividend yield of zero, expected volatility of 245%, risk-free interest rate of 4.55%, and expected lives of three years. The Company recorded \$55,205 in additional professional fees for the year ended December 31, 2007.

In September 2007, the Company issued warrants to purchase 50,000 shares of common stock to a law firm with an exercise price of \$0.50 per share and a term of three years for its agreement to reduce outstanding legal fees. The Company recorded the fair market value of the warrants based on the fair value of each warrant estimated on the date of grant using the Black-Scholes option pricing model with the following weighted average assumptions used for grants in 2007: dividend yield of zero, expected volatility of 245%, risk-free interest rate of 3.97%, and expected lives of three years. The Company recorded \$23,714 in additional professional fees for the year ended December 31, 2007.

In October 2007, the Company issued warrants to purchase 600,000 shares of common stock to a financial consultant with an exercise price of \$0.50 per share in partial consideration for an agreement to provide financial consulting services for a term of nine months. The warrants were immediately exercisable and have a term of five years. The Company recorded the fair value of each warrant estimated on the date of grant using the Black-Scholes option pricing model with the following weighted average assumptions used for grants in 2007: dividend yield of zero, expected volatility of 257%, risk-free interest rate of 4.38%, and expected lives of five years. The Company recorded \$418,711 in administrative expense at December 31, 2007.

In October 2007, the Company issued warrants to purchase 6,710,000 shares of common stock at an exercise price of \$0.50 per share to certain holders of the Company's Series A and Series B preferred stock in consideration for such holders' acceptance of a settlement offer and execution of a waiver, as discussed previously herein. The warrants were immediately exercisable and have a term of five years. The Company recorded the fair value of each warrant estimated on the date of grant using the Black-Scholes option pricing model with the following weighted average assumptions used for grants in 2007: dividend yield of zero, expected volatility of 257%, risk-free interest rate of 4.38%, and expected lives of five years. The Company recorded \$5,017,598 in financing costs at December 31, 2007.

As discussed elsewhere in this Annual Report on Form 10-KSB and the notes to the consolidated financial statements included herewith, during the year ended December 31, 2007, the Company also issued warrants to purchase (a) 4,875,000 shares of common stock in connection with new issuances of Series B preferred stock and the modification of the preferred stock Unit offering and conversion of Series A to Series B preferred shares, (b) 12,000,000 shares of common stock in connection with the \$3,000,000 raised in its Bridge I note offering, (c) 3,600,000 shares of common stock issued to the placement agent in the Bridge I note offering, and (d) 900,000 shares of common stock in connection with \$300,000 raised in the Bridge II junior convertible promissory note offering.

The securities described above were offered without registration under the Securities Act of 1933, as amended (the "Securities Act"), or state securities laws, in reliance on the exemptions provided by Sections 4(2) and 4(6) of the Securities Act, Rule 506 of Regulation D promulgated thereunder and Regulation S promulgated thereunder and in reliance on similar exemptions under applicable state laws. The facts relied upon to make the exemption available in certain cases were those provided to the Company by the investors in their subscription agreements. Except as otherwise indicated, there was no underwriter or placement agent compensation in these transactions.

Purchases of Equity Securities by the Issuer and Affiliated Purchasers

There were no purchases made by or on behalf of the Company or any affiliated purchaser of any shares of common stock of the Company during the fourth quarter of fiscal year 2007.

Item 6. Management's Discussion and Analysis or Plan of Operation.

The following discussion of the Company's financial condition and results of operations should be read in conjunction with the Company's audited consolidated financial statements and notes thereto contained in this Annual Report on Form 10-KSB.

Forward-Looking Statements

Certain statements contained in this discussion and analysis that are not related to historical facts are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Statements that are predictive or that depend upon or refer to future events or conditions, or that include words such as "believes," "anticipates," "expects," "intends," "estimates," "plans," "hopes," or similar expressions, constitute forward-looking statements. In addition, any statements concerning future financial performance (including future revenues, earnings or growth rates), ongoing business strategies or prospects, or possible future actions by us are also forward-looking statements.

These forward-looking statements are based on beliefs of our management as well as information currently available to the Company and are subject to certain risks and uncertainties that could cause actual results to differ materially from historical results or those anticipated or implied by such forward-looking statements. These risks are described more fully under the caption "Risk Factors" herein and include: our ability to raise capital; our ability to settle litigation; our ability to attract and retain key employees; economic conditions; technology advances in the mobile search field; demand and market acceptance risks for new and existing technologies and mobile information content services; the impact of competitive services and pricing; U.S. and international regulatory, trade, and tax policies; product development risks, including technological difficulties; and foreseeable and unforeseeable foreign regulatory and commercialization factors.

Should one or more of such risks or uncertainties materialize or should underlying expectations, projections or assumptions prove incorrect, actual results may vary materially from those described. Those events and uncertainties are difficult to predict accurately and many are beyond our control. We believe that our expectations with regard to forward-looking statements are based upon reasonable assumptions within the bounds of our current business and operational knowledge, but we cannot be sure that our actual results or performance will conform to any future results or performance expressed or implied by any forward-looking statements. We assume no obligation to update these forward-looking statements to reflect events or circumstances that occur after the date of these statements except as specifically required by law. Accordingly, past results and trends should not be used to anticipate future results or trends.

General

AskMeNow, Inc., formerly Ocean West Holding Corporation, is a holding company and parent of InfoByPhone, Inc., a Delaware corporation. InfoByPhone is a communications technology company that provides users of handheld cellular devices with access to information regardless of location through its AskMeNow™ Service. The service is a mobile information content service that enables users of any mobile device, with text messaging/SMS or email capability, to text message or email questions. An answer is then text messaged or emailed back to the consumer's mobile device, usually within a matter of minutes. The Company is also developing an automated enterprise solution in conjunction with Expert System S.p.A., a developer of knowledge management tools. The automated enterprise solution is being designed to enable users of a mobile device to text message customer service-related questions and receive an answer through text. The Company announced its first agreement for its enterprise-solution product in March 2008.

The AskMeNow service is accessible virtually anytime and anywhere, through virtually every current way that wireless technology allows people to communicate via a mobile device. Using proprietary software and proprietary methods, the service has the research capability to answer information-based questions, including questions regarding current news and events, sports scores, weather, entertainment, stock quotes and market data, driving directions, travel schedules and availabilities, comparison shopping, restaurant information and reservations, directory assistance, and random trivia (literature, history, science, etc.), so long as the information is available on the Internet at no fee to access or we are already licensed to access the data. Once information is accessed, it is refined to a format suitable for easy reading on the screen of a user's mobile device and emailed or text messaged back to the user.

The AskMeNow service was launched from beta in November 2005. The release has been directed primarily to cell phone users in the United States and Canada. We currently generate fees from user inquiries. In the future, we also expect to generate revenues through monthly or quarterly service fees generated from enterprise customers and revenues from advertisers utilizing our ad space to promote products. As noted above, the Company announced its first agreement for its enterprise-solution product in March 2008 and expects to generate revenues from advertising in late 2008.

Reverse Merger

Effective June 6, 2005, pursuant to a Securities Exchange Agreement and Plan of Reorganization dated as of April 14, 2005 by and among the Company, InfoByPhone, Inc. and the shareholders of InfoByPhone, the Company acquired InfoByPhone in a reverse merger (the "Reverse Merger"). In connection with the transaction, InfoByPhone became a wholly-owned subsidiary of the Company, as the Company acquired all of the issued and outstanding shares of common stock of InfoByPhone and issued an aggregate 5,586,004 shares of common stock, par value \$0.01, of the Company, that together with 500,000 shares issued to Vertical Capital Partners, Inc. (n/k/a Arjent Ltd.) as a finder's fee, constituted approximately 56% of the then-outstanding capital stock of the Company.

Critical Accounting Policies

We have identified the policies outlined below as critical to our business operations and an understanding of our results of operations. The list is not intended to be a comprehensive list of all of our accounting policies, many of which are described in greater detail in the notes to the consolidated financial statements included herewith. In many cases, the accounting treatment of a particular transaction is specifically dictated by accounting principles generally accepted in the United States, with no need for management's judgment in their application. The impact and any associated risks related to these policies on our business operations is discussed throughout this Management's Discussion and Analysis section where such policies affect our reported and expected financial results. Note that our preparation of the financial statements in conformity with accounting principles generally accepted in the United States requires us to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of our financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Revenue Recognition. We currently provide two platforms for asking questions: SMS/text messaging and through a downloaded application. Users are charged on a monthly or per question basis but are not charged for the downloaded application. The Company recognizes revenue for all submitted questions at the time of the inquiry, regardless of the method used to submit the question. For advertising space sold, the Company will recognize revenue over the period the advertisement is displayed. The Company recognizes revenue when persuasive evidence of an arrangement exists, delivery has occurred, the sales price is fixed or determinable, and collectability is probable.

Research and Development. Research and development expenses include payroll, employee benefits, and costs associated with product development. The Company has determined that technological feasibility for its software products is reached shortly before the products are released. Costs incurred after technological feasibility is established are not material and, accordingly, all research and development costs are expensed when incurred.

Stock Based Compensation. Effective January 1, 2006, the Company adopted the provisions of SFAS No. 123 (revised), "Share-Based Payment", which replaces SFAS No. 123, "Accounting for Stock-Based Compensation", and supersedes APB Opinion No. 25, "Accounting for Stock Issued to Employees", and related interpretations. SFAS No. 123(R) requires compensation costs related to share-based payment transactions, including employee stock options, to be recognized in the financial statements. In addition, the Company adheres to the guidance set forth within SEC Staff Accounting Bulletin No. 107, which provides the views of the staff of the SEC regarding the interaction between SFAS No. 123(R) and certain SEC rules and regulations and provides interpretations with respect to the valuation of share-based payments for public companies.

In adopting SFAS No. 123(R), the Company applied the modified prospective approach to transition. Under the modified prospective approach, the provisions of SFAS No. 123(R) are applied to new awards and to awards modified, repurchased, or cancelled after the effective date. Additionally, compensation cost for the portion of awards for which the requisite service has not been rendered that are outstanding as of the effective date are recognized as the requisite service is rendered on or after such date. The compensation costs for that portion of awards are based on the grant-date fair value of those awards as calculated for either recognition or pro-forma disclosures under SFAS No. 123.

For a more detailed discussion, see Note 2 - Summary of Significant Accounting Policies in the Notes to our Consolidated Financial Statements included herewith.

Results of Operations

Fiscal Year Ended December 31, 2007 as compared to Fiscal Year Ended December 31, 2006

Revenue

Revenues for the fiscal year ended December 31, 2007 were \$54,536, an increase of \$26,690, or 96%, over revenues of \$27,846 for the year ended December 31, 2006.

The increase in our sales during 2007 was due to the Company continuing to roll out its AskMeNow service on a per use basis to new subscribers of SMS service during the 2007 fiscal year. The Company expects sales to increase in 2008 as it has entered into a hosting service and data supply agreement with Research in Motion Limited, pursuant to which AskMeNow will provide the means for end-users of BlackBerry® products to ask questions and receive answers about such offerings. In addition, in February 2008 the Company entered into a wireless content distribution agreement with Bell Mobility Inc. to distribute AskMeNow's new mobile web site on a non-exclusive basis to the telecommunication carrier's customers. The Company plans to make available its new AskMeNow search platform to all mobile phones during 2008 and intends to increase its revenue through advertising as the Company increases distribution. In addition, the Company plans to distribute its enterprise product into the telecommunications industry.

Costs and Operating Expenses

Cost of Revenue

Cost of revenue for the year ended December 31, 2007 amounted to \$1,154,945, a decrease of \$524,362, or 31%, over cost of revenue of \$1,679,307 for the year ended December 31, 2006. The decrease relates primarily to a decrease in payroll costs and other associated call center costs as the Company focuses its marketing and development efforts on its automated enterprise solution and consumer product mobile service offerings. The Company expects to continue to incur significant costs as it continues to expand its services offering. Most of the costs during 2007 were derived from the call center in the Philippines and fixed amounts paid to third-party content providers. As of the end of the first quarter of fiscal 2008, the Philippines call center was closed and all related operations ceased.

Research and Development

For the year ended December 31, 2007, our research and development expenditures were \$72,693, a decrease of \$149,312, or 67%, over research and development expenses of \$222,005 for the year ended December 31, 2006. This decrease was the result of a reduction in research and development payroll expenses incurred by the Company, reflecting the Company's constrained financial condition during the 2007 fiscal year. Our research and development costs primarily relate to product development as the Company adds new features and upgrades to its mobile services technology. The Company expects to incur additional research and development expenses as it enhances its services and features.

General and Administrative

General and administrative expenses for the year ended December 31, 2007 amounted to \$2,193,107, a decrease of \$713,736, or 25%, over general and administrative expenses of \$2,906,843 for the year ended December 31, 2006. Lock-up compensation expense of \$371,000, which related to shares issued by the Company in exchange for the execution by certain stockholders of a lock-up agreement and which was a significant expense during the year ended December 31, 2006, was not incurred during the 2007 fiscal year and was the primary reason for the decrease. The decrease was also in part the result of a decrease in investor relations and travel and entertainment costs during the 2007 fiscal year as management worked to reduce the Company's overhead costs. The Company's primary general and administrative costs are consulting fees, insurance premiums, facilities and office expenses, public and/or investor relations service fees, marketing-related costs, travel costs and amortization/depreciation charges.

Professional Fees

Professional fees for the year ended December 31, 2007 were \$1,467,418, a decrease of \$1,155,172, or 44%, over professional fees of \$2,622,590 for the year ended December 31, 2006. The decrease is the result of a reduction in the one-time financial advisory fees related to the Expert System S.p.A. license agreement entered into during 2006 and an overall reduction in legal and accounting fees during the 2007 fiscal year. Professional fees consist of legal and accounting fees associated with the Company's SEC reporting obligations and attorney fees associated with various contracts and agreements negotiated and prepared on behalf of the Company, as well as litigation matters.

Salaries and Compensation

Salaries and compensation expense for the year ended December 31, 2007 increased by \$647,788 to \$4,595,005, or 16%, over expenses of \$3,947,217 for the year ended December 31, 2006. This increase is primarily related to the \$3,394,636 of compensation expense recorded pursuant to SFAS No. 123(R) for employee stock option plan and other officer and director compensation during fiscal 2007, as compared to the \$2,453,523 of compensation expenses under SFAS No. 123(R) taken during the 2006 fiscal year.

Other Income / Expense

Financing Costs

Financing costs for the year ended December 31, 2007 were \$5,017,598, compared to \$0 for the year ended December 31, 2006. This expense is the result of 6,710,000 additional warrants being issued to those holders of the Company's Series A and Series B preferred stock who elected to execute a waiver and settlement agreement with the Company waiving certain breaches by the Company and agreeing to certain terms favorable to the Company and who, in consideration for their waiver and settlement, were issued additional warrants to purchase shares of the Company's common stock.

Derivative Warrant Expense

The derivative warrant expense for the year ended December 31, 2007 was \$0, compared to \$1,004,571 for the year ended December 31, 2006. This expense incurred during 2006 was the result of the Company having available an insufficient number of authorized shares for issuance under then-existing shares of preferred stock, warrants and stock options that were convertible or exercisable during the year ended December 31, 2006. The Company's Amended and Restated Certificate of Incorporation became effective on December 18, 2006, which provided for an increase in the number of authorized shares of common stock from 30,000,000 to 100,000,000 shares. The increase in authorized shares provided the Company with sufficient authorized and unissued shares to settle any outstanding contracts for common shares and therefore a net loss of \$1,004,571 was recorded on the re-calculation of the conversion features at December 18, 2006.

Interest Expense

Interest expense for the year ended December 31, 2007 was \$5,989,434, an increase of \$5,782,951 over interest expense of \$206,483 for the year ended December 31, 2006. The increase was comprised of \$3,130,000 in debt discounts amortized during the period relating to the warrants given to the debt holders as part of the Company's Bridge I and Bridge II promissory note offerings, \$2,159,000 in amortization of debt offering costs relating to warrants given to the selling agent of the Company's Bridge I offering, and \$493,000 in additional financing costs related to the Bridge I and Bridge II promissory note financings.

Income Taxes

The income tax expense for the year ended December 31, 2007 was \$0, compared to \$12,832 for the year ended December 31, 2006. The 2006 expense is the result of a deferred foreign tax accrued on behalf of the Company's Philippines subsidiary.

Net Loss

The net loss for the year ended December 31, 2007 before taxes totaled \$20,435,664, compared with \$12,561,170 for the same period in 2006, an increase of \$7,874,494 or 63%. The increase resulted primarily from the non-cash charges for financing costs as well as other non-cash interest expense incurred during the 2007 fiscal year. In addition, cumulative dividends on the outstanding shares of Series A and Series B convertible preferred stock totaled \$525,895 for the year ended December 31, 2007, compared with \$322,314 for the year ended December 31, 2006.

The net loss applicable to common shareholders for the year ended December 31, 2007 was \$20,961,559, or \$0.58 per share, on 36,180,380 weighted average common shares outstanding. This compared with the net loss applicable to common shareholders for the year ended December 31, 2006 of \$12,896,316, or \$0.47 per share, on 27,228,935 weighted average common shares outstanding.

Liquidity and Capital Resources

Product development, sales and marketing, financial advisors, expansion of service offerings, and administrative and executive personnel are and will continue to be the principal basis for our cash requirements. We have provided operating funds for the business since its inception through private offerings of debt and equity securities to U.S. accredited and foreign investors. We will be required to make additional offerings in the future to support the operations of the business until our products and services reach profitability and are fully introduced into the market. In an effort to reduce our operating costs during 2007 and in the future, we have reduced the number of personnel and closed the Philippines call center. We used \$3,955,725 and \$5,241,050 for the years ended December 31, 2007 and 2006, respectively, in operating activities.

The Company was able to raise \$3,300,000 from its Bridge I and Bridge II note offerings during 2007. In addition, the Company raised \$626,000 in net proceeds from the sale of convertible preferred stock during the year ended December 31, 2007, compared to \$5,209,796 during 2006. The proceeds of the bridge loan and preferred stock offerings were used to continue product development, introduce the product into the market, and pay current operational expenses.

The Company's plans for raising additional capital include the possibility of offering convertible equity or debt in order to continue the funding of operations until such operations provide a positive cash flow. Specifically, beginning in January 2008, the Company commenced an offering of up to \$2 million of its Series D convertible preferred stock at a purchase price of \$1.00 per share. The Company will issue redeemable warrants to purchase two shares of common stock for every \$1.00 invested in the Series D preferred stock offering. During the first quarter of 2008, the Company had raised \$485,000 from the issuance of 485,000 shares of its Series D preferred stock and issued warrants to purchase an aggregate 970,000 shares of common stock for a period of five years at \$0.10 per share.

At December 31, 2007, the Company had \$0 cash on hand, compared to \$61,279 as of December 31, 2006. This cash position results from our loss from operations and our inability to raise sufficient new capital, due in part to unfavorable financial market conditions for small mobile content search companies such as ours. We were unable to raise sufficient funds during the 2007 and 2006 fiscal years to maintain adequate cash reserves and to meet the ongoing operational needs of the business.

We incurred approximately \$29,013 and \$20,036 in capital expenditures for the years ended December 31, 2007 and 2006, respectively. Capital expenditures are defined as disbursements for computer equipment, office furniture and leasehold improvements with a purchase price in excess of \$1,000 per item and a useful life in excess of one year. The increase in expenditures during 2007 was due to the purchase of additional computer equipment during the year. To the extent available, in fiscal 2008 we intend to use approximately \$100,000 of any financing proceeds for additional computer equipment, servers and office furnishings as our market expansion continues and additional staffing is required. There are no other capital expenditures currently anticipated by the Company for the 2008 fiscal year.

Our operations have been, and will continue to be, dependent upon management's ability to raise operating capital from the sale of equity or debt securities. We have incurred significant operating losses totaling \$42,624,231 since inception of the business and the Company estimates that it may require up to \$200,000 per month to launch its products and services through 2008. In an effort to reduce our operating costs we have reduced staff and closed our Philippines operations in 2008. We expect that on-going operating expenditures will be necessary to successfully implement our business plan and develop, manufacture and market our products and services. Specifically, we anticipate that our total operating expenses will continue to increase in future periods as our sales increase. Included in these anticipated increases are salaries and benefits for additional employees, and increased marketing and advertising expenses. We also anticipate that our professional fees will continue to increase as we seek to raise additional capital. We cannot, however, at this time predict the amount of any of these increases. Our revenues are not expected to be sufficient to fund our operations for the next 12 months and we anticipate that we will incur losses for the foreseeable future until such time as we can significantly increase our revenues. Because of the highly competitive nature of our industry and our lack of sufficient working capital, it is unlikely that we will be able to increase our revenues in the near future to a level which will sustain our operations and enable us to report a profit. There can be no assurance that we will be able to obtain additional capital to meet our current operating needs. If we are unable to raise sufficient adequate additional capital or generate profitable sales revenues, we may be forced to substantially curtail product development and other activities, and may be forced to cease operations. These factors as well as our net loss to date and net cash used in operations raise substantial doubt about our ability to continue as a going concern. The report of our independent registered public accounting firm on our consolidated financial statements as of December 31, 2007 contains an explanatory paragraph expressing uncertainty with respect to our ability to continue as a going concern as a result of our net losses, working capital deficiency, and cash used in operations.

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements.

Item 7. Financial Statements.

Our financial statements and notes thereto and the related report of our independent registered public accounting firm following Item 14 of this Annual Report on Form 10-KSB are filed as part of this report and are incorporated herein by reference.

Item 8. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

Not applicable.

Item 8A. Controls and Procedures.

Evaluation of disclosure controls and procedures

The Company's chief executive officer, who is also the Company's principal financial officer, has reviewed and evaluated the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the period covered by this annual report. Based on that review and evaluation, our chief executive officer has concluded that the Company's current disclosure controls and procedures, as designed and implemented, are effective to ensure that such officer is provided with information relating to the Company required to be disclosed in the reports the Company files or submits under the Exchange Act and that such information is recorded, processed, summarized and reported within the time periods specified.

Management's report on internal control over financial reporting

The Company's management is responsible for establishing and maintaining adequate internal controls over financial reporting and disclosure controls and procedures. Internal controls over financial reporting are designed to provide reasonable assurance that the books and records reflect the transactions of the Company and that established policies and procedures are carefully followed. Disclosure controls and procedures are designed to ensure that information required to be disclosed in reports filed under the Exchange Act is appropriately recorded, processed, summarized and reported within the specified time periods. An important feature of the Company's system of internal controls and disclosure controls is that both are continually reviewed for effectiveness and are augmented by written policies and guidelines.

Management has conducted an evaluation of the Company's internal control over financial reporting using the Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission as a basis to evaluate effectiveness and determined that internal control over financial reporting was effective as of the end of the fiscal year ended December 31, 2007.

This annual report does not include an attestation report of the company's registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by the company's registered public accounting firm pursuant to temporary rules of the Securities and Exchange Commission that permit the company to provide only management's report in this annual report.

Changes in internal control over financial reporting

There were no changes in the Company's internal control over financial reporting that occurred during the fourth fiscal quarter ended December 31, 2007 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Item 8B. Other Information.

There have not been any material changes or events during the fourth quarter ended December 31, 2007 that have not been described in a report on Form 8-K.

PART III

Item 9. Directors, Executive Officers, Promoters, Control Persons and Corporate Governance; Compliance With Section 16(a) of the Exchange Act.

Executive Officers and Directors

The following sets forth the Company's executive officers and directors and their respective ages and positions as of December 31, 2007:

<u>Names</u>	<u>Ages</u>	<u>Positions</u>	<u>Director Since</u>
Darryl Cohen	55	Chief Executive Officer and Chairman of the Board of Directors	2005
Alan Smith	54	Director *	2005
Sandro Sordi	47	Director	2005

* Resigned on February 9, 2008.

Darryl Cohen has been Chief Executive Officer and Chairman of the Board of Directors of the Company since June 2005 and of InfoByPhone since September 2004. From September 2002 through April 2004, Mr. Cohen served as Chairman and Chief Executive Officer of Ramp Corporation, a company that provided Internet-based communication, data integration, and transaction processing technologies. On June 2, 2005, Ramp Corporation filed a voluntary petition under Chapter 11 of the Bankruptcy Code in the U.S. Bankruptcy Court for the Southern District of New York (Bankruptcy Petition #: 05-14006-alg). Ramp Corporation subsequently was liquidated.

Prior to becoming Ramp's Chairman and Chief Executive Officer, Mr. Cohen invested in public and private companies, frequently working with management in the areas of marketing strategy and financing. Mr. Cohen also served as President of DCNL Incorporated, a privately-held beauty supply manufacturer and distributor he founded in 1988 and sold to Helen of Troy in 1998. During his tenure as President of DCNL, Mr. Cohen was also co-owner and President of Basics Beauty Supply Stores, a chain of retail stores in California, from 1985 to 1999. He has also owned businesses in the food-services and gift industries, and holds a B.A. in Political Science from the University of California at Berkeley.

Alan Smith was a director of the Company from June 2005 until his resignation in February 2008, and was a director of InfoByPhone from April 2005 to February 2008. For the past five years, Mr. Smith has been involved in personal investments and new investment opportunities. From 1990 to 2003, he was the owner and President of Aaron Kamhi Inc., an apparel manufacturing company specializing in private label products for chain and department stores. Mr. Smith has been actively involved in community programs working with youth for the past 20 years.

Sandro Sordi became a director of the Company in July 2005. He currently serves as the General Counsel for the RS Group of Companies, Inc., a holding company for a group of insurance and finance-related businesses and affinity program managers. Mr. Sordi joined the RS Group in 2003 where, as its General Counsel and a Director, he has taken a leading role in developing the company's growth strategy and engaging in negotiations of all types. From 1990 to 2003, Mr. Sordi was engaged in the private practice of law as a sole practitioner in addition to being involved in certain investment projects. Mr. Sordi has been a member of the Florida Bar since 1990, having earned his Juris Doctor from the University of Miami, Florida and his B.A. (Honors) from York University in Toronto, Canada.

There are no family relationships among the Company's directors or executive officers and other than as disclosed above there are no events or legal proceedings material to an evaluation of the ability or integrity of any director or executive officer of the Company.

Board of Directors Independence and Communications; Committees

Our Board of Directors is currently composed of two directors. The Board has determined that Mr. Sordi is "independent" as that term is defined in Rule 4200(a)(15) of the listing standards for the Nasdaq Stock Market and Rule 10A-3 of the Exchange Act. Mr. Cohen, who is currently employed by the Company, is not considered independent.

The Board welcomes communications from stockholders, which may be sent to the entire Board or individual directors at the principal business address of the Company, AskMeNow, Inc., 26 Executive Park, Suite 250, Irvine, CA 92614, Attn: Sandro Sordi. Security holder communications are initially screened by the Company's Nominating and Corporate Governance Committee to determine whether they will be relayed to Board members. Once the decision has been made to relay such communications to Board members, the Committee will release the communication to the Board on the next business day. Communications that are clearly of a marketing nature, or which are unduly hostile, threatening, illegal or similarly inappropriate will be discarded and, if warranted, subject to appropriate legal action.

The Board currently has three standing committees: the Nominating and Corporate Governance Committee, the Compensation Committee and the Audit Committee.

Nominating and Corporate Governance Committee

The Nominating and Corporate Governance Committee of the Board (the "Nominating Committee") currently consists of Sandro Sordi. The Nominating Committee, which acts pursuant to a written charter, evaluates the appropriate size of the Board, recommends any changes in the structure and composition of members of the Board, considers criteria for Board membership, identifies and evaluates prospective candidates, makes recommendations to the Board as to the nominees for directors, and proposes the slate of directors to be elected at each annual meeting of stockholders. The Nominating Committee also assists the Board by developing and recommending corporate governance policies and practices applicable to the Company, monitoring compliance with the Company's Code of Ethics, and handling such other matters as the Board or Nominating Committee deems appropriate.

The Nominating Committee will consider all director candidates properly recommended by stockholders; acceptance of a recommendation for consideration does not imply the Board will nominate the proposed candidate. Any stockholder who desires to recommend a director candidate may do so in writing, giving each recommended candidate's name, biographical data, and qualifications, by mail addressed to the Chairman of the Nominating Committee, in care of AskMeNow, Inc., Attention: Sandro Sordi. A written statement from the candidate consenting to being named as a candidate and, if nominated and elected, to serve as director, must accompany any stockholder recommendation. Members of the Nominating Committee will assess potential candidates on a regular basis.

Compensation Committee

The Compensation Committee of the Board currently consists of Sandro Sordi. The Compensation Committee's role is to assist the Board with its responsibilities relating to compensation of the Company's officers and directors and the development and administration of the Company's compensation plans. The Compensation Committee has overall responsibility for evaluating and providing recommendations with respect to the compensation plans, policies and benefit programs for the Company, as well as the individual salary and benefits of the chief executive officer and other officers and senior executives of the Company. The Compensation Committee acts pursuant to a written charter as adopted during the 2007 fiscal year.

Audit Committee

The Audit Committee of the Board currently consists of Sandro Sordi. The Board of Directors has determined that Mr. Sordi is not an "audit committee financial expert," as that term is defined under the rules and regulations of the Securities Act. The Company recognizes the benefit of having an individual who qualifies as such an expert serve on the Audit Committee but, given the financial condition of the Company, its size and limited operating history, has determined that the benefits are outweighed by the costs of retaining such a person. The Board is hopeful, however, that it will be able to identify and attract a financial expert for the Audit Committee in the future.

The Audit Committee acts pursuant to a written charter, which charter authorizes the committee's oversight of the financial operations and management of the Company, including a required review process for all quarterly, annual, and special filings with the SEC, and meetings with the Company's independent registered public accounting firm and management.

Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act requires the Company's executive officers, directors and persons who own more than ten percent of a registered class of the Company's equity securities to file reports of ownership and changes in ownership with the Securities and Exchange Commission. Executive officers, directors, and greater-than-ten percent stockholders are required by SEC regulations to furnish the Company with copies of all Section 16(a) forms they file. Based solely on the Company's review of the copies of such forms furnished to it (and all amendments thereto, if any) and written representations from the Company's reporting persons, the Company believes that all of the Company's reporting persons have filed their respective Section 16(a) forms for the year ended December 31, 2007, except for each of Messrs. Cohen, Sordi and Smith who did not file a Form 4/A to reflect the amendment to options granted in September 2006, which options were amended in July 2007 to increase the exercise price from \$0.50 to \$0.59 per share.

Code of Ethics

The Company has adopted a Code of Ethics that applies to its principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions. A copy of the Company's Code of Ethics is available at the Company's website at www.askmenow.com. A copy of the Company's Code of Ethics will also be furnished, without charge, in print to any person who requests such copy by writing to the Corporate Secretary, AskMeNow, Inc., 26 Executive Park, Suite 250, Irvine, CA 92614.

Item 10. Executive Compensation.

The following table shows information concerning all plan and non-plan compensation awarded to, earned by or paid to the Chief Executive Officer of the Company, who was the only named executive officer of the Company during the 2007 and 2006 fiscal years, for all services rendered by such officer to the Company and its subsidiaries in all capacities during the periods presented.

Summary Compensation Table

Name and Principal Position	Year	Salary (\$)	Bonus (\$)	Stock Awards (\$)	Option Awards (\$)	Other	Total (\$)
Darryl Cohen Chief Executive Officer, Principal Financial Officer, and Chairman of the Board	2007	\$ 231,201(1)	—	—	—	\$6,840 (2)	\$238,041
	2006	\$ 238,548(3)	\$200,000(4)	\$ 208,000	(5) \$ 1,719,000(6)	\$6,840 (2)	\$2,372,388

(1) Includes \$72,917 of accrued but unpaid salary due the officer at December 31, 2007.

(2) Represents auto allowance.

(3) Includes \$46,154 of accrued but unpaid salary due the officer at December 31, 2006.

(4) The entire cash bonus amount of \$200,000 was accrued but unpaid at December 31, 2006 and will be paid upon the completion of a significant financing.

(5) The stock award represents 200,000 shares of common stock of the Company awarded in recognition of the Company entering into an agreement with Rogers Wireless. The dollar amount presented represents the fair value of such award on the date of grant, which share price was \$1.04 on April 28, 2006.

(6) The option award represents the award of an aggregate 3,500,000 non-qualified stock options, of which 1,500,000 were not vested at December 31, 2006. The dollar amount presented represents the aggregate fair value of such awards on the date of grant. The fair value of each option was estimated on the date of grant using the Black-Scholes option pricing model with the following weighted average assumptions used for grants in 2006: dividend yield of zero, expected volatility of 219% to 229%, risk-free interest rates of 4.73% to 4.84%, and expected lives of ten years.

Employment Agreements

On July 19, 2005, InfoByPhone, our wholly-owned subsidiary, entered into a three-year employment contract with Darryl Cohen as President and Chief Executive Officer. Mr. Cohen became CEO and Chairman of the Company in June 2005. Pursuant to the terms of his employment agreement, Mr. Cohen was compensated at the rate of \$110,000 until April 28, 2006, when his salary was increased to \$250,000 per annum. In addition, Mr. Cohen was granted options in July 2005 to purchase 200,000 shares of common stock at \$.070 per share in accordance with the terms of his employment agreement. Pursuant to the agreement, Mr. Cohen also is entitled to an annual incentive bonus at each anniversary date of such agreement in an amount as determined by the Board.

Mr. Cohen's salary was increased by the Board of Directors during the 2006 fiscal year to more appropriately reflect his responsibilities and performance. In addition, the Board of Directors granted Mr. Cohen options and an award of restricted shares, each as discussed below, in recognition of the achievement by Mr. Cohen of significant milestones during the 2006 fiscal year. Mr. Cohen also was awarded a \$200,000 cash bonus in 2006. This bonus was fully accrued but unpaid as of December 31, 2007, and will be paid to Mr. Cohen upon the closing of a significant financing.

The Board of Directors determined, based on the Company's financial condition during the 2007 fiscal year, not to increase Mr. Cohen's salary further, and did not make any option or other equity grants to Mr. Cohen during that period. In July 2007, the Board of Directors did amend the exercise price of certain options granted to Mr. Cohen in September 2006; such amendment increased the exercise price from \$0.50 to \$0.59 per share and affected options to purchase an aggregate 2,000,000 shares of common stock.

For information on equity incentive awards granted to Mr. Cohen, including re-priced options, see the disclosure below.

Outstanding Equity Awards at Fiscal Year-End

The following table sets forth information concerning unexercised options outstanding as of December 31, 2007 for our Chief Executive Officer. There were no unvested stock awards or other equity incentive plan awards granted during, or outstanding at the end of, the 2007 fiscal year.

Name	Option Awards				
	Number of Securities Underlying Unexercised Option (#)	Number of Securities Underlying Unexercised Options (#)	Equity Incentive Plan Awards: Number of Securities Underlying Unexercised Unearned Options (#)	Option Exercise Price (\$)	Option Expiration Date
	Exercisable	Unexercisable			
Darryl Cohen	1,500,000 (1)	—	—	\$0.50	12/22/16
	2,000,000 (2)	—	—	\$0.59	9/20/16
	200,000 (3)	—	—	\$0.70	7/20/15

- (1) The option award represents the award of 1,500,000 non-qualified stock options, all of which were vested at December 31, 2007. The options are exercisable for 10 years commencing December 22, 2006 with an exercise price of \$0.50 per share.
- (2) The option award represents the award of 2,000,000 non-qualified stock options, all of which were vested at December 31, 2007. The options are exercisable for 10 years commencing September 20, 2006 with an exercise price of \$0.59 per share. Such options were originally granted with an exercise price of \$0.50 per share, which price was amended in July 2007.
- (3) The option award represents the award of an aggregate 200,000 non-qualified stock options, all of which were vested at December 31, 2007. The options are exercisable for 10 years commencing July 20, 2005, the date of the grant, at \$0.70 per share.

2006 Employee Stock Incentive Plan

In August 2006, the 2006 Employee Stock Incentive Plan was approved and adopted by the Board of Directors, and subsequently amended in June 2007 (as amended, the “2006 Plan”). The 2006 Plan became effective upon the approval of the holders of the Company’s common stock at the Company’s annual stockholders meeting held on August 1, 2007. The 2006 Plan, which is administered by the Board, authorizes the issuance of a maximum of 10,000,000 shares of common stock. Awards under the plan may be in the form of stock options, stock appreciation rights or restricted stock, and may be granted to employees, officers and other key persons employed or retained by the Company and any non-employee director, consultant, vendor or other individual having a business relationship with the Company. Options are granted at various times and vest over various periods. Stock options granted shall be either incentive stock options, within the meaning of Section 422 of the Internal Revenue Code, or non-qualified stock options. Both incentive stock options and non-qualified stock options must be granted at an exercise price of not less than the fair market value of shares of common stock at the time the option is granted, and incentive stock options granted to 10% or greater stockholders must be granted at an exercise price of not less than 110% of the fair market value of the shares on the date of grant. If any award under the 2006 Plan is forfeited, terminates, expires unexercised, or lapses for any reason, the shares of common stock that would otherwise have been issuable pursuant thereto will be available for issuance pursuant to the grant of new awards. Options to purchase an aggregate 1,981,000 shares of common stock had been granted under the 2006 Plan as of December 31, 2007.

2005 Management and Director Equity Incentive and Compensation Plan

Under the 2005 Management and Director Equity Incentive and Compensation Plan (the “2005 Plan”), the Company may grant incentive and non-qualified stock options, performance shares and restricted stock to its officers, directors, other key employees and consultants to purchase up to 2,000,000 shares of common stock. Under the 2005 Plan, the exercise price of each option must equal or exceed the market price of the Company’s stock on the date of grant, and an option’s maximum term is ten years. Options are granted at various times and vest over various periods, and may be either incentive stock options or non-qualified stock options. If any award under the 2005 Plan terminates, expires unexercised, or is cancelled, the shares of common stock that would otherwise have been issuable pursuant thereto will be available for issuance pursuant to the grant of new awards. The 2005 Plan will terminate on June 6, 2015. Options to purchase an aggregate 1,924,000 shares of common stock had been granted under the 2005 Plan as of December 31, 2007.

2007 Grants to Executive Officers and Directors

On May 17, 2007, the Board of Directors granted to each of Alan Smith and Sandro Sordi non-plan options to purchase 300,000 shares of common stock. These non-qualified stock options are exercisable for 10 years commencing on May 17, 2007 at \$0.78 per share and vested immediately. The options were granted in consideration for the recipients' services as members of the Board of Directors.

In July 2007, the Board of Directors amended options granted to Mr. Cohen to purchase 2,000,000 shares, Mr. Sordi to purchase 100,000 shares, and Mr. Smith to purchase 100,000 shares of common stock. The amendment provided for an increase in the exercise price of such options from \$.50 to \$.59 per share, the closing price of the common stock on the date of the grant. The options were originally granted in September 2006 with a term of ten years. All other terms of such options, as described below, remained the same.

2006 Grants to Executive Officers and Directors

On April 28, 2006, the Board of Directors granted to each of Alan Smith and Sandro Sordi non-plan, non-qualified options to purchase 100,000 shares of common stock. These non-qualified stock options, which were exercisable at \$1.01 per share, were cancelled and replaced in September 2006. The replacement options are exercisable for 10 years commencing on September 20, 2006 at \$.59 per share (as amended), with 50,000 shares vested immediately for prior services and an additional 50,000 shares vested as of March 20, 2007.

On April 28, 2006, the Board of Directors granted Darryl Cohen non-plan options to purchase an aggregate of 2,000,000 shares of common stock. He was also awarded 200,000 restricted shares of common stock in recognition of the Company entering into an agreement with Rogers Wireless. The 2,000,000 options, which were exercisable at \$1.04 per share, were cancelled and replaced in September 2006. The replacement options are exercisable for 10 years commencing on September 20, 2006 at \$.59 per share (as amended). One million shares subject to the options were fully vested upon grant, as they were granted in connection with the Company's initial closing of its private placement with Arjent Ltd (f/k/a Vertical Capital Partners, Inc.). The second one million shares subject to the option, which were originally issued in connection with the proposed acquisition of Intelligate Ltd. and, upon the termination of the Intelligate transaction, were re-granted in consideration of the Company entering into a letter of intent to acquire an exclusive license from Expert System S.p.A, vested upon the execution of a definitive license with Expert System in November 2006.

On December 22, 2006, the Board of Directors also granted to each of Darryl Cohen, Alan Smith and Sandro Sordi non-plan options to purchase 1,500,000, 200,000 and 200,000 shares of common stock, respectively. These non-qualified options are exercisable for 10 years at \$.50 per share, with 25% of each option vesting every three months starting March 31, 2007 until fully vested 12 months following the date of grant.

Retirement and Change of Control

Pursuant to the terms of his employment agreement, in the event Mr. Cohen's employment is terminated for disability, death or without cause following a change of control, or in the event Mr. Cohen terminates his employment for good reason (as such terms are defined in the agreement), Mr. Cohen or his estate shall be entitled to severance of (a) 50% of his base salary for the previous calendar year, and (b) bonuses for such year. During the term of his employment agreement and for a period of 12 months following termination of his employment under the agreement or any renewal or extension thereof, Mr. Cohen has agreed not to engage in any business that is competitive with the Company's current business or its business as conducted at any time during the term. During the term or, if he is terminated for cause, then for the balance of the term, and for the 24 month period thereafter, Mr. Cohen also has agreed not to directly or indirectly recruit, solicit or induce any diversion of employees or sales representatives from their relationships with the Company or retain or employ any such persons, or solicit clients or others with a business relationship with the Company to discontinue or reduce the extent of such relationships.

In May 2007, the Board of Directors determined that in the event of a change of control as defined in Mr. Cohen's employment agreement, which definition was revised to include the issuance of 25% or more of the issued and outstanding shares of the Company to one or more persons acting together as a group (with certain exceptions), all options, warrants and restricted shares outstanding and not then vested held by Mr. Cohen would accelerate and become fully vested. In addition, Mr. Cohen would be granted a non-qualified option or warrant granting him the right to purchase that number of shares equal to the number of shares subject to all of his options and warrants outstanding as of May 17, 2007, such change of control options and warrants to be exercisable at the fair market value of the common stock at the time of the change of control. The Board of Directors also made available the change of control acceleration and grant provisions to Sandro Sordi, Alan Smith and a financial consultant to the Company. Each such individual is therefore entitled to the same benefits as described for Mr. Cohen in the event of a change of control transaction.

Director Compensation

The following table sets forth all compensation of the Company's directors for the year ended December 31, 2007. Mr. Cohen, our CEO and Chairman of the Board of Directors, did not receive any compensation for his services as a director during the 2007 fiscal year.

Name	Fees				Nonqualified			Total
	Earned or Paid in Cash	Stock Awards (\$)	Option Awards		Non-Equity	Deferred	All Other Compensation (\$)	
					Incentive Plan	Compensation		
					Compensation	Earnings		
Alan Smith	—	—	\$232,500	(1)	—	—	—	\$232,500
Sandro Sordi	—	—	\$232,500	(1)	—	—	—	\$232,500

(1) The amount represents the award of 300,000 non-qualified stock options, all of which were vested at December 31, 2007. The dollar amount presented represents the aggregate fair value of such awards on the date of grant. The fair value of each option was estimated on the date of grant using the Black-Scholes option pricing model with the following weighted average assumptions used for grants in 2007: dividend yield of zero, expected volatility of 242%, risk-free interest rates of 4.68%, and expected lives of ten years.

During 2006, each director was granted an aggregate 300,000 non-qualified stock options, all of which were vested at December 31, 2007. These options were valued at \$101,490, the aggregate fair value of such awards on the date of grant. The fair value of each option was estimated on the date of grant using the Black-Scholes option pricing model with the following weighted average assumptions used for grants in 2006: dividend yield of zero, expected volatility of 219% to 229%, risk-free interest rates of 4.73% to 4.84%, and expected lives of ten years. For more information regarding the option grants made during 2006, see “2006 Grants to Executive Officers and Directors” above.

Each director was also granted 40,000 non-qualified stock options during the 2005 fiscal year, all of which were vested at December 31, 2007.

The Board of Directors received compensation commensurate with their responsibilities to the Company and the various board responsibilities of an early stage organization. Members of the Board of Directors do not receive fees or a retainer for their service on the Board, and do not receive fees for meetings attended or committee service.

Item 11. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

For information regarding securities authorized for issuance under the Company’s equity plans, please see Item 5 “Market for Common Equity, Related Stockholder Matters and Small Business Issuer Purchases of Equity Securities” herein.

Persons and groups owning in excess of five percent of our common stock are required to file certain reports with the SEC disclosing such ownership pursuant to the Exchange Act. Based upon such reports or other information available to the Company, as of April 7, 2008 management knows of no persons other than those identified below who were beneficial owners of more than five percent of the outstanding shares of our common stock.

The following table sets forth, as of April 7, 2008, certain information with respect to any person, including any group, who is known to the Company to be the beneficial owner of more than 5% of our common stock, and certain information concerning the ownership of common stock (including directors’ qualifying shares) of each director, the Chief Executive Officer of the Company, and all executive officers and directors as a group. There were 58,915,400 shares of the Company’s common stock outstanding as of April 7, 2008.

Name of Beneficial Owner⁽¹⁾	Amount and Nature of Beneficial Ownership	Percent of Class ⁽¹⁾
Darryl Cohen	8,025,667 ⁽²⁾	12.1 %
Alan Smith	690,000 ⁽³⁾	1.2 %
Sandro Sordi	2,602,164 ⁽⁴⁾	4.2 %
Enable Group Partners, L.P.	20,000,000 ⁽⁵⁾	25.3 %
Dolphin Offshore Partners, L.P.	10,000,000 ⁽⁶⁾	14.5 %
Baruch Halpern Revocable Trust	8,522,621 ⁽⁷⁾	13.3 %
ClearView Investment Fund	6,863,965 ⁽⁸⁾	10.7 %
McMahan Securities Corp.	4,500,000 ⁽⁹⁾	7.1 %
Blue Sky Consultants, Ltd.	3,670,000 ⁽¹⁰⁾	6.2 %
Total number of shares owned by directors and executive officers as a group (3 persons)	11,317,831	16.4 %

- Except as otherwise noted in the footnotes to this table, each of the persons named in the table owns the shares listed as beneficially owned by such person directly and exercises sole voting and investment power over such shares. With respect to each such person or group, percentages are calculated based on the number of shares beneficially owned, including any securities that such person has the right to acquire within 60 days pursuant to the exercise of options, warrants, conversion privileges or other rights, but not the exercise of such options, warrants, conversion privileges or other rights by any other person. The mailing address of each director and executive officer is c/o AskMeNow, Inc., 26 Executive Park, Suite 250, Irvine, California 92614.
- (1) Of this amount, 825,667 shares are held in the name of "Darryl Cohen & Nini Cohen, TTEE, The Cohen Family Trust." Also includes 7,200,000 shares of common stock issuable under currently exercisable options.
 - (3) Includes 640,000 shares of common stock issuable under currently exercisable options.
 - Includes 2,140,000 shares of common stock issuable under currently exercisable options and 462,154 shares of common stock issuable under currently exercisable warrants. Mr. Sordi disclaims beneficial ownership of 733,334 shares of common stock beneficially owned by his wife.
 - (4) Represents 20,000,000 shares of common stock issuable under currently exercisable warrants. The address of this owner is One Ferry Building, Suite 225, San Francisco, CA 94111.
 - (6) Represents 10,000,000 shares of common stock issuable under currently exercisable warrants. The address of this owner is 129 E. 17th Street, New York, NY 10003.
 - (7) Includes 5,072,000 shares of common stock issuable under currently exercisable warrants. The address of this owner is 9601 Collins Ave., Bal Harbour, FL 33154.
 - (8) Includes 5,500,000 shares of common stock issuable under currently exercisable warrants. The address of this owner is 300 Barr Harbor Drive, Suite 220, Conshohocken, PA 19428.
 - (9) Represents 4,500,000 shares of common stock issuable under currently exercisable warrants. The address of this owner is 500 West Putnam Ave., Greenwich, CT 00830.
 - (10) Includes 670,000 shares of common stock issuable under currently exercisable warrants. The address of this owner is 76 Dean Street, PO Box 1117, Belize City, Belize.

Series A Preferred Stock

The following table sets forth, as of April 7, 2008, certain information with respect to any person, including any group, who is known to the Company to be the beneficial owner of more than 5% of our Series A preferred stock. No director or executive officer owns any shares of such stock. As of April 7, 2008, the Company had outstanding 22,458 shares of Series A preferred stock.

Name of Beneficial Owner ⁽¹⁾	Amount and Nature of Beneficial Ownership	Percent of Class ⁽¹⁾
Trevor Hanness	11,244	(2) 50.1 %
Stephen Pycroft	5,622	(3) 25.0 %
Andrew Dewar	5,592	(4) 24.9 %
Total number of shares owned by directors and executive officers as a group (3 persons)	0	0 %

Except as otherwise noted in the footnotes to this table, each of the persons named in the table above owns directly and has sole voting and investment power with respect to the shares set forth opposite each such person's name. With respect to each person or group, percentages are calculated based on the number of shares beneficially owned, including any securities that such person or group has the right to acquire within 60 days pursuant to the exercise of options, warrants, conversion privileges or other rights, but not the exercise of options, warrants, conversion privileges or other rights by any other person or group.

- (1) Does not include warrants to purchase 100,000 shares of common stock or accumulated but unpaid dividends accrued and payable as of December 31, 2007 of 495.96 shares of Series A preferred stock. The address of this beneficial owner is 179 Elmbridge Avenue, Surbiton, Surry, KT5 9HG, United Kingdom.
- (2) Does not include warrants to purchase 50,000 shares of common stock or accumulated but unpaid dividends accrued and payable as of December 31, 2007 of 247.98 shares of Series A preferred stock. The address of this beneficial owner is Coppers, 80 Ledborough Lane, Beaconsfield, Bucks, HP9 2DG, United Kingdom.
- (3) Does not include warrants to purchase 500,000 shares of common stock or accumulated but unpaid dividends accrued and payable as of December 31, 2007 of 246.65 shares of Series A preferred stock. The address of this beneficial owner is c/o Dewar Brothers Ltd, Cleucch Mill, Lower Mill Street, Tillicoultry, FK13 6BP, United Kingdom.
- (4)

Series B Preferred Stock

The following table sets forth, as of April 7, 2008, certain information with respect to any person, including any group, who is known to the Company to be the beneficial owner of more than 5% of our Series B preferred stock. No director or executive officer owns any shares of such stock. As of April 7, 2008, the Company had outstanding 264,279 shares of Series B preferred stock.

Name of Beneficial Owner ⁽¹⁾	Amount and Nature of Beneficial Ownership	Percent of Class ⁽¹⁾
M.J. Jordan Ltd.	26,623 (2)	10.1 %
Ian Taylor	22,258 (3)	8.4 %
Fidecs Trust Company Limited	22,258 (4)	8.4 %
Andrew Stewart	16,161 (5)	6.1 %
Cantraviento Capital Inversion SA	15,908 (6)	6.0 %
Total number of shares owned by directors and executive officers as a group (3 persons)	0	0 %

- Except as otherwise noted in the footnotes to this table, each of the persons named in the table above owns directly and has sole voting and investment power with respect to the shares set forth opposite each such person's name. With respect to each person or group, percentages are calculated based on the number of shares beneficially owned, including any securities that such person or group has the right to acquire within 60 days pursuant to the exercise of options, warrants, conversion privileges or other rights, but not the exercise of options, warrants, conversion privileges or other rights by any other person or group.
- (1)
- (2) Does not include warrants to purchase 500,000 shares of common stock or accumulated but unpaid dividends accrued and payable as of December 31, 2007 of 1,174.34 shares of Series B preferred stock.
- (3) Does not include warrants to purchase 400,000 shares of common stock or accumulated but unpaid dividends accrued and payable as of December 31, 2007 of 981.77 shares of Series B preferred stock. The address of this owner is No. 9 The Coppice, Bexley, DA5 2EA, United Kingdom.
- (4) Does not include warrants to purchase 400,000 shares of common stock or accumulated but unpaid dividends accrued and payable as of December 31, 2007 of 981.77 shares of Series B preferred stock. The address of this owner is P.O. Box 575, Montague Pavilion, 8-10 Queensway, Gibraltar.
- (5) Does not include warrants to purchase 300,000 shares of common stock or accumulated but unpaid dividends accrued and payable as of December 31, 2007 of 713.31 shares of Series B preferred stock. The address of this owner is Hertfordshire Lodge, Coleshill Lane, Near Amersham, Bucks, HP7 0PD, United Kingdom.
- (6) Does not include warrants to purchase 300,000 shares of common stock or accumulated but unpaid dividends accrued and payable as of December 31, 2007 of 701.71 shares of Series B preferred stock. The address of this owner is Vanterpool Plaza 2nd Floor, Wickens Cay Road Town, Tortola, British Virgin Islands.

Changes in Control

As a result of the Company's offering of Series D preferred stock, certain anti-dilution provisions were triggered under the warrants issued by the Company in its Bridge I senior promissory note financing. Specifically, because the Company issued warrants in the Series D preferred stock financing with an exercise price that was lower than the Bridge I financing pricing, participants in the Bridge I financing were entitled to receive five times the number of warrants originally issued at an adjusted price of \$0.10 per share.

In the event certain recipients of such warrants were to exercise such warrants and purchase the underlying shares of common stock of the Company, a change of control could occur. Specifically, as noted in the table above, Enable Group Partners, L.P. could purchase up to 20 million shares of common stock and as a result own over 25% of the outstanding shares of common stock as of April 7, 2008. Dolphin Offshore Partners, L.P., the Baruch Halpern Revocable Trust and ClearView Investment Fund could each also purchase over 10% of the issued and outstanding shares.

Item 12. Certain Relationships and Related Transactions, and Director Independence

Except as set forth under Item 10 "Executive Compensation" above, which includes information regarding compensation of our executive officers and directors (including equity incentive compensation), and as set forth in this Item 12, since January 1, 2007 there were no transactions or proposed transactions involving or between the Company and its directors, executive officers, five percent or greater stockholders, or any immediate family member of any of the foregoing, nor did any such related person have any direct or indirect material interest in any such transaction or proposed transaction.

Related Person Transactions

Darryl Cohen

On March 1, 2006, Darryl Cohen, our CEO and Chairman, loaned \$105,000 to the Company in the form of a bridge loan. Such loan was completed on March 8, 2006 and was evidenced by a 16% secured promissory note due on the earliest to occur of a financing of \$1 million in debt, equity or other infusion of capital or June 30, 2006. During the 2006 fiscal year, the Company repaid principal and interest of \$102,376 and \$7,624, respectively. The principal balance outstanding at December 31, 2006 was \$2,624, which was paid along with all accrued and unpaid interest in full in May 2007.

Sandro Sordi

In January 2006, Sandro Sordi, a director of the Company, loaned \$100,000 to the Company. The loan is evidenced by a 10% subordinated promissory note originally due 60 days from the date of issuance. In connection with the loan, the Company issued to Mr. Sordi warrants to purchase 10,000 shares of common stock at \$2.00 per share through January 31, 2011. As of December 31, 2006, the entire amount of the note remained outstanding and the note was in default. On June 11, 2007, the Company issued Mr. Sordi warrants to purchase 452,164 shares of common stock exercisable for five years at \$0.50 per share in consideration of his agreement to extend the maturity date of his bridge loan (including payment of accrued and unpaid interest) until the Company closes its next round of permanent equity funding.

Family Members of Executive Officers and Directors

The Company has granted to Grant Cohen, who is employed as Director of Interactive Media and who is the son of Darryl Cohen, the Company's CEO and Chairman, options to purchase an aggregate 1,350,000 shares of common stock as follows: (a) 300,000 were granted pursuant to the terms of Mr. Cohen's employment agreement with the Company on October 16, 2006, at \$0.50 per share, vesting 150,000 immediately and 50,000 at the end of each subsequent 90-day period of employment (excluding the 90-day period that coincided with Mr. Cohen's one-year renewable employment term), (b) 350,000 were granted on January 16, 2007, at \$0.61 per share, vesting 175,000 on the date that is 90 days after the date of grant and 175,000 on the date that is 180 days after the date of grant, and (c) 700,000 were granted in connection with an amendment to Mr. Cohen's employment agreement, 500,000 of which were granted at \$0.80 per share and vested when the Company entered into an agreement with the Wikimedia Foundation on May 25, 2007, and 200,000 of which were granted on May 17, 2007, at \$.75 per share, of which 50,000 vest in the sole discretion of the CEO each time (up to four times) (1) a material contract is executed between the Company and a licensed third-party content provider, or (2) an "Enterprise Contract" (as defined in the employment agreement, as amended) is executed. These are in addition to options granted to Mr. Cohen on June 7, 2005 to purchase 175,000 shares of common stock at \$0.69 per share. Of the shares subject to the option, 25,000 vested immediately upon grant and 50,000 vested at the end of each subsequent 90-day period of employment.

The Company has granted to Daniel Smith, who was employed as Director of Revenue and Content and who is the son of Alan Smith, a former director of the Company, options to purchase an aggregate 1,350,000 shares of common stock as follows: (a) 300,000 were granted pursuant to the terms of Mr. Smith's employment agreement with the Company on October 16, 2006, at \$0.50 per share, vesting 150,000 immediately and 50,000 at the end of each subsequent 90-day period of employment (excluding the 90-day period that coincided with Mr. Smith's one-year renewable employment term), (b) 350,000 were granted on January 16, 2007, at \$0.61 per share, vesting 175,000 on the date that is 90 days after the date of grant and 175,000 on the date that is 180 days after the date of grant, and (c) 700,000 were granted in connection with an amendment to Mr. Smith's employment agreement, 500,000 of which were granted at \$0.80 per share and vested when the Company entered into an agreement with the Wikimedia Foundation on May 25, 2007, and 200,000 of which were granted on May 17, 2007, at \$0.75 per share, of which 50,000 vest in the sole discretion of the CEO each time (up to four times) (1) a material contract is executed between the Company and a licensed third-party content provider, or (2) an "Enterprise Contract" (as defined in the employment agreement, as amended) is executed. These are in addition to options granted to Mr. Smith on June 7, 2005 to purchase 200,000 shares of common stock at \$0.69 per share. Of the shares subject to the option, 50,000 vested immediately upon grant and 50,000 vested at the end of each subsequent 90-day period of employment. Daniel Smith resigned from his position with the Company in January 2008.

The Company also has granted to Mark Cohen, who is employed as Vice President of Operations and who is the brother of Darryl Cohen, the Company's CEO and Chairman, options to purchase an aggregate 550,000 shares of common stock as follows: (a) 300,000 were granted pursuant to the terms of Mr. Cohen's employment agreement with the Company on October 16, 2006, at \$0.50 per share, vesting 150,000 immediately and 50,000 at the end of each subsequent 90-day period of employment (excluding the 90-day period that coincided with Mr. Cohen's one-year renewable employment term), and (b) 250,000 were granted on January 16, 2007, at \$0.61 per share, vesting 125,000 on the date that is 90 days after the date of grant and 125,000 on the date that is 180 days after the date of grant. These are in addition to options granted to Mr. Cohen on June 7, 2005 to purchase 200,000 shares of common stock at \$0.69 per share. Of the shares subject to the option, 50,000 vested immediately upon grant and 50,000 vested at the end of each subsequent 90-day period of employment.

Halpern Capital, Inc. and Related Entities

Halpern Capital, Inc. assisted the Company with its Bridge I financing. As consideration for acting as the placement agent in such financing, the Company issued warrants to purchase an aggregate 3,600,000 shares of common stock, of which 1,814,400 were issued to the Baruch Halpern Revocable Trust. Baruch Halpern is a principal of Halpern Capital and trustee of the trust. An additional 7,257,600 warrants were issued to the Baruch Halpern Revocable Trust (for a total of 9,072,000 warrants) as a result of the triggering of the anti-dilution provisions in the Bridge I financing warrants following the Company's Series D preferred stock financing. The Baruch Halpern Revocable Trust also participated in the Bridge I financing. It was originally issued 400,000 warrants in connection with its \$100,000 investment and received an additional 1,600,000 warrants as a result of the anti-dilution adjustment. The trust exercised an aggregate 6,000,000 warrants on a cashless basis and was issued an aggregate 3,385,621 shares by the Company in 2008; the trust is now a greater-than-five percent holder of the Company's common stock.

In February 2007, the Company entered into a financial advisory agreement for 12 months with Halpern Capital. In the event that Halpern Capital successfully completed a securities offering with at least \$25 million in gross proceeds, the Company agreed to purchase additional financial services from Halpern for a minimum of 12 months at a rate of \$20,000 per month. This agreement expired in February 2008. During the 2007 fiscal year, the Company paid Halpern Capital \$40,000 under the financial advisory agreement.

Arjent Ltd. (formerly Vertical Capital Partners, Inc.)

Beginning April 2006 and ending February 2007, the Company engaged Arjent Ltd. (formerly Vertical Capital Partners, Inc.) as financial advisor to assist with its offering of the Series A and Series B preferred stock. In consideration for its services, the Company paid Arjent sales commissions totaling \$707,000 and reimbursed \$162,000 for expenses, and issued to Arjent an aggregate 1,200,000 shares of common stock and warrants to purchase another 1,000,000 shares. Arjent also assisted the Company with the Reverse Merger with InfoByPhone in June 2005, for which it was issued 500,000 shares of common stock, and a \$3.2 million private placement of the Company's common stock immediately following the Reverse Merger, for which the Company paid Arjent sales commissions totaling \$320,000, expenses totaling \$102,000 and issued the advisor 1,066,710 shares of common stock. Arjent also participated in a bridge financing for the Company in the first quarter of 2006 and loaned the Company \$100,000 in such financing on the same terms noted above for Mr. Cohen. Arjent was a greater-than-five-percent stockholder of the Company.

Director Independence

For information on the compensation received by our directors of the Company during the 2007 fiscal year, and the beneficial ownership of equity securities of the Company of such individuals, see Items 10 and 11 above. For information on our Board of Directors and director independence, please see Item 9 above.

Item 13. Exhibits

Exhibit No.	Description	Location
3.1	Second Amended and Restated Certificate of Incorporation of AskMeNow, Inc.	Exhibit 3.1 to the Current Report on Form 8-K as filed on September 12, 2007.
3.2	Certificate of Designations, Preferences, Privileges, Powers and Rights of Series D Convertible Preferred Stock.	Filed herewith.
3.3	By-laws.	Exhibit 3(ii) to the Registration Statement on Form S-1 (File No. 333-95927), as originally filed on February 1, 2000.

4.1	Subscription Documents for common stock offering in maximum amount of \$2,000,000.	Exhibit 99.1 to Current Report on Form 8-K/A, as filed on July 11, 2005.
4.2	Form of 10% Subordinated Promissory Note, dated January 17, 2006 (one of two identical notes each in the principal amount of \$250,000).	Exhibit 4.1 to Current Report on Form 8-K, as filed on January 31, 2006.
4.3	Form of Common Stock Purchase Warrant, with issue date of January 17, 2006 (one of two identical warrants each to purchase 25,000 shares).	Exhibit 4.2 to Current Report on Form 8-K, as filed on January 31, 2006.
4.4	Form of Secured Promissory Note, dated March 1, 2006 (one of two identical notes except for names each in the amount of \$100,000).	Exhibit 4.1 to Current Report on Form 8-K, as filed on March 8, 2006.
4.5	Form of Affidavit for Judgment by Confession, dated March 1, 2006 (one of two identical affidavits, except for names).	Exhibit 4.2 to Current Report on Form 8-K, as filed on March 8, 2006.
4.6	Note Purchase and Warrant Agreement for Bridge I 12% Senior Promissory Note Offering.	Exhibit 4.1 to the Current Report on Form 8-K as filed on April 30, 2007.
4.7	Form of Bridge I 12% Senior Promissory Note.	Exhibit 4.2 to the Current Report on Form 8-K as filed on April 30, 2007.
4.8	Form of Common Stock Purchase Warrant issued in Bridge I 12% Senior Promissory Note Offering.	Exhibit 4.3 to the Current Report on Form 8-K as filed on April 30, 2007.
4.9	Form of Registration Rights Agreement for Bridge I 12% Senior Promissory Note Offering.	Exhibit 4.4 to the Current Report on Form 8-K as filed on April 30, 2007.
4.10	Form of Bridge II 12% Junior Promissory Note and Warrant.	Exhibit 10.2 to the Quarterly Report on Form 10-QSB for the quarter ended September 30, 2007 as filed on November 16, 2007.
4.11	Bridge II 12% Junior Convertible Promissory Note.	Exhibit 10.1 to the Current Report on Form 8-K as filed on September 12, 2007.
4.12	Form of Common Stock Purchase Warrant issued in Bridge II Junior Convertible Promissory Note Offering.	Exhibit 10.2 to the Current Report on Form 8-K as filed on September 12, 2007.

4.13	Form of Series D Convertible Preferred Stock subscription agreement.	Filed herewith.
4.14	Form of Common Stock Purchase Warrant issuable in Series D Convertible Preferred Stock offering.	Filed herewith.
10.1	Securities Exchange Agreement and Plan of Reorganization, dated as of April 14, 2005, by and among the Company, InfoByPhone, Inc. and certain stockholders of InfoByPhone, Inc.	Exhibit 10.1 to the Current Report on Form 8-K, as filed on June 9, 2005.
10.2	Assignment and Assumption of Liabilities Agreement dated as of May 23, 2005, by and among Ocean West Enterprises, Inc., the Company, and Consumer Direct of America.	Exhibit 10.1 to the Current Report on Form 8-K, as filed on August 11, 2005.
10.3	InfoByPhone, LLC Ohio Lease.	Exhibit 10.2 to Registration Statement on Form SB-2, as filed on September 14, 2005 (File No. 333-128314).
10.4	Lease Agreement, dated on or around August 30, 2005, by and between AskMeNow, Inc. and Eastern Telecommunications Phils., Inc.	Exhibit 10.3 to Registration Statement on Form SB-2, as filed on September 14, 2005 (File No. 333-128314).
10.5	Web Linking Agreement - BlackBerry MDS Studio, made as of September 22, 2005, between Research In Motion Limited and InfoByPhone, Inc.	Exhibit 10.1 to the Current Report on Form 8-K, as filed on October 7, 2005.
10.6	Office Space Lease Between The Irvine Company and the Company for Irvine, CA office space.	Exhibit 10.6 to the Annual Report on Form 10-KSB/A for the 2006 fiscal year, as originally filed on April 17, 2007 (the "2006 Annual Report").
10.7+	Amended and Restated Employment Agreement, dated as of July 19, 2005, by and between Darryl Cohen and InfoByPhone, Inc.	Exhibit 10.7 to the 2006 Annual Report.
10.8	Stock Purchase Agreement, entered into as of December 30, 2005, between the Company and Container/ITW, Inc.	Exhibit 10.1 to the Current Report on Form 8-K, as filed on January 3, 2006.

10.9	Wireless Application Distribution Agreement, entered into as of March 31, 2006, by and between InfoByPhone, Inc. and Rogers Wireless Partnership.	Exhibit 10.1 to the Current Report on Form 8-K, as filed on April 7, 2006.
10.10	Services Agreement, dated June 1, 2006, between the Company and Mobile ESPN LLC.	Exhibit 10.1 to the Current Report on Form 8-K, as filed on June 20, 2006.
10.11	Letter Agreement, dated August 1, 2006, between the Company, BK Financial Services, LLC and Meyer Capital Corporation.	Exhibit 10.1 to the Quarterly Report on Form 10-QSB for the quarter ended September 30, 2006, as filed on November 20, 2006 (the "Q3 2006 10-QSB").
10.12	Consulting Agreement, made as of August 4, 2006, by and between the Company and CJB Group, Inc.	Exhibit 10.2 to the Q3 2006 10-QSB.
10.13	Warrant Agreement to purchase 200,000 shares, dated July 26, 2006, by and between the Company and Phillips Nizer LLP.	Exhibit 10.3 to the Q3 2006 10-QSB.
10.14*	Software License and Services Agreement, dated November 2, 2006, between Expert System S.p.A. and InfoByPhone, Inc.	Exhibit 10.1 to Current Report on Form 8-K, as filed on November 8, 2006.
10.15	Service Agreement, dated January 10, 2007, by and between Material Events LLC and the Company.	Exhibit 10.1 to the Quarterly Report on Form 10-QSB/A for the quarter ended March 31, 2007 as filed on May 15, 2007.
10.16	Consulting Agreement, dated January 29, 2007, by and between the Company and Dennis Bergquist.	Exhibit 10.1 to the Current Report on Form 8-K as filed on February 2, 2007.
10.17	Agreement, made May 25, 2007, by and between the Company and Wikimedia Foundation, Inc.	Exhibit 10.1 to the Quarterly Report on Form 10-QSB/A for the quarter ended June 30, 2007 as filed on August 15, 2007.
10.18	Agreement of Investor Representative effective October 8, 2007.	Exhibit 10.1 to the Quarterly Report on Form 10-QSB for the quarter ended September 30, 2007 as filed on November 16, 2007.
10.19	Common Stock Purchase Warrant to purchase 100,000 shares of common stock issued to Michael Brown, dated July 31, 2007.	Exhibit 10.3 to the Quarterly Report on Form 10-QSB for the quarter ended September 30, 2007 as filed on November 16, 2007.

10.20	Common Stock Purchase Warrant to purchase 50,000 shares of common stock issued to Phillips Nizer LLP, dated September 11, 2007.	Exhibit 10.4 to the Quarterly Report on Form 10-QSB for the quarter ended September 30, 2007 as filed on November 16, 2007.
10.21	Services Agreement, dated October 18, 2007, by and between Ask Frank Limited and the Company.	Filed herewith.
10.22	Financial Consulting Agreement, made as of January 9, 2008, by and between the Company and Blue Sky Consultants, Ltd.	Filed herewith.
10.23	Wireless Content Distribution Agreement, dated February 4, 2008, by and between InfoByPhone, Inc. and Bell Mobility, Inc.	Filed herewith.
10.24+	2006 Employee Stock Incentive Plan, as amended.	Appendix E to Definitive Proxy Statement, as filed on July 6, 2007.
10.25+	2005 Management and Director Equity Incentive and Compensation Plan.	Filed herewith.
21	Subsidiaries.	Filed herewith.
31.1	Certificate of Chief Executive Officer and Principal Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.	Filed herewith.
32.1	Certificate of the Chief Executive Officer and Principal Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	Filed herewith.

* Confidential treatment has been requested for certain portions of this document.

+ Denotes management contract or compensatory plan, contract or arrangement.

ITEM 14. Principal Accountant Fees and Services

Webb & Company, P.A. was the Company's independent auditor and examined the financial statements of the Company for the fiscal years ending December 31, 2007 and 2006.

Audit Fees

The aggregate fees billed by Webb & Company for professional services rendered for the audit of the Company's annual financial statements and review of the financial statements included in the Company's quarterly reports or services that are normally provided by the firm in connection with statutory and regulatory filings or engagements during fiscal 2007 and 2006 were \$48,694 and \$60,712, respectively.

Audit Related Fees

No fees were billed by Webb & Company for either of the fiscal years ended December 31, 2007 or 2006 for assurance and related services reasonably related to the performance of the audit or review of the Company's financial statements.

Tax Fees

No fees were billed by Webb & Company for professional services rendered for tax compliance, tax advice and tax planning during the fiscal years ended December 31, 2007 and 2006.

All Other Fees

No fees were billed by Webb & Company for products or services during the fiscal years ended December 31, 2007 and 2006 other than as disclosed above.

Pre-Approval Policies

It is the policy of the Audit Committee to pre-approve the audit and permissible non-audit services performed by the Company's registered independent public accountants in order to ensure that the provision of such services does not impair the firm's independence, in appearance or fact. In fiscal 2007, the Audit Committee did not pre-approve any audit of permissible non-audit services due to an administrative oversight; the Audit Committee intends to properly approve all such services in the future.

SIGNATURES

In accordance with Section 13 or 15(d) of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

AskMeNow, Inc.

By: /s/ Darryl Cohen April 15, 2008
Darryl Cohen, Chief Executive Officer, Chairman of the Board and Director
(Principal Executive Officer and Principal Financial Officer)

In accordance with the Exchange Act, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/ Darryl Cohen April 15, 2008
Darryl Cohen, Chief Executive Officer, Chairman of the Board and Director
(Principal Executive Officer and Principal Financial)

By: /s/ Sandro Sordi April 15, 2008
Sandro Sordi, Director

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors of:
AskMeNow, Inc. and Subsidiaries

We have audited the accompanying consolidated balance sheets of AskMeNow, Inc. and subsidiaries (formerly Ocean West Holding Corporation and subsidiaries) as of December 31, 2007 and December 31, 2006, and the related consolidated statements of operations, changes in stockholders' equity and cash flows for the years ended December 31, 2007 and 2006. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of AskMeNow, Inc. and subsidiaries as of December 31, 2007 and 2006 and the consolidated results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the consolidated financial statements, the Company has a net loss of \$20,435,664, a working capital deficiency of \$5,060,396, net cash used in operations of \$3,955,725 as of December 31, 2007, and was in default on \$3,000,000 in notes payable. These factors raise substantial doubt about the Company's ability to continue as a going concern. Management's plans concerning these matters are also described in Note 1. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

WEBB & COMPANY, P.A.

Boynton Beach, Florida
April 14, 2008

PART I. - FINANCIAL INFORMATION*Item 1. Financial*

ASKMENOW, INC. AND SUBSIDIARIES
Condensed Consolidated Balance Sheets

	December 31,	
	2007	2006
ASSETS		
CURRENT ASSETS		
Cash	\$-	\$61,279
Accounts receivable, net	16,314	13,860
Prepaid expenses and other current assets	448,484	79,151
Total Currents Assets	464,798	154,290
Property and Equipment, net	129,994	188,974
OTHER ASSETS		
License, net of \$150,000 provision at December 31, 2007	-	150,000
Other assets	50,318	47,496
TOTAL ASSETS	\$645,110	\$540,760
LIABILITIES AND STOCKHOLDERS' DEFICIT		
CURRENT LIABILITIES		
Bank overdraft	\$1,873	\$-
Accounts payable	1,340,074	1,099,937
Accrued expenses	933,247	326,797
Deferred revenue	20,000	-
Notes payable	3,130,000	-
Notes payable - related party	100,000	102,624
Deferred Tax Liability	14,673	16,786
Total Current Liabilities	5,539,867	1,546,144
STOCKHOLDERS' EQUITY (DEFICIT)		
Preferred stock, \$0.01 par value, 10,000,000 shares authorized at December 31, 2007 and December 31, 2006		
Series A Preferred Stock, \$0.01 par value, 1,500,000 shares authorized, \$10 face value, 22,458 and 362,500 shares issued and outstanding at December 31, 2007 and 2006, respectively	200,000	3,625,000
Series B Preferred Stock, \$0.01 par value, 1,600,000 shares authorized, \$10 face value, 295,933 and 235,500 shares issued and outstanding at December 31, 2007 and 2006, respectively	2,289,261	2,355,000
Series C Preferred Stock, \$0.01 par value, 400,000 shares authorized, zero and 400,000 shares issued and outstanding	-	4,000

at December 31, 2007 and 2006, respectively		
Common stock, \$0.01 par value, 300,000,000 shares authorized, 42,134,887 and 28,994,887 shares issued and outstanding at December 31, 2007 and 2006, respectively	421,350	289,950
Additional paid-in-capital	34,808,728	14,907,308
Foreign currency translation	10,135	1,925
Accumulated deficit	<u>(42,624,231)</u>	<u>(22,188,567)</u>
Total Stockholders' Equity (Deficit)	<u>(4,894,757)</u>	<u>(1,005,384)</u>
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	<u><u>\$645,110</u></u>	<u><u>\$540,760</u></u>

The accompanying notes are an integral part of these consolidated financial statements.

ASKMENOW, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Operations

	Year Ended December 31,	
	2007	2006
REVENUE		
Revenue from mobile services	\$54,536	\$27,846
	<u>54,536</u>	<u>27,846</u>
COSTS AND OPERATING EXPENSES		
Cost of revenue	1,154,945	1,679,307
Research and development	72,693	222,005
General and administrative	2,193,107	2,906,843
Professional fees	1,467,418	2,622,590
Salaries and compensation	4,595,005	3,947,217
Total Operating Expenses	<u>9,483,168</u>	<u>11,377,962</u>
Net Loss from Operations	<u>(9,428,632)</u>	<u>(11,350,116)</u>
OTHER INCOME (EXPENSE)		
Financing costs	(5,017,598)	-
Derivative expense	-	(1,004,571)
Interest expense	(5,989,434)	(206,483)
Total other expense	<u>(11,007,032)</u>	<u>(1,211,054)</u>
Net loss before income taxes	(20,435,664)	(12,561,170)
Income taxes	-	(12,832)
Net loss	(20,435,664)	(12,574,002)
Preferred stock dividends	(525,895)	(322,314)
Net loss applicable to common shareholders	<u>(20,961,559)</u>	<u>(12,896,316)</u>
Basis and diluted net loss per common share	<u>\$ (0.58)</u>	<u>\$ (0.47)</u>
Basic and diluted weighted average number of common shares outstanding	<u>36,180,380</u>	<u>27,228,935</u>

The accompanying notes are an integral part of these consolidated financial statements.

ASKMENOW, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows

	Year Ended December 31,	
	2007	2006
OPERATING ACTIVITIES		
Net loss from continuing operations	\$(20,435,664)	\$(12,574,002)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	88,771	76,539
Amortization of deferred compensation	-	235,473
Amortization of note payable discount	3,130,000	68,400
Amortization of debt offering costs	2,202,972	-
Subscription receivable	1,400	6,488
Impairment of license fee	150,000	-
Increase in fair value derivative liability	-	1,004,571
Stock, warrants and options issued for services	4,629,504	4,521,800
Stock issued to officer for services	-	208,000
Warrants issued for financing fees	337,465	108,622
Warrants issued for preferred shareholder's wavier	5,017,598	-
Changes in assets and liabilities		
Accounts receivable	(2,454)	(13,860)
Prepaid expenses	49,809	(31,560)
Deposits	10,400	(13,596)
Accounts payable	240,137	902,569
Accrued expenses	606,450	242,719
Deferred revenue	20,000	-
Deferred taxes	(2,113)	16,787
Net Cash Used In Operating Activities	(3,955,725)	(5,241,050)
INVESTING ACTIVITIES		
Purchase of intangibles	(10,000)	(150,000)
Purchase of equipment	(29,013)	(20,036)
Net Cash Used In Investing Activities	(39,013)	(170,036)
FINANCING ACTIVITIES		
Cash overdraft	1,873	-
Proceeds from notes payable	3,300,000	721,500
Proceeds from notes payable - related party	-	205,000
Net proceeds from issuance of common stock	-	-
Net proceeds from issuance of preferred stock	626,000	5,209,796
Repayment of notes payable	(2,624)	(823,876)
Net Cash Provided By Financing Activities	3,925,249	5,312,420
EXCHANGE RATE GAIN	8,210	323

NET DECREASE IN CASH AND CASH EQUIVALENTS	(61,279)) (98,343)
CASH AND CASH EQUIVALENTS, BEGINNING OF PERIOD	<u>61,279</u>	<u>159,622</u>
CASH AND CASH EQUIVALENTS, END OF PERIOD	<u>\$-</u>	<u>\$61,279</u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOWS INFORMATION:		
CASH PAID DURING THE PERIOD FOR:		
Interest	\$243	\$84,246
NON-CASH TRANSACTIONS DURING THE PERIOD FOR:		
Financing costs	\$8,267,246	\$692,375
Reclassification of contracts from equity to liability	\$-	\$2,581,817

The accompanying notes are an integral part of these consolidated financial statements.

ASKMENOW, INC. AND SUBSIDIARIES
Condensed Consolidated Statement of Changes in Stockholders' Deficit

	Preferred Stock		Common Stock		Additional	Deferred	Other	Accumulated	Total
	Shares	Amount	Shares	Amount	Paid-in Capital	Compensation	Comprehensive Income	Deficit	
January 1, 2006	-	\$-	25,966,612	\$259,667	\$ 9,793,915	\$ (235,473)	\$ 1,602	\$ (9,614,565)	\$205,146
Net Loss								(12,574,002)	(12,574,002)
Other comprehensive income							323		323
Total comprehensive loss									(12,573,679)
Amortization of warrants						235,473			235,473
2005 equity incentive stock option plan					1,902,440				1,902,440
2006 employee stock incentive plan					551,083				551,083
Series A preferred stock issued	362,500	3,625,000							3,625,000
Series B preferred stock issued for cash	235,500	2,355,000							2,355,000
Series C preferred stock issued for services	400,000	4,000			1,196,000				1,200,000
Shares issued for services			297,900	2,979	185,296				188,275
Shares issued to officer for services			200,000	2,000	206,000				208,000
Shares issued to placement agent for fees			1,060,000	10,600					10,600
Shares issued for financial advisory fees			1,000,000	10,000	290,000				300,000
Shares issued to common holders for lockup			470,375	4,704	366,892				371,596
Placement agent fees					(770,204)				(770,204)
Fair market derivative liability adjustment					1,004,571				1,004,571
Placement agent shares value correction					(54,112)				(54,112)
Warrants issued for financing fees					108,622				108,622
Warrants issued for consulting fees					126,805				126,805
December 31, 2006	998,000	\$5,984,000	28,994,887	\$289,950	\$ 14,907,308	\$ -	\$ 1,925	\$ (22,188,567)	\$(1,005,384)
Net Loss								(20,435,664)	(20,435,664)
Other comprehensive income							8,210		8,210
Total comprehensive loss									(20,427,454)
Non-qualified stock options issued					3,680,838				3,680,838
2005 equity incentive stock option plan					24,410				24,410
2006 employee stock incentive plan					376,103				376,103
Conversion of Series C preferred to common	(400,000)	(4,000)	4,000,000	40,000	(36,000)				-
Series B preferred stock issued for cash	72,500	725,000							725,000
Series A & B preferred stock dividend declaration	69,465								-
Conversion of Series B preferred to common	(415,250)	(4,152,500)	8,305,000	83,050	4,069,450				-
Series A & B preferred stock dividend abandonment	(6,324)	(63,239)			63,239				-
Shares issued for services			695,000	6,950	461,450				468,400
Shares issued to placement agent for fees			140,000	1,400	(1,400)				-
Warrants issued to placement agent for fees					2,202,972				2,202,972
Warrants issued for services					502,895				502,895
Placement agent fees					(99,000)				(99,000)

Warrants issued to related party note holder for note extension					337,465				337,465
Placement agent shares value correction					1,400				1,400
Amortization of debt discount on Bridge notes payable					3,300,000				3,300,000
Warrants issued to Series A & B preferred holders for a wavier related to financings					5,017,598				5,017,598
December 31, 2007	<u>318,391</u>	<u>\$2,489,261</u>	<u>42,134,887</u>	<u>\$421,350</u>	<u>\$ 34,808,728</u>	<u>\$ -</u>	<u>\$ 10,135</u>	<u>\$ (42,624,231)</u>	<u>\$ (4,894,757)</u>

The accompanying notes are an integral part of these consolidated financial statements.

ASKMENOW, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1. ORGANIZATION AND BASIS OF PRESENTATION

(A) Basis of Presentation and Organization

AskMeNow, Inc., formerly Ocean West Holding Corporation (the “Company”), was incorporated in Delaware in August 2000, and is a holding company and the parent company of InfoByPhone, Inc. (“InfoByPhone”). InfoByPhone provides information services and content through its AskMeNow™ service to mobile devices. This service allows mobile users to ask questions and receive answers through text messaging/SMS and email. InfoByPhone was formed as a Delaware corporation in June 2004 and was acquired by the Company pursuant to the reverse merger transaction discussed below. The Company also has a foreign wholly-owned subsidiary, AskMeNow, Inc., a Philippines corporation formed in August 2005.

On June 6, 2005, pursuant to a Securities Exchange Agreement and Plan of Reorganization, dated as of April 14, 2005, by and among the Company, InfoByPhone and the shareholders of InfoByPhone (the “Exchange Agreement”), the Company acquired InfoByPhone in a reverse merger (the “Reverse Merger”), pursuant to which InfoByPhone became a wholly-owned subsidiary of the Company. In connection with the Reverse Merger, the Company acquired all of the issued and outstanding shares of common stock of InfoByPhone and issued an aggregate 5,586,004 shares of authorized but unissued shares of common stock, par value \$0.01, of the Company that, together with 500,000 shares issued to Vertical Capital Partners, Inc. (n/k/a Arjent Ltd.) as a finder’s fee, constituted approximately 56% of the then-outstanding capital stock of the Company. The transaction was treated for accounting purposes as a recapitalization by the accounting acquirer, InfoByPhone, Inc.

The Company has incurred significant operating losses since its inception. As reflected in the accompanying financial statements, the Company had a net loss of \$20,435,664, a working capital deficiency of \$5,060,396, and net cash used in operations of \$3,955,725 as of December 31, 2007 and was in default on \$3,000,000 in notes payable. Management expects that significant on-going operating expenditures will be necessary to successfully implement the Company’s business plan and develop and market its products and services; the Company estimates that it may require up to \$200,000 per month through 2008 to market such products and services. These circumstances raise substantial doubt about the Company’s ability to continue as a going concern. Implementation of the Company’s plans and its ability to continue as a going concern depend upon the Company securing substantial additional financing. Management’s plans include efforts to obtain additional capital, although no assurances can be given about the Company’s ability to obtain such capital. If the Company is unable to obtain adequate additional financing or generate profitable sales revenues, it may be unable to continue product development and other activities and may be forced to cease operations.

During 2007, the Company received net proceeds of \$626,000 through the private sale of unregistered, convertible preferred stock. In addition, the Company raised \$3,300,000 through the issuance of notes payable to investors, \$3,000,000 of which is currently due and payable. Due to the Company’s current cash position, the Company is unable to pay any of the principal or accrued and unpaid interest on such notes and is in default pursuant to the terms of such notes. Management continues its effort to secure additional funding. The Company’s continued existence is dependent upon its ability to raise capital and to successfully market and sell its products. The consolidated financial statements presented herein do not include any adjustments that might result from the outcome of this uncertainty.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(A) Principles of Consolidation

The consolidated financial statements for the years ended December 31, 2007 and 2006 include the Company and its wholly-owned subsidiaries InfoByPhone, Inc. and AskMeNow, Inc., a Philippines corporation. All significant inter-company accounts and transactions have been eliminated in consolidation.

(B) Revenue Recognition

The Company currently provides two platforms for asking questions: SMS/text messaging and through a downloaded application. Users are charged on a monthly or per question basis but are not charged for the downloaded application. The Company recognizes revenue for all submitted questions at the time of the inquiry, regardless of the method used to submit the question. For advertising space sold, the Company will recognize revenue over the period the advertisement is displayed. The Company recognizes revenue when persuasive evidence of an arrangement exists, delivery has occurred, the sales price is fixed or determinable, and collectibility is probable.

(C) Cash and Cash Equivalents

The Company considers all highly liquid temporary cash investments with an original maturity of three months or less to be cash equivalents. As of December 31, 2007 and 2006, there were no cash equivalents.

(D) Fair Value of Financial Instruments

The carrying amounts of the Company's financial instruments, which include accounts receivable, accounts payable and loans payable, approximate fair value due to the relatively short period to maturity for these instruments.

(E) Concentrations of Risk

During fiscal 2005, the Company formed its AskMeNow, Inc. subsidiary in the Philippines. As of December 31, 2007 and 2006, 16% and 39% of the Company's assets were located in the Philippines, respectively.

(F) Concentration of Credit Risk

The Company at times has cash in banks in excess of FDIC insurance limits. At December 31, 2007 and 2006, the Company had no amounts in excess of FDIC insurance limits. At December 31, 2007 and 2006, the Company had total cash of \$2,662 and \$18,262, respectively, in banks located in the Philippines.

During 2007 and 2006, one customer accounted for 63% and 49%, respectively, of the Company's sales.

(G) Use of Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(H) Property and Equipment

Property and equipment are stated at cost, less accumulated depreciation. Depreciation is provided using the straight-line method over the estimated useful lives of the individual assets. The estimated useful life of computer equipment is five years, the estimated useful life of office furniture is seven years and the estimated useful life of leasehold improvements is the term of the lease or the useful life of the improvement, whichever is shorter.

(I) Advertising Costs

Advertising costs are expensed as incurred. Total advertising costs charged to operations for the years ended December 31, 2007 and 2006 were \$3,700 and \$42,700, respectively.

(J) Income Taxes

The Company accounts for income taxes under SFAS No. 109, "Accounting for Income Taxes". Under SFAS No. 109, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Under SFAS No. 109, the effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

(K) Other Comprehensive Income

The Company uses SFAS No. 130, "Reporting Comprehensive Income", which establishes standards for the reporting and display of comprehensive income, its components and accumulated balances. The Company is disclosing this information in its consolidated statements of changes in stockholders' equity (deficit). Comprehensive income is comprised of a gain on foreign currency translation of the Company's Philippines subsidiary.

(L) Foreign Currency Translation

The functional currency of the Company is the United States Dollar. The financial statements of the Company's Philippines subsidiary are translated to U.S. dollars using the period exchange rates as to assets and liabilities and average exchange rates as to revenues and expenses. Capital accounts are translated at their historical exchange rates when the capital transaction occurs. Net gains and losses resulting from foreign exchange translations are included in the statements of operations and changes in stockholders' equity (deficit) as other comprehensive income (loss). As of December 31, 2007 and 2006, the translation adjustments were \$10,135 and \$1,925, respectively.

(M) Loss Per Share

The Company applies SFAS No. 128, "Earnings per Share" in calculating basic and diluted loss per share. Basic loss per common share is computed by dividing the net loss available to common shareholders by the weighted average number of common shares outstanding during the period. In computing diluted loss per share, stock options and similar instruments that are dilutive are included in the calculation. Stock options and warrants were not included in the computation of diluted loss per share for the periods presented because their inclusion is anti-dilutive. The total potential dilutive number of common shares issuable upon conversion or exercise of outstanding convertible preferred stock, warrants and stock options at December 31, 2007 and 2006 was 61,562,788 and 35,229,013 shares, respectively.

(N) Business Segments

The Company operates in one segment, mobile devices.

(O) Stock-Based Compensation

Effective January 1, 2006, the Company adopted the provisions of SFAS No. 123 (revised), "Share-Based Payment", which replaces SFAS No. 123, "Accounting for Stock-Based Compensation", and supersedes APB Opinion No. 25, "Accounting for Stock Issued to Employees", and related interpretations. SFAS No. 123(R) requires compensation costs related to share-based payment transactions, including employee stock options, to be recognized in the financial statements. In addition, the Company adheres to the guidance set forth within SEC Staff Accounting Bulletin No. 107, which provides the views of the staff of the SEC regarding the interaction between SFAS No. 123(R) and certain SEC rules and regulations and provides interpretations with respect to the valuation of share-based payments for public companies.

In adopting SFAS No. 123(R), the Company applied the modified prospective approach to transition. Under the modified prospective approach, the provisions of SFAS No. 123(R) are applied to new awards and to awards modified, repurchased, or cancelled after the effective date. Additionally, compensation cost for the portion of awards for which the requisite service has not been rendered that are outstanding as of the effective date are recognized as the requisite service is rendered on or after such effective date. The compensation costs for that portion of awards are based on the grant-date fair value of those awards as calculated for either recognition or pro-forma disclosures under SFAS No. 123.

Equity instruments ("instruments") issued to other than employees are recorded on the basis of the fair value of the instruments, as required by SFAS No. 123(R). EITF Issue 96-18, "Accounting for Equity Instruments That Are Issued to Other Than Employees for Acquiring, or in Conjunction with Selling, Goods or Services." defines the measurement date and recognition period for such instruments. In general, the measurement date is when either (a) performance commitment, as defined, is reached or (b) earlier of (i) the non-employee performance is complete or (ii) the instruments are vested. The measured value related to the instruments is recognized over a period based on the facts and circumstances of each particular grant as defined in the EITF.

(P) Research and Development

Research and development expenses include payroll, employee benefits and costs associated with product development. The Company has determined that technological feasibility for its software products is reached shortly before the products are released. Costs incurred after technological feasibility is established are not material and, accordingly, all research and development costs are expensed when incurred.

(Q) Derivative Liabilities

The Company accounts for its embedded conversion features and freestanding warrants pursuant to SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities", which requires a periodic valuation of the fair value of derivative instruments and a corresponding recognition of liabilities associated with such derivatives. The recognition of derivative liabilities related to the issuance of shares of common stock is applied first to the proceeds of such issuance, at the date of issuance, and the excess of derivative liabilities over the proceeds is recognized as other expense in the accompanying consolidated financial statements. The recognition of derivative liabilities related to the issuance of convertible debt is applied first to the proceeds of such issuance as a debt discount, at the date of issuance, and the excess of derivative liabilities over the proceeds is recognized as other expense in the accompanying consolidated financial statements. Any subsequent increase or decrease in the fair value of the derivative liabilities is recognized as other expense or other income, as applicable. The reclassification of a contract is reassessed at each balance sheet date. If a contract is reclassified from permanent equity to an asset or a liability, the change in the fair value of the contract during the period the contract was classified as equity is accounted for as an adjustment to equity. If a contract is reclassified from an asset or liability to equity, gains or losses recorded to account for the contract at fair value during the period that such contract was classified as an asset or a liability are not reversed but instead are accounted for as an adjustment to equity.

(R) Recent Accounting Pronouncements

In September 2006, the FASB issued SFAS No. 157, "Fair Value Measurements". The objective of SFAS No. 157 is to increase consistency and comparability in fair value measurements and to expand disclosures about fair value measurements. SFAS No. 157 defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles, and expands disclosures about fair value measurements. SFAS No. 157 applies under other accounting pronouncements that require or permit fair value measurements and does not require any new fair value measurements. The provisions of SFAS No. 157 are effective for fair value measurements made in fiscal years beginning after November 15, 2007. The adoption of this statement is not expected to have a material effect on the Company's future reported financial position or results of operations.

In February 2007, the FASB issued SFAS No. 159, “The Fair Value Option for Financial Assets and Financial Liabilities - Including an Amendment of FASB Statement No. 115”. This statement permits entities to choose to measure many financial instruments and certain other items at fair value. Most of the provisions of SFAS No. 159 apply only to entities that elect the fair value option. However, the amendment to SFAS No. 115, “Accounting for Certain Investments in Debt and Equity Securities” applies to all entities with available-for-sale and trading securities. SFAS No. 159 is effective as of the beginning of an entity’s first fiscal year that begins after November 15, 2007. The adoption of this statement is not expected to have a material effect on the Company’s financial statements.

In December 2007, the FASB issued SFAS No. 160, “Noncontrolling Interests in Consolidated Financial Statements - an amendment of ARB No. 51”. This statement improves the relevance, comparability, and transparency of the financial information that a reporting entity provides in its consolidated financial statements by establishing accounting and reporting standards that require; the ownership interests in subsidiaries held by parties other than the parent and the amount of consolidated net income attributable to the parent and to the noncontrolling interest be clearly identified and presented on the face of the consolidated statement of income, changes in a parent’s ownership interest while the parent retains its controlling financial interest in its subsidiary be accounted for consistently, when a subsidiary is deconsolidated, any retained noncontrolling equity investment in the former subsidiary be initially measured at fair value, entities provide sufficient disclosures that clearly identify and distinguish between the interests of the parent and the interests of the noncontrolling owners. SFAS No. 160 affects those entities that have an outstanding noncontrolling interest in one or more subsidiaries or that deconsolidate a subsidiary. SFAS No. 160 is effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2008. Early adoption is prohibited. The adoption of this statement is not expected to have a material effect on the Company’s financial statements.

NOTE 3. PROPERTY AND EQUIPMENT

Property and equipment consist of the following at December 31:

	December 31, 2007	December 31, 2006
Computer equipment	\$ 171,809	\$ 157,343
Office furniture and equipment	96,705	87,224
Leasehold improvements	10,423	26,184
Less accumulated depreciation	(148,943)	(81,777)
	<u>\$ 129,994</u>	<u>\$ 188,974</u>

Depreciation expense for the years ended December 31, 2007 and 2006 was \$87,993 and \$76,539, respectively.

NOTE 4. LICENSE

On November 2, 2006, the Company's subsidiary, InfoByPhone, entered into a software license and services agreement with Expert System S.p.A. that grants InfoByPhone an exclusive worldwide perpetual license (exclusive of Italy) for the mobile communications industry to use the Cogito® Contact Mobile Product and the Expert System Technology of Text Mining for structured and unstructured databases, natural language query and answer capability.

The Company had previously signed a letter of intent on August 22, 2006 with Expert System that summarized the scope of the proposed agreement with regard to license, service and payment provisions. At the signing of the letter of intent, the Company paid Expert System \$150,000 as a start-up phase initial payment. Additional payments required include payment upon integration of each content database with a commitment of at least ten databases in the first 150 days after signing the agreement. A license fee per single computer server is due in 12 monthly installments each commencing the month following the installation of the software. The on-going technical support commences upon integration of the tenth database and requires a per month fee for 12 months. Subsequent to completion of the 12 month start-up phase, Expert System will receive a percentage of the net revenue through the seventh anniversary date of the conclusion of the start-up phase. The term of the agreement starts upon the commencement date for installation and continues until the seventh anniversary date of the conclusion of the start-up phase. The database integration fees paid as of December 31, 2007 and 2006 were \$124,500 and \$39,000, respectively, and the fees were recorded as cost of revenue expense. As of December 31, 2007, the Company has recorded a loss provision for the entire \$150,000 payment as the installation of the first database required remained incomplete. The Company and Expert System are currently in discussions regarding the completion of the database installation and revisions to the current license agreement.

NOTE 5. DERIVATIVE LIABILITY

On August 10, 2006, the Company had issued 522,500 shares of common stock which caused an insufficient number of authorized shares to be available for existing contract commitments. Accordingly, on August 10, 2006, the Company was not able to assert that it had a sufficient number of authorized but unissued shares available to satisfy its obligations under outstanding options and warrant agreements. Therefore, the Company accounted for all of its outstanding options and warrants as derivative contracts and recorded a corresponding liability based on the fair value of such derivatives at the measurement dates.

On December 18, 2006, the Company's Amended and Restated Certificate of Incorporation was filed with the Delaware Secretary of State and became effective, thereby increasing the number of authorized shares of common stock of the Company from 30,000,000 to 100,000,000 shares. The increase in authorized shares provided the Company sufficient authorized and unissued shares to settle any outstanding agreements for common shares. A net loss of \$1,004,571 was recorded upon the re-calculation of the fair value of the outstanding warrants and embedded conversion features on December 18, 2006 when the Company was able to assert that it had adequate authorized shares. The derivative liability was zero at December 31, 2006 and December 31, 2007.

The Company computed the fair value of the outstanding freestanding warrants and embedded conversion features at their measurement date using the Black Scholes valuation model with the following assumptions:

	At issuance	At September 30, 2006	At December 18, 2006
Market price:	\$0.31	\$0.07	\$0.42
Exercise price:	\$0.25 - \$2.00	\$0.25 - \$2.00	\$0.25 - \$2.00
Term:	1 - 5 years	1 - 5 years	1 - 5 years
Volatility:	219	% 219	% 229
Risk-free interest rate:	4.89	% 4.59	% 4.62
Number of warrants:	9,225,710	9,225,710	9,225,710

The Company used the following methodology to value the embedded conversion features and liquidated damages:

The aggregate fair value of the warrants and options reclassified during the nine-month period ended September 30, 2006 amounted to approximately \$2,582,000 at the date of their issuance or reclassification.

NOTE 6. PROMISSORY NOTES

Notes payable at December 31, 2007 consist of the following:

	December 31, 2007	December 31, 2006
Bridge I 12% senior promissory notes	\$3,000,000	\$—
Bridge II 12% junior promissory notes, net of \$170,000 discount	130,000	—
Total	<u>\$3,130,000</u>	<u>\$—</u>

Bridge I 12% Senior Promissory Notes

Beginning in February 2007, the Company began an offering of up to \$3,000,000 in senior promissory notes to accredited investors (the “Bridge I” offering), which Bridge I offering was fully subscribed and closed on May 10, 2007. The notes bear interest at 12% per annum and are payable 90 days after the date of issuance unless extended by the Company for up to an additional 90 days. The Company elected to extend the maturity date for the additional 90 days in accordance with the extension option, and as a result the notes’ interest rate increased to 14% per annum from original maturity until payment in full. As part of the Bridge I offering, the Company was obligated to issue warrants to purchase four shares of common stock for every \$1.00 principal amount of notes issued. An aggregate 12,000,000 warrants to purchase common stock at \$0.50 per share with a term of five years were issued by the Company in accordance with the fully subscribed \$3,000,000 offering. The Company calculated a debt discount for the value of the warrants issued as part of the transaction in the amount of \$3,000,000, which was amortized in full during 2007. The Company recorded additional interest expense of \$3,000,000 to reflect the amortization of the discount during the year ended December 31, 2007.

As part of the Bridge I offering the Company offered the selling agent warrants to purchase 3,600,000 shares of common stock of the Company if the entire \$3,000,000 was subscribed, or a proportionately smaller number of warrants if less money was loaned. Upon closing of the fully subscribed offering, the entire 3,600,000 warrants to purchase common stock at \$0.50 per share with a term of five years had been issued. The Company calculated a debt offering cost asset amount for the value of the warrants issued amounting to \$2,202,972, which was fully amortized over the life of the notes at December 31, 2007.

As of December 31, 2007, all the Bridge I senior promissory notes in the aggregate principal amount of \$3,000,000 had matured and remained unpaid by the Company. The Company’s failure to pay when due such notes constitutes an event of default under the notes and, according to the terms thereof, the Company is obligated to pay each note holder the default interest rate of two percent (2%) per month on all amounts due and owing under such notes for each month or part thereof beyond the extended maturity date that such amounts remain unpaid. In the event of a default, each note holder may proceed to protect such holder’s rights in equity or by action at law, or both, enforce payment of the notes, and/or enforce any other legal or equitable right such holder may have.

Bridge II 12% Junior Convertible Promissory Notes

Beginning in August 2007, the Company commenced an offering of up to \$1,000,000 in junior convertible promissory notes to accredited investors (the “Bridge II” offering) on a “best-efforts”, no minimum basis. The notes bear interest at 12% per annum and are payable 270 days after the date of issuance unless extended by the Company for up to an additional 90 days. The promissory notes are convertible, at the option of the holder, into shares of the Company’s common stock at a per share price equal to \$0.50 per share. Additionally, the holder has the option to convert the note balance, upon consummation by the Company of a qualified equity securities offering with aggregate consideration valued at \$5,000,000 or more, into the securities purchased in such offering at a per share price equal to the per share sale price paid by the investor(s) in such offering. As of December 31, 2007, the Company had closed the Bridge II offering and issued a total of \$300,000 in Bridge II promissory notes.

As part of the Bridge II offering, the Company was obligated to issue warrants to purchase three shares of common stock for every \$1.00 principal amount of notes issued. As of December 31, 2007, the Company had issued a total of 900,000 warrants in conjunction with the \$300,000 in Bridge II promissory notes issued during the year. The Company calculated a debt discount for the value of the warrants issued as part of the transaction in an amount of \$300,000, which will be amortized over the life of the notes. The Company recorded additional interest expense of \$130,000 to reflect the amortization of the discount during the year ended December 31, 2007.

NOTE 7. PROMISSORY NOTES - RELATED PARTIES

On March 1, 2006, Darryl Cohen, the Company's Chief Executive Officer, loaned the Company \$105,000. The bridge loan was completed on March 8, 2006 and was evidenced by a 16% secured promissory note due on the earliest of the closing of a financing of \$1,000,000 in debt, equity or other infusion of capital, or June 30, 2006. During the year ended December 31, 2006, the Company repaid principal and interest of \$102,376 and \$7,624, respectively. On May 15, 2007, the Company repaid the remaining outstanding principal balance of \$2,624 and \$243 in accrued interest in full.

In January 2006, Sandro Sordi, a director of the Company, loaned the Company \$100,000. The loan is evidenced by a 10% subordinated promissory note due 60 days from the date of issuance. On May 17, 2007, the Company and the note holder agreed to extend the due date for repayment of the principal balance and accrued interest due thereon until completion of the next round of equity financing. As compensation for the note payable extension, the note holder was granted four warrants for every \$1.00 of principal and accrued interest outstanding on May 17, 2007, which totaled \$113,041. The Company issued 452,164 warrants to Mr. Sordi, exercisable for five years at \$0.50 per share, with the same registration and other rights granted to the Bridge I promissory note holders.

NOTE 8. STOCKHOLDERS' DEFICIT

Summary of Preferred Stock Terms

The Company's Second Amended and Restated Certificate of Incorporation authorizes the issuance of 10,000,000 shares of preferred stock, \$0.01 par value. The Board of Directors has the power to designate the rights and preferences of the preferred stock and issue the preferred stock in one or more series.

Series A

On April 25, 2006, the Company designated 1,500,000 shares of Series A preferred stock, \$0.01 par value. Each share has a face value of \$10.00 and a 10% dividend rate, or \$1.00 per share, payable in-kind. The Series A preferred stock ranks senior to the Company's common stock and each share has a \$10 per share liquidation preference. The Series A preferred stock has no voting rights except as provided by the Delaware General Corporation Law and as set forth in the Company's charter. Effective August 2, 2007, the Company declared a 10% dividend of one tenth of one share, or \$1.00 per \$10 face value per share, on each share of Series A preferred stock outstanding as of July 23, 2007, the record date for the dividend. Cumulative dividends amounted to \$24,580 as of the record date and were converted into 2,458 shares of Series A preferred stock. As of December 31, 2007, accrued dividends from the record date to the year then-ended were \$9,906.

During the year ended December 31, 2007, holders of an aggregate 342,500 shares of Series A preferred stock elected to exchange such shares for 342,500 shares of Series B preferred stock. In connection with such conversions, the Company issued warrants to purchase an aggregate 3,425,000 shares of common stock at \$0.50 per share. As of December 31, 2007, there were 22,458 shares of Series A preferred stock issued and outstanding.

Series B

On July 20, 2006, the Company designated 1,600,000 shares of Series B preferred stock, \$0.01 par value. Each share has a face value of \$10.00 and a 10% dividend rate, or \$1.00 per share, payable in-kind. The Series B preferred stock ranks senior to the common stock and on parity with the Series A preferred stock, and each share has a \$10 per share liquidation preference. The Series B preferred stock is convertible into common stock at a price of \$0.50 per share and is redeemable by the Company as set forth in the Second Amended and Restated Certificate of Incorporation. The Series B preferred stock has no voting rights except as provided by the Delaware General Corporation Law and as set forth in the Company's charter. Effective August 2, 2007, the Company declared a 10% dividend of one tenth of one share, or \$1.00 per \$10 face value per share, on each share of Series B preferred stock outstanding as of July 23, 2007, the record date for the dividend. Cumulative dividends amounted to \$670,070 as of the record date and were converted into 67,007 shares of Series B preferred stock. As of December 31, 2007, accrued dividends from the record date to the year then-ended were \$143,654.

During the year ended December 31, 2007, holders of an aggregate 421,574 shares of Series B preferred stock elected to convert their shares and accrued and unpaid dividends thereon into an aggregate 8,305,000 shares of unregistered restricted common stock. As of December 31, 2007, there were 295,933 shares of Series B preferred stock issued and outstanding.

Series C

On September 7, 2006, the Company designated 400,000 shares of Series C preferred stock, \$0.01 par value. The Series C preferred stock is not entitled to receive dividends, ranks senior to the common stock, and each share has a \$0.01 per share liquidation preference. The terms of the Series C preferred stock provided that such shares would automatically be converted on a one-for-ten basis into ten shares of common stock of the Company at such time as the Company's Certificate of Incorporation was amended to increase the number of authorized shares of common stock, which occurred on December 18, 2006. On January 10, 2007, the Series C preferred stock was converted into 4,000,000 shares of unregistered, restricted common stock. As of December 31, 2007, no shares of Series C preferred stock were issued or outstanding.

Commencing April 25, 2006, the Company began an offering of Series A preferred stock in the form of a Unit, with each Unit consisting of (i) 5,000 shares of Series A preferred stock, and (ii) warrants to purchase 50,000 shares of the Company's common stock, exercisable for a period of three years at a price of \$0.50 per share. On July 20, 2006, a supplement to the private placement memorandum used in connection with the offering of such Units was approved, which supplement re-priced the offering and modified the preferred stock offered. All investors that had invested in the Series A private placement were offered an opportunity to exchange their shares of Series A preferred stock for shares of Series B preferred stock that were identical in all respects to the Series A shares except for the conversion price, which was reduced to \$0.50 per share. In addition, the number of warrants issued per Unit was increased from 50,000 to 100,000 while the exercise price remained at \$0.50 per share. The number of warrants issuable to the placement agent also increased from 1,000,000 to 2,000,000 (or such proportionately smaller number if less than the maximum offering amount was raised), exercisable at \$0.50 per share of common stock rather than \$1.00 per share.

The Company completed the sale of an additional 14.5 Units for gross proceeds of \$725,000 in the first quarter of 2007 until the offering was closed to new investment on February 28, 2007. The number of shares of Series B stock sold in the first quarter of 2007 was 72,500 shares and the Company issued 1,450,000 warrants at an exercise price of \$0.50 per share in connection with such issuances. The offering closed with a total of 134.1 Units of the Series A and B preferred stock issued for aggregate gross proceeds of \$6,705,000 (\$2,375,000 from the sale of 237,500 shares of Series A preferred stock, and \$4,330,000 from the sale of 433,000 shares of Series B preferred stock). The placement agent in connection with such offering received warrants to purchase, with a cashless exercise feature, 1,000,000 shares of common stock of the Company, exercisable at \$0.50 per share for a term of five years, as well as (1) an aggregate of \$707,000 sales commissions, (2) \$162,000 in non-accountable expenses, and (3) 1,200,000 shares of common stock.

Preferred Stock Waiver and Settlement

In May 2007, the Board of Directors of the Company approved an offer to holders of the Series A and Series B preferred stock in settlement of claims such holders may have had against the Company in connection with the Company's Bridge I offering that closed in the second quarter of 2007. Specifically, for an 18 month period following completion of the preferred stock offering, the Company was prohibited from offering securities (including derivative securities) at less than \$1.25 per share without the consent of the investor representative appointed by the investors in the preferred stock offering. The Company provided participants in the Bridge I note financing with warrants to purchase shares of common stock at \$0.50 per share and did not obtain the investor representative's approval.

As consideration for the waiver of any breach and as consideration for the termination of the \$1.25 floor going forward, and with the approval of the investor representative, the Board approved the issuance to holders of the Series A and Series B preferred stock of additional warrants to purchase two shares of common stock for each \$1.00 in principal at \$0.50 per share for a term of five years. Any such holder was entitled to receive the additional warrants upon such holder's acceptance of the settlement offer and execution of a waiver of any breach or other claims. In the event the settlement offer was accepted by the holders of at least 50% of the then-outstanding Series A and Series B preferred stock, the Company would no longer be prohibited from offering securities (including derivative securities) at less than \$1.25 per share, provided that any new securities were offered at a price at or above \$0.50 per share.

As of September 30, 2007, holders of 5,000 shares of Series A preferred stock and holders of 330,500 shares of Series B preferred stock had accepted the settlement offer, which aggregate 335,500 shares represented 50.04% of the shares of preferred stock then-outstanding. Having received the required consent, the Company thereafter submitted the signed waiver documents to, and received the written consent of, the investor representative on October 8, 2007. In accordance with the waiver agreement, the electing investors were issued a total of 6,710,000 warrants as consideration for their execution of the settlement offer and waiver. Preferred stockholders who did not execute the waiver were not entitled to any additional warrants, although the waiver and settlement is applicable to and binding on all holders of the Series A and Series B preferred stock.

Issuance of Common Stock for Services

2006

Between January and July 2006, the Company issued 87,900 shares of common stock to a professional services firm for investor relations services. The Company calculated a fair value of \$71,875 for these shares based on the value of the shares on the date of issuance and recorded the amount as an administrative expense as of December 31, 2006.

Between April and December 2006, the Company sold the placement agent 537,500 shares of unregistered restricted common stock at a price of \$0.01 per share in connection with the agent's placement of shares of Series A and Series B preferred stock. The shares issued to the placement agent were in accordance with the offering agreement. The Company recorded \$5,375 as a direct offering cost.

In April 2006, the Company issued 60,000 shares of common stock to a note holder, with a fair market value of \$68,400 on the date of issuance. The value was recorded as debt discount and amortized over the life of the debt. As of December 31, 2006 the discount was fully amortized.

In April 2006, the Company issued 200,000 shares of common stock to the Company's Chief Executive Officer as a bonus valued at \$208,000, the fair market value on the date of issuance. The Company recorded the entire amount as employee compensation in the second quarter of fiscal 2006.

In August 2006, the Company sold the placement agent 522,500 shares of unregistered restricted common stock at a price of \$0.01 per share in connection with the agent's placement of shares of Series A preferred stock. On July 20, 2006 a supplement to the private placement memorandum for the preferred stock offering provided for, among other things, a re-pricing of the offering and the compensation in shares to the placement agent. The additional shares issued to the placement agent were in accordance with the restructured offering. The Company recorded \$5,225 as a direct offering cost.

In August 2006, the Company issued 150,000 shares of unregistered restricted common stock to a vendor in lieu of payment for services provided. The Company determined a value for the shares of \$48,000 based on the fair market value of the stock at the time the services were performed. The Company recorded the entire amount as general and administrative expense in the third quarter of fiscal 2006.

In August 2006, the Company sold to various financial advisors an aggregate 1,000,000 shares of unregistered restricted common stock at a price of \$0.01 per share as compensation for services rendered in connection with negotiations with Expert System. The Company determined a value of \$300,000 for such shares, with \$299,000 recorded as a professional fee expense and \$1,000 recorded as a subscription receivable in the third quarter of fiscal 2006. The subscription receivable was offset by an administrative expense due to reimbursable costs incurred by the placement agent as of December 31, 2006.

In September 2006, the Company issued an aggregate 470,375 shares of unregistered restricted common stock to certain stockholders in accordance with a lock-up agreement entered into by such stockholders and the Company. Holders of shares of common stock of the Company who agreed not to sell their common shares until three months after the effective date of the registration statement covering the underlying shares of the July 20, 2006 amended preferred stock offering were given a 5% stock fee as compensation. The Company determined a value for the shares of \$371,596 based on the fair market value of the stock upon issuance of the stock fee. The Company recorded the entire amount as general and administrative expense in the third quarter of fiscal 2006.

2007

In January 2007, the Company sold the placement agent 140,000 shares of unregistered restricted common stock at a price of \$0.01 per share in connection with the agent's placement of shares of Series B preferred stock. The Company recorded the amount as a subscription receivable of \$1,400 during the first fiscal quarter of 2007. The subscription receivable was offset by an administrative expense due to reimbursable costs incurred by the placement agent as of the December 31, 2007.

Between January and March 2007, the Company issued an aggregate 165,000 shares of unregistered restricted common stock to a professional services firm for investor relations services. The Company determined a value for the shares of \$74,400 based on the fair market value of the stock at the time the services were performed. The Company recorded the entire amount as an administrative expense as of December 31, 2007.

In June 2007, the Company issued 5,000 shares of unregistered restricted common stock to a vendor for the purchase of a website domain name. The Company determined a value for the shares of \$4,000 based on the fair market value of the stock at the time of the purchase. The Company recorded the entire amount as an asset on the balance sheet in the second fiscal quarter of 2007.

In October 2007, the Company issued 225,000 shares of common stock to non-employee consultants in lieu of payment for services provided. The Company calculated a fair value of \$180,000 for these shares based on the value of the shares on the date of issuance and recorded the amount as an administrative expense as of December 31, 2007.

In October 2007, the Company issued 300,000 shares of common stock to a professional services firm for financial consulting services. The Company calculated a fair value of \$210,000 for these shares based on the value of the shares on the date of issuance and recorded the amount as an administrative expense as of December 31, 2007.

Issuance of Warrants

2006

Between April and December 2006, the Company issued warrants in accordance with the Series A and Series B preferred stock offering. The Series A holders received 3,625,000 warrants to purchase the Company's common stock, exercisable for a period of three years at a price of \$0.50 per share. The Series B holders received 4,710,000 warrants to purchase the Company's common stock, exercisable for a period of three years at a price of \$0.50 per share. The placement agent in connection with such offering received warrants to purchase, with a cashless exercise feature, 1,000,000 shares of common stock of the Company, exercisable at \$0.50 per share.

In March 2006, the Company issued 52,500 common stock warrants to a note holder with an exercise price of \$2.00 per share for financing fees on \$350,000 of notes expiring in five years. The Company recorded the fair market value of the warrants based on the fair value of each warrant estimated on the date of grant using the Black-Scholes option pricing model with the following weighted average assumptions used for grants in 2006: dividend yield of zero, expected volatility of 172%, risk-free interest rates of 4.50%, and expected lives of five years. The Company recorded \$108,622 in financing fees in the first quarter of fiscal 2006.

In July 2006, the Company issued 200,000 common stock warrants to a vendor with an exercise price of \$0.50 per share for past services rendered. The Company recorded the fair market value of the warrants based on the fair value of each warrant estimated on the date of grant using the Black-Scholes option pricing model with the following weighted average assumptions used for grants in 2006: dividend yield of zero, expected volatility of 219%, risk-free interest rates of 4.84%, and expected lives of five years. The Company recorded a \$69,000 professional fee expense in the third quarter of fiscal 2006.

In August 2006, the Company issued warrants to purchase 200,000 shares of common stock to a vendor with an exercise price of \$0.50 per share in partial consideration for the vendor's agreement to act as the Company's public/investor relations representative for a term of one year. The warrants vested with respect to 100,000 shares three months after the date of grant and with respect to the second 100,000 shares six months after the date of grant. The Company recorded the fair market value of the 183,333 warrants that vested during 2006 based on the fair value of each warrant estimated on the date of grant using the Black-Scholes option pricing model with the following weighted average assumptions used for grants in 2006: dividend yield of zero, expected volatility of 219%, risk-free interest rates of 4.84%, and expected lives of five years. The Company recorded \$21,000 and \$37,000 in general and administrative expense for the fiscal 2006 third and fourth quarters, respectively.

2007

In August 2006, the Company issued warrants to purchase 200,000 shares of common stock to a vendor with an exercise price of \$0.50 per share in partial consideration for the vendor's agreement to act as the Company's public/investor relations representative for a term of one year. The warrant agreement provided for vesting of 100,000 shares three months after the date of grant and with respect to the second 100,000 shares six months after the date of grant. During the first fiscal quarter of 2007, the Company recorded the fair market value of the remaining 16,667 warrants, which vested during the period, based on the fair value of each warrant estimated on the date of grant using the Black-Scholes option pricing model with the following weighted average assumptions used for grants in 2006: dividend yield of zero, expected volatility of 219%, risk-free interest rate of 4.84%, and expected lives of five years. The Company recorded \$5,265 in administrative expense in the first fiscal quarter of 2007.

In May 2007, the Company issued warrants to purchase 452,164 shares of common stock to a director with an exercise price of \$0.50 per share in exchange for his agreement to extend the maturity date of his promissory note with the Company. The Company recorded the fair market value of the warrants based on the fair value of each warrant estimated on the date of grant using the Black-Scholes option pricing model with the following weighted average assumptions used for grants in 2007: dividend yield of zero, expected volatility of 242%, risk-free interest rate of 5.07%, and expected lives of five years. The Company recorded \$337,465 in additional interest expense in the second fiscal quarter of 2007 in connection with these warrants.

In July 2007, the Company issued warrants to purchase 100,000 shares of common stock to an attorney with an exercise price of \$0.57 per share in exchange for his agreement to reduce legal fees. The Company recorded the fair market value of the warrants based on the fair value of each warrant estimated on the date of grant using the Black-Scholes option pricing model with the following weighted average assumptions used for grants in 2007: dividend yield of zero, expected volatility of 245%, risk-free interest rate of 4.55%, and expected lives of three years. The Company recorded \$55,205 in additional professional fees for the year ended December 31, 2007.

In September 2007, the Company issued warrants to purchase 50,000 shares of common stock to a law firm with an exercise price of \$0.50 per share for its agreement to reduce outstanding legal fees. The Company recorded the fair market value of the warrants based on the fair value of each warrant estimated on the date of grant using the Black-Scholes option pricing model with the following weighted average assumptions used for grants in 2007: dividend yield of zero, expected volatility of 245%, risk-free interest rate of 3.97%, and expected lives of three years. The Company recorded \$23,714 in additional professional fees for the year ended December 31, 2007.

In October 2007, the Company issued warrants to purchase 600,000 shares of common stock to a financial consultant with an exercise price of \$0.50 per share in partial consideration for an agreement to provide financial consulting services for a term of nine months. The Company recorded the fair value of each warrant estimated on the date of grant using the Black-Scholes option pricing model with the following weighted average assumptions used for grants in 2007: dividend yield of zero, expected volatility of 257%, risk-free interest rate of 4.38%, and expected lives of five years. The Company recorded \$418,711 in administrative expense at December 31, 2007.

In October 2007, the Company issued warrants to purchase 6,710,000 shares of common stock with an exercise price of \$0.50 per share to certain Series A and Series B preferred holders in consideration for such holders' acceptance of a settlement offer and execution of a waiver, as discussed previously herein. The Company recorded the fair value of each warrant estimated on the date of grant using the Black-Scholes option pricing model with the following weighted average assumptions used for grants in 2007: dividend yield of zero, expected volatility of 257%, risk-free interest rate of 4.38%, and expected lives of five years. The Company recorded \$5,017,598 in financing costs at December 31, 2007.

As discussed elsewhere herein, during the year ended December 31, 2007, the Company also issued warrants to purchase (a) 4,875,000 shares of common stock in connection with new issuances of Series B preferred stock and the modification of the preferred stock Unit offering and conversion of Series A to Series B preferred stock shares, (b) 12,000,000 shares of common stock in connection with the \$3,000,000 raised in its Bridge I note offering, (c) 3,600,000 shares of common stock issued to the placement agent in the Bridge I note offering, and (d) 900,000 shares of common stock in connection with \$300,000 raised in the Bridge II junior convertible promissory note offering.

Warrants outstanding at December 31, 2007 were as follows:

Warrants Summary

Outstanding at beginning of year	10,919,043
Granted	29,287,164
Expired	(483,123)
Exercised	—
Warrants at December 31, 2007	<u>39,723,084</u>

Second Amended and Restated Certificate of Incorporation

On September 10, 2007, the Company filed with the State of Delaware its Second Amended and Restated Certificate of Incorporation which (a) increased the number of authorized shares of common stock, \$.01 par value, of the Company from 100,000,000 shares to 300,000,000 shares, (b) eliminated the Class B and Class D common stock of the Company and all related provisions, and (c) eliminated the Series E, Series F, Series G, Series I and Series L preferred stock of the Company and all related provisions. The Company had proposed also eliminating the voting provisions relating to the Company's Series A and Series B preferred stock from the charter but could not do so because of the failure to obtain a quorum of the Series A and Series B stock at the Company's annual meeting of stockholders held on August 1, 2007.

NOTE 9. STOCK OPTION PLANS

Effective January 1, 2006, transactions under the Company's 2005 Plan and 2006 Plan (as such terms are defined below) were accounted for in accordance with the recognition and measurement provisions of SFAS No. 123 (revised), "Share-Based Payment", which replaces SFAS No. 123, "Accounting for Stock-Based Compensation", and supersedes APB Opinion No. 25, "Accounting for Stock Issued to Employees", and related interpretations. SFAS No. 123(R) requires compensation costs related to share-based payment transactions, including employee stock options, to be recognized in the financial statements. In addition, the Company adheres to the guidance set forth within SEC Staff Accounting Bulletin No. 107, which provides the views of the staff of the SEC regarding the interaction between SFAS No. 123(R) and certain SEC rules and regulations and provides interpretations with respect to the valuation of share-based payments for public companies.

In adopting SFAS No. 123(R), the Company applied the modified prospective approach to transition. Under the modified prospective approach, the provisions of SFAS No. 123(R) are applied to new awards and to awards modified, repurchased, or cancelled after the effective date. Additionally, compensation cost for the portion of awards for which the requisite service has not been rendered that are outstanding as of the effective date are recognized as the requisite service is rendered on or after such date. The compensation costs for that portion of awards are based on the grant-date fair value of those awards as calculated for either recognition or pro-forma disclosures under SFAS No. 123.

As a result of the adoption of SFAS No. 123(R), the Company's results for the years ended December 31, 2007 and 2006 include share-based compensation expense totaling \$3,584,136 and \$2,453,523, respectively, which amounts have been included in salaries and compensation expense. No income tax benefit has been recognized in the income statements for share-based compensation arrangements as the Company has provided a 100% valuation allowance on its net deferred tax asset.

Stock option compensation expense in fiscal years 2007 and 2006 is the estimated fair value of options granted, amortized on a straight-line basis over the requisite service period for the entire portion of the award.

Accounting for Non-Employee Awards

The Company previously accounted for options granted to its non-employee consultants using the fair value cost in accordance with SFAS No. 123. The adoption of SFAS No. 123(R) as of January 1, 2006 had no material impact on the accounting for non-employee awards.

Black-Scholes Valuation

The fair value of options at the date of grant is estimated using the Black-Scholes option pricing model. The assumptions made in calculating the fair values of options are as follows:

	For the year ended December 31, 2007	For the year ended December 31, 2006
Expected term (in years)	5 to 10	5 to 10
Expected volatility	240% to 257 %	219% to 229 %
Expected dividend yield	0 %	0 %
Risk-free interest rate	4.01% to 4.85 %	4.73% to 4.76 %

There were 4,043,000 and 600,000 non-employee (including non-employee director) stock option awards granted during the years ended December 31, 2007 and 2006, respectively. There were 3,033,000 and 5,472,000 employee stock options granted in the years ended December 31, 2007 and 2006, respectively. There were 279,000 and 1,702,000 options granted to employees under the Company's 2006 Plan during the years ended December 31, 2007 and 2006, respectively. There were 247,000 and 270,000 options granted under the Company's 2005 Plan during the years ended December 31, 2007 and 2006, respectively.

In July 2007, the Board of Directors amended options granted to Darryl Cohen to purchase 2,000,000 shares, Sandro Sordi to purchase 100,000 shares, and Alan Smith to purchase 100,000 shares of common stock, \$.01 par value of the Company. The amendment provided for an increase in the exercise price of such options from \$.50 to \$.59 per share, the closing price of the common stock on the date of the grant. All other terms of such options remained the same. In addition, the Board approved the extension of the exercise periods by one year of options granted to two former employees of the Company to purchase an aggregate 243,000 shares. All other terms of such options remained the same.

In August 2006, the 2006 Employee Stock Incentive Plan was approved and adopted by the Board of Directors, and subsequently amended in June 2007 (as amended, the “2006 Plan”). The 2006 Plan became effective upon the approval of the holders of the Company’s common stock at the Company’s annual stockholders meeting held on August 1, 2007. Under the 2006 Plan, the Company may grant stock options, stock appreciation rights or restricted stock to its employees, officers and other key persons employed or retained by the Company and any non-employee director, consultant, vendor or other individual having a business relationship with the Company, to purchase up to 10,000,000 shares of common stock. Options are granted at various times and vest over various periods. As of December 31, 2007 and 2006, the Company had issued total options pursuant to the 2006 Plan of 1,981,000 and 1,702,000, respectively.

Under the 2005 Management and Director Equity Incentive and Compensation Plan (the “2005 Plan”), the Company may grant incentive and non-qualified stock options, performance shares and restricted stock to its officers, directors, other key employees and consultants to purchase up to 2,000,000 shares of common stock. Under the 2005 Plan, the exercise price of each option must equal or exceed the market price of the Company’s stock on the date of grant, and an option’s maximum term is ten years. Options are granted at various times and vest over various periods. As of December 31, 2007 and 2006, the Company had issued total options pursuant to the 2005 Plan of 1,924,000 and 1,920,000, respectively.

On September 20, 2006, the Company cancelled a total of 2,000,000 common stock options previously granted to the Company’s Chief Executive Officer at a per share exercise price of \$1.01, and issued in replacement thereof 2,000,000 common stock options at a price of \$0.50 per share expiring 10 years from the date of issuance. The Company recorded an expense of \$1,179,600 for the year ended December 31, 2006 in connection therewith. In July 2007, the exercise price of such 2,000,000 options was increased to \$0.59 per share.

In addition, the Company cancelled a total of 200,000 common stock options previously granted to non-employee directors of the Company at a per share exercise price of \$1.01, and issued in replacement thereof 200,000 common stock options at a price of \$0.50 per share expiring 10 years from the date of issuance. The Company recorded an expense of \$58,980 for the year ended December 31, 2006 in connection therewith. In July 2007, the exercise price of such 200,000 options was increased to \$0.59 per share.

A summary of the status of the Company's stock options as of December 31, 2007 and the changes during the period ended is presented below:

Fixed Options	Shares	Weighted Average Exercise Price
Outstanding at January 1, 2006	1,920,000	\$.70
Issued	8,272,000	.68
Cancelled	(2,470,000)	.98
Outstanding at December 31, 2006	7,722,000	.58
Issued	7,076,000	.71
Expired	(243,000)	(.72)
Outstanding at December 31, 2007	14,555,000	\$.65
Exercisable at December 31, 2007	12,194,286	
Weighted average exercise price of options granted to employees at December 31, 2007	\$.63	

Exercise Price	Number Outstanding at December 31, 2006	Weighted Average Remaining Contractual Life	Weighted Average Exercise Price	Number Exercisable at December 31, 2006	Weighted Average Exercise Price
\$0.50-\$0.85	7,452,000	7.5	\$0.54	4,583,000	\$0.56
\$1.59-\$2.00	270,000	5.0	\$1.73	270,000	\$1.73

Exercise Price	Number Outstanding at December 31, 2007	Weighted Average Remaining Contractual Life	Weighted Average Exercise Price	Number Exercisable at December 31, 2007	Weighted Average Exercise Price
\$0.50-\$0.85	14,285,000	7.5	\$0.63	11,924,286	\$0.61
\$1.59-\$2.00	270,000	5.0	\$1.73	270,000	\$1.73

NOTE 12. COMMITMENTS AND CONTINGENCIES

Content Contracts

The Company has entered into various service and content agreements. The agreements are usually effective for a period of one year and require the Company to pay a monthly fee and/or transaction fees based on usage. The costs associated with these contracts are included in costs of revenues.

Future minimum payments are expected to be approximately as follows:

Year Ended December 31,	
2008	\$98,995
2009	8,475
Total	\$107,470

Lease Commitments

The Company's principal operating offices are located at 26 Executive Park, Suite 250, Irvine, California 92614. The lease is for approximately 2,641 square feet under a 3-year lease ending in 2008, at a current monthly rental rate of \$5,779. In December 2007, the Company cancelled its month-to-month lease for approximately 1,100 square feet of office space in Deerfield Township, Ohio and vacated such space. The monthly rent for the Ohio office space was \$2,523. In December 2007, the Company also cancelled its lease for approximately 300 square feet of office space in Long Island, New York and vacated such space. The monthly rent for the Long Island office space was \$1,455.

We also leased approximately 1,100 square meters of office space under a one-year lease in Makati City, Manila, Philippines at a monthly rent of \$6,130, which lease term expired September, 2007. The Company remained in such space following expiration on a month-to-month basis. These premises were vacated and the lease was cancelled in March 2008.

Rent expense for the years ended December 31, 2007 and 2006 was \$199,809 and \$188,363, respectively.

Future minimum lease payments are expected to be approximately as follows:

Year Ended December 31,	
2008	\$59,160
2009	—
Total	\$59,160

Employment Contracts

In July 2005, InfoByPhone Inc. entered into an employment agreement with Darryl Cohen for a term of three years at an annual minimum salary of \$110,000, with additional bonuses and fringe benefits as determined by the Board of Directors. In April 2006 the Company increased Mr. Cohen's base salary to \$250,000 per year and provided for an automobile allowance of \$6,840 per year.

In May 2007, the Board of Directors of the Company determined that in the event of a change of control as defined in Mr. Cohen's employment agreement, which definition was revised to include the issuance of 25% or more of the issued and outstanding shares of the Company to one or more persons acting together as a group (with certain exceptions), all options, warrants and restricted shares outstanding and not then vested held by Messrs. Cohen, Sordi and Smith, as well as a financial consultant to the Company, would accelerate and become fully vested. In addition, each of such four individuals would be granted a non-qualified option or warrant granting each the right to purchase that number of shares equal to the number of shares subject to all of each such individual's options and warrants outstanding as of May 17, 2007, such change of control options and warrants to be exercisable at the fair market value of the common stock at the time of the change of control.

On October 10, 2006, the Company entered into employment agreements with eight executives, each for a term of one year at an annual average salary of \$74,450, with additional bonuses and fringe benefits as determined by the Board of Directors. In May 2007, the Board of Directors amended the employment agreements of two of these officers to provide for the issuance of (a) 700,000 options to the Company's Director of Interactive Media, and (b) 700,000 options to the Company's Director of Revenue and Content. In both cases, 500,000 options were granted at \$.80 per share and vested when the Company entered into an agreement with the Wikimedia Foundation on May 25, 2007, and 200,000 of which were granted on May 17, 2007, at \$.75 per share, of which 50,000 vest in the sole discretion of the CEO each time (up to four times) a material contract is executed between the Company and a licensed third-party content provider, or an "Enterprise Contract" (as defined in the employment agreements, as amended) is executed. As of December 31, 2007, all eight of such employment agreements had expired and the Company had elected not to renew.

Financial Advisory Agreements

In July 2006, the Company entered into a financial advisory agreement with Arjent Ltd. for 24 months at a rate of \$5,000 per month. Pursuant to an underwriting agreement with the financial advisor, the Company was obligated to use Arjent as its financial advisor on an exclusive basis for a period of 24 months commencing on March 1, 2007. Management believes that the financial advisor has not performed in accordance with the agreement, and the financial advisor has ceased to provide services to the Company. Due to these breaches of the agreement, management believes that the Company has no further obligation to, or exclusivity with, Arjent.

In February 2007, the Company entered into a financial advisory agreement for 12 months with Halpern Capital, Inc. In the event that Halpern Capital successfully completed a securities offering with at least \$25 million in gross proceeds, the Company agreed to purchase additional financial services from Halpern for a minimum of 12 months at a rate of \$20,000 per month. This agreement expired in February 2008.

In October 2007, the Company entered into a financial advisory agreement with Boston Financial Partners, pursuant to which the advisory firm agreed to provide the Company investor relations and financial consulting services. In connection with the agreement, the Company issued warrants to Boston Financial Partners to purchase 600,000 shares of common stock at \$0.50 per share for a term of five years, and issued 300,000 shares of restricted, unregistered common stock.

In January 2007, the Company entered into a financial consulting agreement with an individual who agreed to provide financial consulting and services similar to those performed by a chief financial officer for 12 months at a rate of \$14,600 per month. The agreement also provided for the grant to the consultant of non-qualified stock options to purchase an aggregate 1 million shares of common stock at \$0.55 per share, the closing price of the common stock on the date of grant, vesting as to 600,000 shares immediately and 100,000 shares each 90 days thereafter. This agreement expired in January 2008.

Litigation

The Company has been advised that there are 448,420 outstanding warrants to purchase common stock of the Company, a portion of which may still be exercisable despite former management's representation and warranty that there were no outstanding warrants at the time of the Reverse Merger. Included in these warrants are 300,000 claimed to be exercisable at \$0.25 per share through August 15, 2007. The alleged holder of these warrants, Remsen Funding Corporation (a former consultant of the Company), filed a lawsuit in the United States District Court for the Southern District of New York (06 CV 609) on February 1, 2006 seeking specific performance of an agreement which provided for "piggyback" registration rights and seeking to have the Company include the 300,000 shares underlying the warrants in its then-pending registration statement on Form SB-2. Notwithstanding the fact that the subject matter of the lawsuit is still in dispute, the Company has agreed to register the shares. On July 16, 2007, the plaintiff filed an amended complaint. The amended complaint alleged damages of not less than \$525,000, which the Company believes is without merit. The Company has answered the complaint, denied the claims and asserted various affirmative defenses. Discovery has commenced, and the matter is scheduled for trial in or about July 2008. As of December 31, 2007, the Company has not accrued any liability regarding this claim.

In December 2005, the Company received a claim from an attorney for Marshall Stewart, the former CEO of the Company. Mr. Stewart was employed by the Company under an employment agreement dated September 1, 2004. Mr. Stewart was to be compensated \$180,000 per year in base salary plus bonuses through August 31, 2007. Mr. Stewart's claim is for a breach of contract alleged to have occurred in late 2004 when the Company was under the control of Consumer Direct of America, the Company's then-principal shareholder ("CDA"), and for CDA's failure to advise the Company's stockholders of the sale of the company until after the Reverse Merger. As of December 31, 2007, the Company has not accrued any liability related to the claim and no further developments have occurred regarding this claim.

On May 5, 2006, a judgment by default in the amount of \$604,391 was entered in favor of Indymac Bank, F.S.B., in the Los Angeles Superior Court against the Company (then known as Ocean West Holding Corporation), former subsidiary Ocean West Enterprises, Inc. ("OWE"), CDA, and Does 1 through 100, inclusive. The underlying complaint brought by the federal bank alleged a default by OWE under settlement agreements with the bank, which had purchased certain loans from OWE. The complaint did not state a cause of action against the Company. Pursuant to Section 13.3 of the Securities Exchange Agreement and Plan of Reorganization dated as of April 14, 2005 (the "Exchange Agreement"), the Company gave CDA notice of a breach of the representations and warranties set forth in, among other things, Section 5.5 of the Exchange Agreement. In addition, CDA assumed and agreed to indemnify the Company from any and all liabilities as of May 23, 2005, whether known or unknown, pursuant to the Assignment and Assumption of Liabilities Agreement of the same date entered into in connection with the Reverse Merger (the "Assumption Agreement"). Personal service upon the Company's registered agent was claimed, but the Company was never served and sought to remove the judgment. On August 8, 2007, the default judgment against the Company was vacated in the Los Angeles Superior Court on the basis that the Company had not been properly served. During the quarter ended September 30, 2007, OWE and the Company were named as defendants in the legal matter of Indymac Bank, F.S.B. vs. Ocean West Enterprises, Inc. (Case No. GC036470). The Company served a cross-complaint against the plaintiffs and has not received a legal response. As of December 31, 2007, the Company has not accrued any liability related to the claim.

The Company has been advised by Pioneer Credit Recovery, Inc. that the U.S. Department of Treasury has placed with Pioneer an account owed to it by the Company's former subsidiary, OWE. The former principals of OWE did not disclose that they and OWE had guaranteed three HUD loans in the aggregate amount of \$151,980. In the event a claim is made against the Company by Pioneer, the U.S. government or any agency or instrumentality thereof, or any other party, the Company will seek indemnification from the former principals of OWE, CDA, and their respective affiliates under both the Exchange Agreement and the Assumption Agreement. As of December 31, 2007, the Company has not accrued any liability for this guarantee.

Note 13. INCOME TAXES

The Company utilizes the liability method of accounting for income taxes as set forth in SFAS No. 109, "Accounting for Income Taxes." Under the liability method, deferred taxes are determined based on the difference between the financial statement and tax basis of assets and liabilities using enacted tax rates in effect in the years in which the differences are expected to reverse. Income tax expense for the years ended December 31, 2007 and 2006 is summarized as follows:

2007	Current	Deferred	Total
Federal	\$—	\$—	\$—
State	800	—	800
Foreign	—	—	—
Total	<u>\$800</u>	<u>\$—</u>	<u>\$800</u>
2006	Current	Deferred	Total
Federal	\$—	\$—	\$—
State	800	—	800
Foreign	—	12,032	12,032
Total	<u>\$800</u>	<u>\$12,032</u>	<u>\$12,832</u>

Income tax expense for the years ended December 31, 2007 and 2006 differed from amounts computed by applying the statutory U.S. federal corporate income tax rate of 34% to income before income tax benefit as a result of the following:

Expected income tax expense (benefit) from operations at:	2007	2006
Federal tax expense	\$(6,948,126)	\$(4,270,798)
State tax expense	(1,191,498)	(732,069)
Stock compensation	—	74,889
Foreign rate differential	56,098	41,460
Amortization of debt discount for Bridge I notes payable	1,195,032	—
Amortization of debt discount for Bridge II notes payable	51,785	—
Permanent differences	15,985	11,878
Foreign tax	—	12,032
Valuation allowance	6,821,524	4,875,440
Total	\$800	\$12,832

The effects of the temporary differences that gave rise to significant portions of deferred tax assets and liabilities at December 31, 2007 and 2006 are as follows:

Deferred tax assets:	2007	2006
Net operating loss carryforward (benefit)	\$(13,721,326)	\$(6,899,802)
Less: valuation allowance	13,721,326	6,899,802
Net deferred tax assets	\$—	\$—

The Company has a net operating loss carryforward of approximately \$17,437,000 available to offset future taxable income through 2027. The valuation allowance at December 31, 2007 was \$13,721,326 and the net change in the valuation allowance was an increase of \$6,821,524.

The Company is also delinquent in filing certain federal and state income tax returns for 2005 and 2006 and is working to complete and file the returns. The Company does not anticipate any tax liability due to the losses incurred to date and the net operating loss carryforwards available to the Company.

NOTE 14. SUBSEQUENT EVENTS

Bridge I Settlement Offer and Default

As of December 31, 2007, the Company was in default under each of the notes issued in its Bridge I offering. The Company's failure to pay such notes when due constitutes an event of default and, according to the terms thereof, the Company is obligated to pay each note holder the default interest rate of two percent (2%) per month on all amounts due and owing under such notes for each month or part thereof beyond the extended maturity date that such amounts remain unpaid. In the event of a default, each note holder may proceed to protect such holder's rights in equity or by action at law, or both, enforce payment of the notes, and/or enforce any other legal or equitable right such holder may have.

The Company is in continuing discussions with the holders of the Bridge I notes regarding a settlement offer and is working to secure an extension of the note payment terms.

Series D Preferred Stock Offering

Beginning in January 2008, the Company commenced an offering of Series D convertible preferred stock, \$.01 par value, on a "best-efforts", no minimum basis, of up to \$2 million with a purchase price of \$1.00 per share. In connection with the offering, an investor will be issued warrants to purchase two shares of the Company's common stock, exercisable for a period of five years at \$0.10 per share. Each warrant is redeemable by the Company at a price of \$0.01 at any time subsequent to the earlier of the third anniversary of the date of the final purchase and sale of the Series D preferred stock, which will not be later than January 31, 2008 (the "Closing Date") and the date the common stock trades at or above \$1.00 per share for 20 consecutive trading days. Dividends are at a rate of 12% per annum and are payable in preference to the holders of common stock and any junior securities, in shares of common stock upon conversion of the Series D preferred stock as discussed below.

The Series D preferred stock automatically converts into shares of common stock upon the earlier to occur of the six-month anniversary of the Closing Date, and the closing of a "change of control transaction" (including a merger or sale of all or substantially all of the Company's assets). The number of shares of common stock issuable upon conversion shall be the product obtained by multiplying the then-applicable Series D conversion rate by the number of shares of Series D preferred stock being converted. The Series D applicable conversion rate is the quotient obtained by dividing the sum of the original issuance price and any accrued and unpaid dividends thereon, if any, by the Series D applicable conversion value. The Series D applicable conversion value is the greater of (i) the weighted average price of the common stock for the 10 consecutive trading days prior to the date of conversion, less a 40% discount, and (ii) \$0.10, subject to adjustment.

During the first quarter of 2008, the Company had raised \$485,000 in connection with the Series D preferred stock offering and had issued 485,000 shares of Series D preferred stock and warrants to purchase an aggregate 970,000 shares of common stock.

Bridge I Warrant Anti-dilution Adjustment

In accordance with the terms and conditions of the \$3 million Bridge I financing that commenced in February 2007, the holders were issued warrants exercisable at \$0.50 per share to purchase four shares of common stock for every \$1.00 principal amount loaned. As discussed above, the Company is currently conducting a private placement of Series D preferred stock that includes warrants exercisable at \$0.10 per share. The result of this warrant offering triggers the anti-dilution provision of the \$3 million Bridge I notes and causes the 15,600,000 warrants issued under the original financing to be increased five times to an aggregate 78,000,000 warrants with an adjusted exercise price of \$0.10 per share. The warrants also provided for a cashless option and as of April 7, 2008, 23,064,000 warrants had been exercised on a cashless basis and 13,118,711 shares of common stock had been issued as a result of such exercises.

Series A and Series B Preferred Stock Anti-Dilution Adjustments

Also as a result of the Series D preferred stock offering, the Company agreed that the conversion price of the shares of its Series A and Series B preferred stock, as well as the exercise price of the warrants issued in connection with the Series A and Series B preferred stock offering, would be adjusted. The conversion price of the Series A and Series B preferred stock therefore will be the lower of \$0.25 and the conversion price for the Series D preferred shares, such Series D conversion price to be set in the future pursuant to the terms of that offering as described above. As adjusted, the Series A and Series B preferred stock warrants are exercisable at \$0.10 per share. Such provisions are applicable to any participant in the Series A and Series B preferred stock offering, even those who may have previously converted their preferred shares into the common stock of the Company, so long as such holders can demonstrate they have not yet sold such common shares. The Company also agreed to reduce the exercise price of the warrants issued to the placement agent for the Series A and Series B preferred stock offering. The Company is currently negotiating with the investor representative with respect to certain other adjustments in the number of warrants issuable to the Series A and Series B preferred stock holders and the conversion price for such shares.

Issuance of Common Stock for Services

Beginning in January 2008, the Company entered into an agreement for financial consulting services for a twelve month period and issued 3,000,000 shares of unregistered restricted common stock as consideration for such services.

Series B Convertible Preferred Stock Conversions

During the first quarter of 2008, holders of the Company's Series B preferred stock, \$0.01 par value, elected to convert an aggregate 31,652 shares and accrued and unpaid dividends thereon into an aggregate 661,802 shares of unregistered common stock.

Short-term Liquidity Problems

During the first quarter of fiscal 2008, the Company continued to experience severe liquidity problems and had insufficient cash on hand to effectively manage its business. During such period, the Company raised \$485,000 through a Series D convertible preferred stock offering to accredited investors. The Company has continued to raise operating cash through additional debt and equity financing, and our management is in the process of negotiating additional financing.

CERTIFICATE OF DESIGNATIONS, PREFERENCES, PRIVILEGES,

POWERS AND RIGHTS OF

SERIES D CONVERTIBLE PREFERRED STOCK

OF

ASKMENOW, INC.

(Under Section 151 of the General Corporation Law

of the State of Delaware)

AskMeNow, Inc., a corporation duly organized and existing under the General Corporation Law of the State of Delaware (the “Corporation”), does, by its Chief Executive Officer, hereby certify that:

FIRST: By the Second Amended and Restated Certificate of Incorporation of the Corporation (the “Certificate of Incorporation”), the total number of shares of capital stock of all classes which the Corporation is authorized to issue is set forth in Section 4.1 thereof as follows:

“4.1 Authorized Shares. The total number of shares of capital stock which the Corporation shall have authority to issue is 310,000,000 shares, consisting of:

(a) 300,000,000 shares of common stock, par value \$.01 per share (“Common Stock”); and

(b) 10,000,000 shares of preferred stock, par value \$.01 per share (“Preferred Stock”), which the Corporation’s board of directors (the “Board of Directors”) may designate in one or more series in accordance with Section 6 below.”

As noted in Section 4.1 of the Certificate of Incorporation, and as further provided in Section 6 of the Certificate of Incorporation, the Board of Directors is authorized to provide for the issuances of the shares of the Preferred Stock in one or more series, and by filing a certificate pursuant to the applicable law of the State of Delaware, to establish from time to time the number of shares to be included in each such series, and to fix the designation, powers, preferences and rights of the shares of each such series and the qualifications, limitations or restrictions thereof.

SECOND: Pursuant to the authority vested in the Board of Directors of the Corporation by Sections 4.1 and 6 of the Certificate of Incorporation, the Board of Directors, at a duly called meeting held on January 9, 2008, duly created a series of Preferred Stock designated as “Series D Convertible Preferred Stock” by the following resolution:

WHEREAS: The Corporation is authorized by Section 4.1 of its Certificate of Incorporation to issue Ten Million (10,000,000) shares of Preferred Stock, \$.01 par value, in one or more series; and

WHEREAS: Sections 4.1 and 6 of the Certificate of Incorporation expressly grant to the Board of Directors (pursuant to the provisions of the Certificate of Incorporation and applicable law) the authority to provide for the issuances of the shares of the Preferred Stock in one or more series and to establish from time to time the number of shares to be included in each such series and to fix the designation, powers, preferences and rights of the shares of each such series and the qualifications, limitations or restrictions thereof.

NOW, THEREFORE, BE IT

RESOLVED: That the Board of Directors deems it advisable to, and does hereby, fix and designate a series of Preferred Stock, and does hereby give such series the designation, powers, preferences, qualifications, limitations and restrictions set forth below:

1. Number and Designation; Rank.

(a) There is hereby established a series of authorized Preferred Stock, \$.01 par value per share, of the Corporation, which shall be designated as “Series D Convertible Preferred Stock.” A total of Two Million (2,000,000) shares of authorized Preferred Stock hereby are designated as Series D Convertible Preferred Stock.

(b) The Series D Convertible Preferred Stock shall, with respect to rights on liquidation, dissolution and winding up, (i) rank senior to all classes of the Corporation’s Common Stock, \$.01 par value per share (the “Common Stock”), and to each other class of capital stock of the Corporation or series of Preferred Stock of the Corporation established hereafter by the Board of Directors, the terms of which do not expressly provide that it ranks on a parity with or senior to the Series D Convertible Preferred Stock as to rights on liquidation, winding-up and dissolution of the Corporation (the “Junior Securities”); (ii) rank on a parity with the Corporation’s Series A Preferred Stock, Series B Preferred Stock, Series C Preferred Stock and each other class of capital stock or series of Preferred Stock of the Corporation established hereafter by the Board of Directors, the terms of which expressly provide that such class or series will rank on a parity with the Series D Convertible Preferred Stock as to rights on liquidation, winding-up and dissolution (the “Parity Securities”); and (iii) rank junior to each other class of capital stock or series of Preferred Stock of the Corporation established hereafter by the Board of Directors, the terms of which expressly provide that such class or series will rank senior to the Series D Convertible Preferred Stock as to rights on liquidation, winding-up and dissolution (the “Senior Securities”).

2. Voting Power. Except as may be otherwise provided by law or the Corporation’s Certificate of Incorporation (as the same may be amended and/or restated from time to time), the holders of shares of Series D Convertible Preferred Stock shall not be entitled to vote on any matters submitted to a vote of the stockholders of the Corporation. When the Certificate of Incorporation or applicable law provides for a vote by the Preferred Stock, each holder of Series D Convertible Preferred Stock shall be entitled to that number of votes equal to the largest number of whole shares of Common Stock into which such holder’s shares of Series D Convertible Preferred Stock could be converted, pursuant to the provisions of Section 5 hereof, at the record date for the determination of stockholders entitled to vote on such matter or, if no such record date is established, at the date such vote is taken or any written consent of stockholders is solicited.

3. Dividends.

(a) The holders of Series D Convertible Preferred Stock shall be entitled to receive, and the Corporation shall be bound to pay, in preference to the holders of Common Stock and the holders of any Junior Securities, mandatory annual dividends at a rate per annum of Twelve Percent (12.0%) of the Original Issue Price (as defined below) per share (the “Series D Dividend”). The Series D Dividend shall be payable in shares of Common Stock upon conversion of the Series D Convertible Preferred Stock as provided herein.

(b) The Series D Dividend shall accrue and shall be deemed to accrue, whether or not earned or declared, on a share of Series D Convertible Preferred Stock commencing from and including the date of issuance of such share of Series D Convertible Preferred Stock through the date of conversion thereof. Such dividends for any portion of a full year shall be computed on the basis of a 365-day year. Dividends shall be payable in shares of Common Stock to holders of record, as they appear on the stock books of the Corporation, of shares of the Series D Convertible Preferred Stock at the close of business on the date of conversion as set forth below.

(c) The date on which the Corporation initially issues a share of Series D Convertible Preferred Stock shall be deemed its “date of issuance”, regardless of the number of times transfer of such share of Series D Convertible Preferred Stock is made on the certificates that may be issued to evidence such share of Series D Convertible Preferred Stock. “Original Issue Price” means, in the case of each share of Series D Convertible Preferred Stock, One Dollar (\$1.00), subject to appropriate adjustment to reflect any stock dividend, stock split, reclassification, reverse stock split, combination or other recapitalization event.

4. Liquidation or Dissolution.

(a) In accordance with, and upon the occurrence of an event described in, Section 4(b) below, the holder of a share of Series D Convertible Preferred Stock shall be entitled to receive an amount per share equal to the Original Issue Price (for purposes hereof, the "Liquidation Preference", which amount shall be subject to equitable adjustment whenever there shall occur a stock dividend, stock split, combination, reorganization, recapitalization, reclassification or other similar event involving a change in the capital structure of the Series D Convertible Preferred Stock), plus an amount equal to all accrued but unpaid dividends thereon (including the Series D Dividends), if any.

(b) In the event of any voluntary or involuntary liquidation, dissolution or winding-up of the Corporation, after and subject to the payment in full or provision for payment of the debts and other liabilities of the Corporation and amounts required to be distributed to the holders of the Senior Securities (if any) but before any payment or distribution of the assets of the Corporation (whether capital or surplus) shall be made to or set apart for the holders of Junior Securities, the holder of each share of Series D Convertible Preferred Stock and any Parity Securities shall be entitled to receive an amount per share equal to the applicable liquidation preference (which, in the case of the Series D Convertible Preferred Stock, shall be equal to the Liquidation Preference set forth in (a) above) of such share on the date of distribution; provided, however, that if upon any liquidation, dissolution or winding up of the Corporation, the assets or surplus funds of the Corporation, or proceeds thereof, distributable after payment in full or provision for payment of the debts and other liabilities of the Corporation and any amounts due with respect to the Senior Securities shall be insufficient to pay in full the Liquidation Preference to the Series D Convertible Preferred Stock and the liquidation payments on any Parity Securities, if any, then the assets or surplus funds of the Corporation, or the proceeds thereof, available for payment or distribution to such holders shall be distributed among the holders of shares of the Series D Convertible Preferred Stock and any such Parity Securities ratably in accordance with the respective amounts that would be payable on such shares of Series D Convertible Preferred Stock and any such Parity Securities if all amounts payable thereon were paid in full. Subject to the rights of the holders of any Parity Securities, after payment shall have been made in full to the holders of the Series D Convertible Preferred Stock, as provided in this Section 4, any other series or class or classes of Junior Securities shall, subject to the respective terms and provisions (if any) applying thereto, be entitled to receive any and all assets remaining to be paid and distributed to holders of capital stock of the Company.

(c) Whenever the distribution provided for in this Section 4 shall be payable in property other than cash, the value of such distribution shall be the fair market value of such property as determined in good faith by the Board of Directors of the Corporation unless holders of a majority of the then-outstanding shares of Series D Convertible Preferred Stock request, in writing, that an independent appraiser perform such valuation, and then by an independent appraiser selected by the Board of Directors and reasonably acceptable to holders of a majority of the then-outstanding shares of Series D Convertible Preferred Stock.

5. Mandatory Conversion.

(a) All outstanding shares of Series D Convertible Preferred Stock shall be converted into Common Stock automatically, and without further action by any party, upon the earlier to occur of (i) the six-month anniversary of the final sale of shares of the Series D Convertible Preferred Stock in the Corporation's \$2,000,000 offering of Series D Convertible Preferred Stock (the "Anniversary"), and (ii) the closing of either (A) a sale or transfer (other than a pledge or grant of a security interest to a bona fide lender) of all or substantially all of the assets of the Corporation, other than to or by a wholly-owned subsidiary of the Corporation, (B) a merger or other form of corporate reorganization with or into another corporation (or other entity) in which outstanding shares of the Corporation are exchanged for securities or other consideration issued, or caused to be issued, by the other corporation or its subsidiary and, as a result of which transaction, the stockholders of this Corporation own less than 50% of the voting power of the surviving entity or (C) any other transaction or series of transactions to which the Corporation is a party or in which the Corporation participates which involves a change in control of a majority of the shares of Common Stock outstanding immediately prior to such transaction or the first of a series of transactions (a "Change of Control Transaction"). The number of shares of Common Stock which a holder of Series D Convertible Preferred Stock shall be entitled to receive upon conversion in connection with the Anniversary or a Change of Control Transaction shall be the product obtained by multiplying the Series D Applicable Conversion Rate for the Series D Convertible Preferred Stock (determined as provided in Section 5(b)) by the number of shares of Series D Convertible Preferred Stock being converted in connection therewith.

(b) The conversion rate in effect at any time for the Series D Convertible Preferred Stock (the "Series D Applicable Conversion Rate") shall be the quotient obtained by dividing the sum of the Original Issuance Price and any accrued and unpaid dividends thereon (including the Series D Dividends), if any, by the Series D Applicable Conversion Value as provided in Section 5(c).

(c) The Series D Applicable Conversion Value in effect from time to time, as the same may be calculated following adjustment to the Floor in accordance with Section 5(d) hereof, shall be the greater of (i) the weighted average price of the Corporation's Common Stock for the 10 consecutive trading days prior to the date of conversion, less a 40% discount (the "Discounted Weighted Average Price"), and (ii) \$0.10 (the "Floor") (the greater of the Discounted Weighted Average Price or the Floor hereinafter being referred to as the "Series D Applicable Conversion Value").

(d) Upon the happening of an Extraordinary Common Stock Event (as hereinafter defined), the Floor shall, simultaneously with the happening of such Extraordinary Common Stock Event, be adjusted by multiplying the Floor by a fraction, the numerator of which shall be the number of shares of Common Stock outstanding immediately prior to such Extraordinary Common Stock Event and the denominator of which shall be the number of shares of Common Stock outstanding immediately after such Extraordinary Common Stock Event, and the product so obtained shall thereafter be the new Floor, as adjusted. The Floor, as so adjusted, shall be readjusted in the same manner upon the happening of any successive Extraordinary Common Stock Event(s). For the avoidance of doubt, it is agreed and understood that the adjustment contemplated by this Section 5(d) shall only occur with respect to the Floor and not with respect to the Discounted Weighted Average Price, which Discounted Weighted Average Price will automatically reflect any Extraordinary Common Stock Event, and that following an Extraordinary Common Stock Event, the Series D Applicable Conversion Value shall be the greater of the Discounted Weighted Average Price (with no adjustment pursuant to this Section 5(d)) and the Floor, as adjusted pursuant to this Section 5(d).

An “Extraordinary Common Stock Event” shall mean (i) the issue of additional shares of Common Stock as a dividend or other distribution on outstanding shares of Common Stock, (ii) a subdivision of outstanding shares of Common Stock into a greater number of shares of Common Stock, (iii) a combination or reverse stock split of outstanding shares of Common Stock into a smaller number of shares of Common Stock, or (iv) a reclassification of the outstanding shares of Common Stock.

For purposes of this Section 5(d), if a part or all of the consideration received by the Corporation in connection with the issuance of shares of the Common Stock or the issuance of any of the securities described in this Section 5(d) consists of property other than cash, such consideration shall be deemed to have a value as is reasonably determined in good faith by the Board of Directors of the Corporation.

(e) If the Common Stock issuable upon the conversion of the Series D Convertible Preferred Stock shall be changed into the same or different number of shares of any class or classes of capital stock, whether by capital reorganization, recapitalization, reclassification or otherwise (other than a subdivision or combination of shares or stock dividend provided for elsewhere in this Section 5, or the sale of all or substantially all of the Corporation’s capital stock or assets to any other person), then and in each such event the holder of each share of Series D Convertible Preferred Stock shall have the right thereafter to convert each such share into the kind and amount of shares of capital stock and other securities and property receivable upon such reorganization, recapitalization, reclassification or other change by the holders of the number of shares of Common Stock into which such share of Series D Convertible Preferred Stock might have been converted immediately prior to such reorganization, recapitalization, reclassification or change, all subject to further adjustment as provided herein.

(f) In the case of a conversion in connection with a Change of Control Transaction, such conversion shall be deemed to have occurred on the business day immediately preceding the closing date of such Change of Control Transaction, such that the holders of the Series D Convertible Preferred Stock shall thereafter be entitled to receive the same per share kind and amount of consideration received or receivable (including cash) upon such Change of Control Transaction as the holders of the Corporation's Common Stock. In the case of a conversion in connection with the Anniversary, such conversion shall be deemed to have occurred as of the close of business on the date of such Anniversary, even if not a business day.

(g) The Corporation shall, upon the written request at any time of any holder of Series D Convertible Preferred Stock, furnish or cause to be furnished to such holder a certificate prepared by the Treasurer or Chief Financial Officer of the Corporation setting forth (i) any adjustments and readjustments, (ii) the Series D Applicable Conversion Rate then in effect, and (iii) the number of shares of Common Stock and the amount, if any, of other property which then would be received upon the conversion of Series D Convertible Preferred Stock.

(h) In the event of the Anniversary or a Change of Control Transaction, the outstanding shares of the Series D Convertible Preferred Stock to be converted shall be converted automatically without any further action by the holders of such shares and whether or not the certificates representing such shares are surrendered to the Corporation or its transfer agent; provided, however, that the Corporation shall not be obligated to issue certificates evidencing the shares of Common Stock issuable upon such conversion unless certificates evidencing such shares of Series D Convertible Preferred Stock so converted, duly endorsed, are either delivered to the Corporation or its transfer agent or the holder notifies the Corporation or its transfer agent in writing that such certificates have been lost, stolen, or destroyed and executes an agreement satisfactory to the Corporation to indemnify the Corporation from any loss incurred by it in connection therewith.

(i) As promptly as practicable after receipt by the Corporation of certificates for shares of Series D Convertible Preferred Stock surrendered in connection with the Anniversary or a Change of Control Transaction and conversion as aforesaid, the Corporation shall issue and shall deliver to each holder, or on the holder's written order to the holder's permitted transferee, a certificate or certificates for the whole number of shares of Common Stock issuable upon the conversion of such shares in accordance with the provisions of this Section 5. In connection with the conversion of any shares of Series D Convertible Preferred Stock, no fractional shares of Common Stock shall be issued, but in lieu thereof the Corporation shall round up any fractional shares to the nearest whole number of shares of Common Stock if the fraction is .5 or above and round down if the fraction is below .5. All shares of Common Stock delivered upon conversion of the Series D Convertible Preferred Stock will upon delivery be duly and validly issued and fully paid and non-assessable, free of all liens and charges and not subject to any preemptive rights.

6. No Reissuance of Series D Convertible Preferred Stock. No share or shares of Series D Convertible Preferred Stock acquired by the Corporation by reason of purchase, redemption or otherwise shall be reissued, and all such shares shall be cancelled, retired and eliminated from the shares which the Corporation shall be authorized to issue. The Corporation may from time to time take such appropriate corporate action as may be necessary to reduce the authorized number of shares of Series D Convertible Preferred Stock accordingly.

7. No Preemptive Rights. The holders of Series D Convertible Preferred Stock shall have no preemptive rights.

8. Notices of Record Date. In the event of:

(a) any taking by the Corporation of a record of the holders of any class of securities for the purpose of determining the holders thereof who are entitled to receive any dividend or other distribution, or any right to subscribe for, purchase or otherwise acquire any shares of capital stock of any class or any other securities or property, or to receive any other right, or

(b) any capital reorganization of the Corporation, any reclassification or recapitalization of the capital stock of the Corporation, any merger or consolidation of the Corporation, or any transfer of all or substantially all of the assets of the Corporation to any other corporation, or any other entity or person, or

(c) any voluntary or involuntary dissolution, liquidation or winding up of the Corporation,

then and in each such event the Corporation shall mail or cause to be mailed to each holder of Series D Convertible Preferred Stock a notice specifying (i) the date on which any such record is to be taken for the purpose of such dividend, distribution or right and a description of such dividend, distribution or right, (ii) the date on which any such reorganization, reclassification, recapitalization, transfer, consolidation, merger, dissolution, liquidation or winding up is expected to become effective, and (iii) the time, if any, that is to be fixed, as to when the holders of record of Common Stock (or other securities) shall be entitled to exchange their shares of Common Stock (or other securities) for securities or other property deliverable upon such reorganization, reclassification, recapitalization, transfer, consolidation, merger, dissolution, liquidation or winding up. Such notice shall be mailed by first class mail, postage prepaid, at least ten (10) days prior to the earlier of (1) the date specified in such notice on which such record is to be taken and (2) the date specified in such notice on which such action is to be taken.

9. Covenants. For so long as any shares of Series D Convertible Preferred Stock remain outstanding, without the prior written consent of the holders of at least a majority of the shares of Series D Convertible Preferred Stock then outstanding, the Corporation will:

(a) not sell, transfer or dispose of a material part of its assets or impose material liens on its assets, other than liens for taxes not yet due and payable or being contested in good faith, mechanics', materialmen's or similar liens, and liens securing rental or lease payments;

(b) not make any loan to any person who is or becomes a shareholder or executive employee of the Corporation, other than for reasonable advances for expenses in the ordinary course of business;

(c) promptly pay and discharge all lawful taxes, assessments and governmental charges or levies imposed upon it, its income and profits, or any of its property, before the same shall become in default, as well as all lawful claims for labor, materials and supplies which, if unpaid, might become a lien or charge upon such properties or any part thereof; provided, however, that the Corporation shall not be required to pay and discharge any such tax, assessment, charge, levy or claim so long as the validity thereof shall be contested in good faith by appropriate proceedings and the Corporation shall set aside on its books adequate reserves (if required by generally accepted accounting principles) with respect to any such tax, assessment, charge, levy or claim so contested;

(d) do or cause to be done all things necessary to preserve and keep in full force and effect its corporate existence, rights and franchises and substantially comply with all laws applicable to the Corporation as its counsel may advise;

(e) at all times maintain, preserve, protect and keep its property used or useful in the conduct of its business in good repair, working order and condition (except for the effects of reasonable wear and tear in the ordinary course of business) and will, from time to time, make all necessary and proper repairs, renewals, replacements, betterments and improvements thereto;

(f) keep adequately insured, by financially sound reputable insurers, all property of a character usually insured by similar corporations and carry such other insurance as is usually carried by similar corporations; and

(g) at all times maintain books of account in which all of its financial transactions are duly recorded in conformance with generally accepted accounting principles.

10. Modification; Waiver. Any of the rights of the holders of Series D Convertible Preferred Stock set forth herein may be modified or waived by the affirmative vote of the holders of at least a majority of the shares of Series D Convertible Preferred Stock then outstanding, which modification or waiver shall then be effective for all holders of the Series D Convertible Preferred Stock.

11. Restrictions on Transfer. In addition to and not in lieu of any other restrictions on transfer imposed by applicable law or otherwise, without the express prior written consent of the Corporation, no holder of Series D Convertible Preferred Stock may transfer shares of Series D Convertible Preferred Stock, and no such shares shall be transferred on the books of record of the Corporation, to a transferee that the Board of Directors of the Corporation determines in good faith (a) competes, directly or indirectly, with the business of the Corporation as then-conducted or as then proposed to be conducted, or (b) is otherwise adverse to the interests of the Corporation and its stockholders.

12. Issue Tax. The issuance of certificates for shares of Common Stock upon conversion of Series D Convertible Preferred Stock shall be made without charge to the holders thereof for any documentary stamp or other issuance tax in respect thereof, provided that the Corporation shall not be required to pay any tax in respect of any transfer involved in the issuance and delivery of any certificate in a name other than that of the holder of the Series D Convertible Preferred Stock that is being converted.

IN WITNESS WHEREOF, the Corporation has caused this Certificate of Designations to be signed and executed in its corporate name by its Chief Executive Officer, effective this 9th day of January, 2008.

ASKMENOW, INC.

By: /s/ Darryl Cohen

Darryl Cohen, Chief Executive Officer

-11-

AskMeNow, Inc.
26 Executive Park
Suite 250
Irvine, California 92614

Ladies and Gentlemen:

This Subscription Agreement (the “Agreement”) sets forth the agreements and understandings between the undersigned (“Subscriber”) and AskMeNow, Inc., a corporation organized under the laws of Delaware (the “Company”), relating to Subscriber’s subscription for, and purchase of, the number of shares of the Company’s Series D Convertible Preferred Stock, par value \$.01 per share (the “Series D Stock”), set forth on the signature page hereto (the “Shares”), at a price of \$1.00 per Share.

1. Conditions to Subscription Acceptance and Closing. Subscriber understands and agrees that this subscription and the closing of the transactions contemplated hereby (the “Closing”) is made subject to the following terms and conditions:

(a) The Company has the right to accept or reject this subscription in whole or in part. Unless this subscription is rejected by the Company by January 31, 2008, this subscription shall be deemed accepted in whole.

(b) On or prior to the date of the Closing, Subscriber shall have furnished the Company with such information, documents, certificates and opinions as the Company may reasonably require to evidence the accuracy, completeness or satisfaction of the representations, warranties, covenants, agreements and conditions herein contained or as the Company otherwise may reasonably require.

(c) In consideration for Subscriber’s purchase of the Shares, at the Closing the Company shall issue to Subscriber a warrant (the “Warrant”) to purchase _____ shares of the Company’s Common Stock (such shares subject to the Warrant, the “Warrant Shares”), which represents a warrant to purchase two (2) shares of Common Stock for every One Dollar (\$1.00) invested by Subscriber. The Warrant will be exercisable for a period of five (5) years at an exercise price equal to \$0.10 per share, and subject to redemption by the Company as set forth in the Warrant.

2. Subscriber Representations and Warranties. In connection with Subscriber’s subscription for, and purchase of, the Shares and the issuance of the Warrant, Subscriber represents and warrants to the Company that:

(a) If Subscriber is a natural person, Subscriber (i) is a bona fide resident of the state or jurisdiction set forth on the signature page of this Agreement as Subscriber’s home address, and has no present intention of becoming a resident of any other state or jurisdiction; (ii) is at least 21 years of age; and (iii) is legally competent to execute this Agreement, the Confidential Investor Questionnaire included herewith, and any other documents and instruments required in connection herewith or therewith, if any (the “Transaction Documents”). If Subscriber is an entity, the person signing this Agreement and the Transaction Documents on behalf of the entity is duly authorized to execute and deliver this Agreement and the Transaction Documents on behalf of Subscriber. This Agreement and the Transaction Documents constitute the legal, valid and binding obligations of Subscriber, enforceable in accordance with their terms, except as such enforceability may be limited by applicable bankruptcy, insolvency or similar laws relating to or affecting generally the enforcement of creditors’ rights and remedies or by other equitable principles.

(b) The execution and delivery of this Agreement and the Transaction Documents by Subscriber do not, and the performance of the terms hereof and thereof will not, contravene any material law, rule, regulation, order, writ, judgment, injunction, decree, determination or award applicable to Subscriber or Subscriber's assets or properties, or of the charter, bylaws, operating agreement, partnership agreement or other governing agreements of Subscriber (if applicable), and will not conflict with, or result in any breach of, the terms, conditions or provisions of, or constitute a default under, or give to others any rights of termination, amendment, acceleration or cancellation of, or result in or permit the creation or imposition of any lien, charge or encumbrance upon any of the assets of Subscriber pursuant to any indenture, mortgage or other agreement or instrument or any judgment, decree, order or decision to which Subscriber is a party or by which Subscriber is bound.

(c) Under existing law, no approval, authorization, license, permit or other action by or filing with any Federal, state, municipal or other governmental commission, board or agency is required on the part of Subscriber in connection with the execution and delivery by Subscriber of this Agreement and the Transaction Documents, or the consummation of the transactions contemplated hereby and thereby.

(d) There are no actions, suits or proceedings existing, pending or, to the knowledge of Subscriber, threatened against or affecting Subscriber before any court, arbitrator or governmental or administrative body or agency that would affect the validity or enforceability of this Agreement or the Transaction Documents, or that would have a material adverse affect on the ability of Subscriber to perform Subscriber's obligations hereunder and thereunder.

(e) Subscriber has such knowledge and experience in financial and business matters so as to be capable of evaluating and understanding, and has evaluated and understood, the merits and risks of an investment in the Company and the purchase of the Shares and acquisition of the Warrant, and Subscriber has been given the opportunity (i) to obtain information and to examine all documents relating to the Company and the Company's business, (ii) to ask questions of, and to receive answers from, the Company concerning the Company, the Company's business and the terms and conditions of this investment, and (iii) to obtain any additional information, to the extent the Company possesses such information or could acquire such information without unreasonable effort or expense, necessary to verify the accuracy of any information previously furnished. All such questions have been answered to Subscriber's full satisfaction, and all information and documents, records and books pertaining to this investment which Subscriber has requested have been made available to Subscriber. Subscriber expressly agrees and acknowledges that the Company's periodic and current filings with the Securities and Exchange Commission (the "SEC"), which filings contain financial statements and other information of interest to investors, are available via the SEC's website at www.sec.gov.

(f) Subscriber is able to bear the substantial economic risks of Subscriber's investment in the Company and the purchase of the Shares and acquisition of the Warrant in that, among other factors, Subscriber can afford to hold the Shares, the Warrant and any Warrant Shares issued upon exercise of the Warrant for an indefinite period and can afford a complete loss of Subscriber's investment in the Company.

(g) No material adverse change in Subscriber's financial condition has taken place during the past twelve (12) months, and Subscriber will have sufficient liquidity with respect to Subscriber's net worth for an adequate period of time to provide for Subscriber's needs and contingencies.

(h) Subscriber is relying solely on Subscriber's own decision and/or the advice of Subscriber's own adviser(s) with respect to an investment in the Company and the purchase of the Shares and acquisition of the Warrant, and has neither received nor relied on any communication from the Company or its officers or agents regarding any legal, investment or tax advice relating to an investment in the Company.

(i) Subscriber has had an opportunity to read and understand the provisions of this Agreement and the Transaction Documents, to consult with Subscriber's adviser(s) or counsel regarding the operation and consequences of those provisions, and has considered the effect of those provisions on Subscriber.

(j) Subscriber recognizes that an investment in the Company involves substantial risks in that, among other factors: (i) the Company has only a limited operating history and has not had profitable operations from its inception to date; (ii) the Company's current business is dependent on a single product, the AskMeNow™ service, which has generated only limited revenue to date; (iii) qualified financial statements for the Company question its ability to continue as a going concern; (iv) the Company is engaged in an industry which is highly competitive and subject to substantial risks, and many of the Company's competitors have significantly greater financial and technical resources; (v) as of the end of the Company's 2007 fiscal year, the Company had a very limited amount of working capital available to it and will require a significant amount of capital to continue operations; and (vi) neither the Shares nor the Warrant or any Warrant Shares will be registered under applicable federal and state securities laws (except as may be set forth in the Transaction Documents) and, accordingly, it may not be possible to liquidate an investment in the Company in case of immediate need of funds or any other emergency, if at all. Subscriber has taken full cognizance of, and understands, such risks and has obtained sufficient information to evaluate the merits and risks of an investment in the Company and the purchase of the Shares and acquisition of the Warrant.

(k) Subscriber confirms that none of the Company's officers nor any of the Company's agents have made any representations or warranties concerning an investment in the Company, including, without limitation, any representations or warranties concerning anticipated financial results, or the likelihood of success of the operations, of the Company.

(l) Subscriber is acquiring the Shares and the Warrant (including any Warrant Shares issuable upon the exercise thereof) for Subscriber's own account, for investment and not with a view to, or in connection with, any public offering or distribution of the same and without any present intention to sell the same at any particular event or circumstance. Subscriber has no agreement or other arrangement with any person to sell, transfer or pledge any part of the Shares, the Warrant or any Warrant Shares which would guarantee Subscriber any profit or protect against any loss with respect to the Shares or Warrant.

(m) Subscriber understands that no U.S. Federal or state or international agency has passed on or made any recommendation or endorsement of an investment in the Shares.

(n) Subscriber understands that neither the Shares nor the Warrant (or any Warrant Shares issuable upon exercise thereof) have been registered under the Securities Act of 1933, as amended (the "Act"), or applicable U.S. state securities laws or any securities laws of any other jurisdiction, and are being offered and sold under an exemption from registration provided by such laws and the rules and regulations thereunder. Further, Subscriber understands that the Company is under no obligation to register the Shares or the Warrant (or any Warrant Shares issuable upon exercise thereof) or to comply with any exemption under any applicable securities laws with respect thereto or any other ownership interest in the Company except as may be set forth in the Transaction Documents. Subscriber may therefore be required to bear the economic risks of an investment in the Company for an indefinite period of time because the Shares and the Warrant (and any Warrant Shares issuable upon exercise thereof) cannot be resold unless registered under applicable securities laws or unless an exemption from such registration is available. Subscriber also understands that (i) the exemption provided by Rule 144 under the Act may not be available because of the conditions and limitations of such rule, and that in the absence of the availability of such rule, any disposition by Subscriber of any securities of the Company may require compliance with some other exemption under the Act; and, (ii) the Company is under no obligation and does not plan to take any action in furtherance of making Rule 144 or any other exemption so available.

(o) If Subscriber is required in the future to file a Form 144 with the SEC in connection with sales of Shares or the Warrant (or any Warrant Shares issuable upon exercise thereof) or any other ownership interest in the Company pursuant to Rule 144 under the Act, Subscriber will deliver a copy of such form to the Company at the same time and each time Subscriber is required to file a copy with the SEC.

(p) Subscriber is either (i) an “accredited investor” as such term is defined in Rule 501(a) promulgated under the Act or (ii) not a “U.S. person” as defined in Rule 902 of Regulation S promulgated under the Act, and will execute and deliver the Confidential Investor Questionnaire attached hereto as Exhibit A simultaneously with the execution and delivery of this Agreement.

(q) Subscriber agrees that the foregoing representations and warranties will survive the sale of the Shares and issuance of the Warrant to Subscriber, as well as any investigation made by any party relying on same.

(r) Except as Subscriber shall have clearly and expressly disclosed to the Company, Subscriber has not authorized any underwriter, broker, dealer, agent or finder to act on Subscriber’s behalf (nor does Subscriber have any knowledge of any broker, dealer, agent or finder purporting to act on Subscriber’s behalf) with respect to Subscriber’s purchase of the Shares or acquisition of the Warrant and Subscriber has not paid directly or indirectly any commission or similar remuneration with respect to such acquisition. Subscriber hereby agrees to indemnify and hold harmless the Company and its directors, officers and agents from and against any cost, expense, claim, liability or damage arising out of or resulting from a breach of such representation and warranty.

3. General Provisions.

(a) This Agreement will be governed by and construed in accordance with the substantive laws of the State of Delaware without regard to rules thereof relating to conflicts of laws.

(b) This Agreement and the Transaction Documents together constitute the entire agreement between the parties with respect to the subject matter hereof and thereof and supersede any prior subscription agreement for Shares executed by Subscriber. This Agreement may be amended only by a writing executed by the parties.

(c) The Shares and the Warrant (and any Warrant Shares issuable upon exercise thereof) will be assigned or transferred only in accordance with applicable law and the terms of this Agreement and the Transaction Documents.

(d) This Agreement will survive Subscriber’s death or dissolution and will be binding upon Subscriber’s successors, heirs, assignees, representatives and distributees.

(Signatures appear on next page.)

* * * * *

IN WITNESS WHEREOF, Subscriber has hereby executed this Agreement as of the date set forth above.

SUBSCRIBER:

If an Individual:

If an Entity:

Name of Entity: _____

Name: _____

(Please print)

By: _____

Name: _____

Title: _____

Mailing Address:

E-Mail Address: _____

Social Security Number/U.S. Employer Identification Number: _____

Number of Shares for which Subscription is tendered: _____

Purchase Price: _____

Aggregate Consideration: _____

Warrants Issued: _____

ACCEPTED:

AskMeNow, Inc.,
a Delaware corporation

By: _____

Name: _____

Title: _____

Date of Acceptance: _____

EXHIBIT A

Confidential Investor Questionnaire

The undersigned represents and warrants that he, she or it comes within one of the categories marked below, and that for any category marked, he, she or it has truthfully set forth the factual basis or reason the undersigned comes within that category. ALL INFORMATION IN RESPONSE TO THIS QUESTIONNAIRE WILL BE KEPT STRICTLY CONFIDENTIAL. The undersigned agrees to furnish such additional information as is reasonably necessary in order to verify the answers set forth below.

Please mark next to each applicable paragraph:

_____ a. The undersigned is an individual (not a partnership, corporation, etc.) whose individual net worth, or joint net worth with his or her spouse, presently exceeds \$1,000,000.

Explanation. In calculating net worth, you may include equity in personal property and real estate, including your principal residence, cash, short-term investments, stock and securities. Equity in personal property and real estate should be based on the appraised fair market value of such property, *less* debt secured by such property.

_____ b. The undersigned is an individual (not a partnership, corporation, etc.) who had an income in excess of \$200,000 in each of the two most recent years, or joint income with his or her spouse in excess of \$300,000 in each of those years (in each case including foreign income, tax exempt income and the full amount of capital gains and losses, but excluding any income of other family members and any unrealized capital appreciation), and has a reasonable expectation of reaching the same income level in the current year.

_____ c. The undersigned is a director or executive officer of AskMeNow, Inc. or a subsidiary thereof.

_____ d. The undersigned is (i) a bank or a savings and loan association, (ii) a registered broker dealer, (iii) an insurance company, (iv) a registered investment company or business development company, (v) a licensed small business investment company, (vi) a plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions (or any agency or instrumentality thereof), for the benefit of its employees, if such plan has total assets in excess of \$5,000,000, or (vii) an employee benefit plan within the meaning of Title I of ERISA, and (1) the investment decision is made by a plan fiduciary which is either a bank, savings and loan association, insurance company or registered investment adviser or (2) the plan has total assets in excess of \$5,000,000 or is a self-directed plan with investment decisions made solely by persons that are accredited investors.

Describe entity.

_____ e. The undersigned is a private business development company as defined in Section 202(a)(22) of the Investment Advisers Act of 1940, as amended.

Describe entity.

_____ f. The undersigned is a corporation, partnership, business trust or non-profit organization within the meaning of Section 501(c)(3) of the Internal Revenue Code, as amended, in each case not formed for the specific purpose of potentially making an investment in connection herewith and with total assets in excess of \$5,000,000.

Describe entity.

_____ g. The undersigned is a trust (not formed for the specific purpose of potentially making an investment in connection herewith) with total assets in excess of \$5,000,000, where the purchase is directed by a person with the knowledge and experience in financial and business matters to capably evaluate the merits and risks of the prospective investment, as set forth in Rule 506(b)(2)(ii) promulgated under the Securities Act of 1933, as amended.

_____ h. The undersigned is an entity all the equity owners of which are “accredited investors” within one or more of the above categories.

Describe entity.

_____ i. The undersigned is not a “U.S. person” as defined in Rule 902 of Regulation S promulgated under the Securities Act of 1933, as amended.

Explanation. The Securities Act defines a U.S. person as (i) any natural person resident in the United States; (ii) any partnership or corporation organized or incorporated under the laws of the United States; (iii) any estate of which any executor or administrator is a U.S. person; (iv) any trust of which any trustee is a U.S. person; (v) any agency or branch of a foreign entity located in the United States; (vi) any non-discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary for the benefit or account of a U.S. person; (vii) any discretionary account or similar account (other than an estate or trust) held by a dealer or other fiduciary organized, incorporated or (if an individual) resident in the United States; and (viii) any partnership or corporation if (A) organized or incorporated under the laws of any foreign jurisdiction and (B) formed by a U.S. person principally for the purpose of investing in securities not registered under the Securities Act, unless it is organized or incorporated, and owned, by accredited investors who are not natural persons, estate or trusts.

The undersigned is aware of the significance of the foregoing representations. The undersigned is also aware that the above representations made by him, her or it will be relied upon in connection with any investment made in AskMeNow, Inc. pursuant to the accompanying document or documents.

Date: _____

Signature

Print name

Address: _____

THIS WARRANT AND THE SHARES OF COMMON STOCK ISSUABLE UPON EXERCISE OF THIS WARRANT HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT") OR ANY STATE SECURITIES LAWS. THIS WARRANT AND SUCH SECURITIES MAY NOT BE SOLD, OFFERED FOR SALE, OR OTHERWISE TRANSFERRED UNLESS AND UNTIL REGISTERED UNDER SAID ACT AND ANY APPLICABLE STATE SECURITIES LAWS, OR UPON RECEIPT BY THE COMPANY OF AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED.

2008-_____

**WARRANT TO PURCHASE SHARES
OF THE COMMON STOCK OF**

ASKMENOW, INC.

(Void after Expiration Date - _____, 2013)

Issue Date: _____, 2008

This certifies that _____, a _____ with a principal business address of _____ (or any valid transferee thereof, the "Holder"), for value received, shall be entitled to purchase from AskMeNow, Inc., a Delaware corporation having its principal place of business at 26 Executive Park, Suite 250, Irvine, California 92614 (together with its successors and assigns, the "Company"), subject to the terms and conditions set forth herein, _____ (#) fully paid and non-assessable shares of the Company's common stock, par value \$.01 per share ("Common Stock"), at a price equal to \$.10 per share, at any time and from time to time commencing as of the issue date set forth above (the "Issue Date") and continuing up to and including 12:00 p.m. (California time) on _____, 2013 ("Expiration Date"); provided, however, if such date is not a Business Day, then on the Business Day immediately following such date. The shares purchasable upon exercise of this Warrant, and the purchase price per share, each as adjusted from time to time pursuant to the provisions of this Warrant, are hereinafter sometimes referred to as the "Warrant Shares" and the "Exercise Price," respectively.

This Warrant is being issued to the Holder in connection with the Company's \$1,000,000 offering (the "Offering") of up to 1,000,000 shares of Series D Convertible Preferred Stock, \$.01 par value, of the Company (the "Series D Stock") that are automatically convertible into shares of the Company's Common Stock upon the earlier to occur of the six month anniversary of the date of the final sale of shares of Series D Stock in the Offering (the "Closing Date") or a Change of Control Transaction (as such term is defined in the Certificate of Designations, Preferences, Privileges, Powers and Rights for the Series D Stock). This Warrant is one of several that will be issued in the Offering, all identical except for names and amounts. An aggregate of 2,000,000 warrants will be issued by the Company if the full \$1,000,000 Offering is completed. Such warrants are being issued on the basis of two (2) warrants for every one (1) dollar invested.

1. Exercise; Issuance of Certificates; Payment for Shares.

1. Mechanics of Exercise. This Warrant is exercisable, in whole at any time or in part from time to time, commencing on the Issue Date and prior to 12:00 P.M. (California time) on the Expiration Date, upon the surrender to the Company at its principal place of business (or at such other location as the Company may advise the Holder in writing) of this Warrant properly endorsed and delivery of an exercise notice in substantially the form attached hereto as *Schedule A* duly completed and signed, accompanied by payment in full of the aggregate Exercise Price for the number of Warrant Shares for which this Warrant is being exercised as determined in accordance with the provisions hereof. Payment shall be made by cash, certified or bank check or wire transfer of immediately available funds to the Company. This Warrant is exercisable in whole or in part, in increments of 5,000 shares, and in no event shall any exercise hereof be for fewer than 5,000 Warrant Shares unless fewer than 5,000 Warrant Shares are then purchasable under this Warrant. In the case of the exercise for less than all of the Warrant Shares represented by this Warrant, the Company shall cancel this Warrant certificate upon the surrender hereof and shall execute and deliver a new Warrant certificate or certificates of like tenor for the balance of the Warrant Shares for which this Warrant has not yet been exercised. The Company agrees that the shares of Common Stock purchased under this Warrant shall be deemed to be issued to the Holder hereof, and the Holder deemed to be the record owner of such shares, as of immediately prior to the close of business on the date on which the exercise notice attached hereto as *Schedule A* is delivered, and this Warrant surrendered, to the Company as provided herein (such date, the “Exercise Date”). Certificates for the shares of Common Stock purchased upon exercise, together with any other securities or property to which the Holder is entitled upon such exercise, shall be delivered to the Holder by the Company at the Company’s expense within a reasonable time after the rights represented by this Warrant have been so exercised, and in any event within 10 business days of the Exercise Date. Each Common Stock certificate so delivered shall be in such denominations as may be requested by the Holder hereof and shall be registered on the Company’s books in the name designated by such Holder.

1.2 Shares to be Fully Paid; Reservation of Shares. The Company covenants and agrees that all shares of Common Stock which may be issued upon the exercise of the rights represented by this Warrant will, upon issuance, be duly authorized, validly issued, fully paid and nonassessable and free from all preemptive rights of any shareholder and free of all taxes, liens and charges with respect to the issue thereof. The Company further covenants and agrees that, during the period within which the rights represented by this Warrant may be exercised, the Company will at all times have authorized and reserved, for the purpose of issue or transfer upon exercise of the subscription rights evidenced by this Warrant, a sufficient number of shares of authorized but unissued Common Stock when and as required to provide for the exercise of the rights represented by this Warrant. The Company will take all such action as may be reasonably necessary to assure that such shares of Common Stock may be issued as provided herein without violation of any applicable law or regulation, or of any requirements of any domestic securities exchange upon which the Common Stock or other securities may be listed; provided, however, that the Company shall not be required to effect a registration under federal or state securities laws with respect to any exercise hereunder.

2. Determination or Adjustment of Exercise Price and Number of Shares. The Exercise Price and the number of Warrant Shares purchasable upon the exercise of this Warrant shall be subject to adjustment from time to time upon the occurrence of certain events described in this Section 2. Upon each adjustment of the Exercise Price, the Holder of this Warrant shall thereafter be entitled to purchase, at the Exercise Price resulting from such adjustment, the number of shares obtained by multiplying the Exercise Price in effect immediately prior to such adjustment by the number of shares purchasable pursuant hereto immediately prior to such adjustment, and dividing the product thereof by the Exercise Price resulting from such adjustment.

2.1 Subdivision or Combination of Common Stock. If at any time after the Issue Date hereof and prior to the exercise or Expiration Date hereof the Company shall subdivide or reclassify its outstanding shares of Common Stock into a greater number of shares, the Exercise Price in effect immediately prior to such subdivision shall be proportionately reduced, and conversely, in case the outstanding shares of Common Stock of the Company shall be combined or reclassified into a smaller number of shares, the Exercise Price in effect immediately prior to such combination shall be proportionately increased. Any adjustment under this Subsection 2.1 shall become effective at the close of business on the date the subdivision or combination becomes effective.

2. Dividends in Common Stock or Other Stock or Securities. If at any time or from time to time after the Issue Date hereof and prior to the exercise or Expiration Date hereof the holders of Common Stock (or any shares of stock or other securities at the time receivable upon the exercise of this Warrant) shall have received or become entitled to receive, without payment therefor, shares of Common Stock or any shares of capital stock or other securities which are at any time directly or indirectly convertible into or exchangeable for Common Stock, or any rights or options to subscribe for, purchase or otherwise acquire any of the foregoing by way of dividend or other distribution, then and in each such case, the Holder shall, upon the exercise of this Warrant, be entitled to receive, in addition to the number of shares of Common Stock or other capital stock receivable thereupon, and without payment of any additional consideration therefor, the amount of stock and other securities which such Holder would hold on the date of such exercise had the Holder been the holder of record of such Common Stock as of the date on which holders of Common Stock received or became entitled to receive such shares or all other additional stock and other securities.

2. Reorganization, Reclassification, Consolidation, Merger or Sale. If at any time after the Issue Date hereof and prior to the exercise or Expiration Date hereof any recapitalization, reclassification or reorganization of the capital stock of the Company, or any consolidation or merger of the Company with another corporation, or the sale of all or substantially all of its assets or other transaction shall be effected in such a way that holders of Common Stock shall be entitled to receive stock, securities, or other assets or property (an “Organic Change”), then, as a condition of such Organic Change, lawful and adequate provisions shall be made by the Company whereby the Holder hereof shall thereafter have the right, upon exercise of this Warrant, to purchase and receive (in lieu of the shares of the Common Stock of the Company immediately theretofore purchasable and receivable upon the exercise of the rights represented by this Warrant) such shares of stock, securities or other assets or property as may be issued or payable with respect to or in exchange for a number of outstanding shares of such Common Stock equal to the number of shares of such stock immediately theretofore purchasable and receivable upon the exercise of the rights represented by this Warrant. In the event of any Organic Change, appropriate provision shall be made by the Company with respect to the rights and interests of the Holder of this Warrant to the end that the provisions hereof (including, without limitation, provisions for adjustments of the Exercise Price and of the number of shares purchasable and receivable upon the exercise of this Warrant) shall thereafter be applicable, in relation to any shares of stock, securities or assets thereafter deliverable upon the exercise hereof.

2. No Adjustments in Certain Cases. No adjustment in the number of Warrant Shares purchasable pursuant to this Warrant shall be required unless the adjustment would require an increase or decrease of at least one percent (1.0%) in the number of Warrant Shares then purchasable upon the exercise of this Warrant. Except as provided in this Section 2, no other adjustments in the number, kind or price of shares constituting Warrant Shares shall be made during the term, or upon the exercise, of this Warrant. Further, no adjustments shall be made pursuant to this Section 2 hereof in connection with the grant or exercise of presently authorized or outstanding options to purchase, or the issuance of shares of Common Stock under, the Company's director or employee benefit, option and incentive plans.

3. Issue Tax. The issuance of certificates for shares of Common Stock issuable upon the exercise of this Warrant shall be made without charge to the Holder for any issue tax (other than any applicable income taxes) in respect thereof; provided, however, that the Company shall not be required to pay any tax which may be payable in respect of any transfer of this Warrant or any Warrant Shares.

4. No Voting or Dividend Rights; Limitation of Liability. Nothing contained in this Warrant shall be construed as conferring upon the Holder hereof the right to vote, give consent or receive notices as a shareholder of the Company. No dividends or interest shall be payable or accrued in respect of this Warrant, the interest represented hereby, or the shares purchasable hereunder until, and only to the extent that, this Warrant shall have been exercised. No provisions hereof, in the absence of affirmative action by the Holder to purchase shares of Common Stock, and no mere enumeration herein of the rights or privileges of the Holder hereof, shall give rise to any liability of such Holder for the Exercise Price or as a shareholder of the Company, whether such liability is asserted by the Company or by its creditors.

5. Representations and Covenants of the Holder. This Warrant has been entered into by the Company in reliance upon the following representations and covenants of the Holder:

5. Investment Purpose. This Warrant and, if exercised, the Warrant Shares issuable upon exercise of this Warrant, will be acquired for the Holder's own account for investment only and not with a view to the sale or distribution of any part hereof or thereof, and the Holder has no present intention of selling or engaging in any public distribution of the same except pursuant to a registration or exemption therefrom under the Securities Act of 1933, as amended (the "Act").

5. Private Issue. The Holder understands that (a) this Warrant and the Warrant Shares issuable upon exercise of this Warrant are not registered under the Act or qualified under applicable state securities laws on the ground that the issuance contemplated by this Warrant will be exempt from the registration and qualifications requirements thereof, and (b) that the Company's reliance on such exemption is predicated on the representations set forth in this Section 5.

5. Disposition of Holder's Rights. In no event will the Holder make a disposition of this Warrant or the Warrant Shares issuable upon exercise of this Warrant unless and until (a) the Holder shall have notified the Company of the proposed disposition, and (b) if requested by the Company, the Holder shall have furnished the Company with an opinion of counsel (which counsel may either be inside or outside counsel to the Holder) satisfactory to the Company and its counsel to the effect that (i) appropriate action necessary for compliance with the Act has been taken, or (ii) an exemption from the registration requirements of the Act is available. Notwithstanding the foregoing, the restrictions imposed upon the transferability of any of its rights to acquire Common Stock issuable on the exercise of such rights do not apply to transfers from the beneficial owner of any of the aforementioned securities to its nominee or from such nominee to its beneficial owner, and shall terminate as to any particular share of stock when (1) such security shall have been effectively registered under the Act and sold by the Holder thereof in accordance with such registration or (2) such security shall have been sold without registration in compliance with Rule 144 under the Act, or (3) a letter shall have been issued to the Holder at its request by the staff of the Securities and Exchange Commission or a ruling shall have been issued to the Holder at its request by such Commission stating that no action shall be recommended by such staff or taken by such Commission, as the case may be, if such security is transferred without registration under the Act in accordance with the conditions set forth in such letter or ruling and such letter or ruling specifies that no subsequent restrictions on transfer are required. Whenever the restrictions imposed hereunder shall terminate, as hereinabove provided, the Holder or holder of a share of stock then outstanding as to which such restrictions have terminated shall be entitled to receive from the Company, without expense to such Holder, one or more new certificates for the Warrant or for such shares of stock not bearing any restrictive legend.

5. Financial Risk. The Holder has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of an investment in the Company, and has the ability to bear the economic risks of such investment.

5. Accredited Investor or Non-U.S. Person. The Holder is either an "accredited investor" within the meaning of Regulation D promulgated under the Act or not a "U.S. person" as defined in Rule 902 of Regulation S promulgated under the Act.

6. Modification and Waiver. This Warrant and any provision hereof may be changed, waived, discharged or terminated only by an instrument in writing signed by the party against which enforcement of the same is sought.

7. Transfer; Legends.

(a) The Holder may sell, transfer, assign, pledge or otherwise dispose of this Warrant or the Warrant Shares, in whole or in part, so long as such sale or other disposition is made pursuant to an effective registration statement or an exemption from the registration requirements of the Act and applicable state securities laws and compliance with Section 5.3 above, and provided that no sale, transfer, pledge or other disposition may be made to a competitor, direct or indirect, of the Company at any time. Upon such transfer or other disposition (other than a pledge), the Holder shall deliver this Warrant to the Company together with a written notice to the Company, substantially in the form of the transfer notice attached hereto as *Schedule B*, indicating the person or persons to whom this Warrant shall be transferred and, if less than all of this Warrant is transferred, the number of Warrant Shares to be covered by the part of this Warrant to be transferred to each such person. Within ten (10) business days of receiving a transfer notice and the original of this Warrant, the Company shall deliver to the each transferee designated by the Holder another Warrant(s) of like tenor and terms for the appropriate number of Warrant Shares and, if less than all this Warrant is transferred, shall deliver to the Holder another Warrant for the remaining number of Warrant Shares not so transferred. Until this Warrant is transferred on the books of the Company (with the Company's consent), the Company may treat the person in whose name this Warrant is issued as the absolute owner hereof for all purposes, notwithstanding any notice to the contrary.

(b) Each Warrant and certificate representing Warrant Shares shall bear a legend substantially in the following form:

“THIS WARRANT AND THE SHARES OF COMMON STOCK ISSUABLE UPON EXERCISE OF THIS WARRANT HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE “ACT”) OR ANY STATE SECURITIES LAWS. THIS WARRANT AND SUCH SECURITIES MAY NOT BE SOLD, OFFERED FOR SALE, OR OTHERWISE TRANSFERRED UNLESS AND UNTIL REGISTERED UNDER SAID ACT AND ANY APPLICABLE STATE SECURITIES LAWS, OR UPON RECEIPT BY THE COMPANY OF AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED.”

The foregoing legend shall be removed from the certificates representing any Warrant Shares, at the request of the holder thereof, at such time as they become eligible for resale pursuant to Rule 144 under the Act.

8. Notices. Any notice required or permitted hereunder shall be given in writing (unless otherwise specified herein) and shall be deemed effectively given upon (a) personal delivery, against written receipt thereof, (b) delivery via facsimile with written confirmation, (c) one business day after deposit with Federal Express or another nationally recognized overnight courier service, or (d) five business days after being mailed, postage paid, via certified or registered mail, return receipt requested, addressed to each of the other parties thereunto entitled, at the addresses set forth on in the introductory paragraph hereof or at such other addresses as a party may designate by 10 days advance written notice.

9. Binding Effect. This Warrant shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, personal representatives, successors and permitted assigns.

10. Descriptive Headings and Governing Law. The description headings of the several sections and paragraphs of this Warrant are inserted for convenience only and do not constitute a part of this Warrant. This Warrant shall be construed and enforced in accordance with, and the rights of the parties shall be governed by the laws of the State of Delaware.

11. Lost Warrants. Upon receipt of evidence reasonably satisfactory to the Company of the loss, theft, destruction, or mutilation of this Warrant and, in the case of any such loss, theft or destruction, upon receipt of an indemnity agreement or bond reasonably satisfactory to the Company, or in the case of any such mutilation upon surrender and cancellation of this Warrant, the Company, at its expense, will make and deliver a new Warrant, of like tenor, in lieu of the lost, stolen, destroyed or mutilated Warrant.

12. Fractional Shares. No fractional shares shall be issued upon exercise of this Warrant. The Company shall, in lieu of issuing any fractional share, pay the Holder entitled to such fraction a sum in cash equal to such fraction multiplied by the then-effective Market Price.

13. Redemption. The Company may, at any time subsequent to the earlier of the third anniversary of the Closing Date and the date the Common Stock trades at or above \$1.00 per share for twenty (20) consecutive trading days, redeem this Warrant in whole or in part at a price of \$0.01 per share (the "Redemption Price"). The Company may exercise such redemption right by written notice thereof delivered to the Holder in accordance with Section 8 above, which notice shall indicate the portion of this Warrant the Company is electing to redeem. No later than ten (10) business days following delivery of such exercise notice, the Holder shall surrender to the Company at its principal place of business (or at such other location as the Company may advise the Holder in writing) this Warrant for redemption. The Company shall thereafter promptly remit payment to the Holder in full of the aggregate Redemption Price for the number of Warrant Shares for which this Warrant is being redeemed. Payment shall be made by cash, certified or bank check or wire transfer of immediately available funds. In the case of the redemption for less than all of the Warrant Shares represented by this Warrant, the Company shall cancel this Warrant certificate upon the surrender hereof and shall execute and deliver a new Warrant certificate or certificates of like tenor for the balance of the Warrant Shares for which this Warrant has not yet been redeemed.

In Witness Whereof, the Company has caused this Warrant to be duly executed by its officers, thereunto duly authorized this _____ day of _____, 2008.

AskMeNow, Inc.,
a Delaware corporation

By: _____
Name: Darryl Cohen
Title: President and CEO
Address:
AskMeNow, Inc.
26 Executive Park, Suite 250
Irvine, CA 92614
Phone: (949)
861-2590
Fax: (949) 861-2591
E-mail: dcohen@askmenow.com

SCHEDULE A

EXERCISE NOTICE

Date: _____, _____

AskMeNow, Inc.

Attn: Chief Executive Officer

Ladies and Gentlemen:

The undersigned hereby elects to exercise the Warrant issued to it by AskMeNow, Inc. ("Company") dated _____, 2008 (Warrant No. _____), which Warrant shall be surrendered herewith, and pursuant to the terms thereof hereby elects to exercise rights represented by said Warrant for, and to purchase thereunder, _____ shares of the Company's Common Stock covered by said Warrant, at an Exercise Price of \$_____ per share, and tenders herewith payment of the purchase price in full for such shares of \$_____, by cash, through the delivery of a certified or official bank check, or wire transfer or immediately available funds.

The undersigned hereby requests that certificates for such shares (or any other securities or other property issuable upon such exercise) be issued in the name of and delivered to the undersigned at the address set forth below, or as otherwise set forth below.

Very truly yours,

Name:

Address:

SCHEDULE B

TRANSFER NOTICE

To Be Executed by the Holder
in Order to Assign Warrants

FOR VALUE RECEIVED, _____ hereby sells, assigns and transfers all of the rights of the undersigned under the attached Warrant (No. _____) with respect to the number of shares of Common Stock of AskMeNow, Inc. covered thereby set forth below, unto:

Name of Assignee	Address	No. of Shares
_____	_____	_____

The undersigned hereby irrevocably constitutes and appoints the Chief Executive Officer of the Company as the undersigned's attorney to transfer this Warrant certificate on the books of the Company, with full power of substitution in the premises.

Dated: _____ Signature: _____

Signature Guaranteed:

By: _____

The signature should be guaranteed by an eligible guarantor institution (banks, stockbrokers, savings and loan associations and credit unions with membership in an approved signature guarantee medallion program) pursuant to Rule 17A under the Securities Exchange Act of 1934, as amended.

**ASKMENOW
SERVICES AGREEMENT**

This Services Agreement, effective as of the 17 day of October 2007 (the "Effective Date"), is entered into between AskMeNow, Inc. ("AMN"), and Ask Frank Limited ("COMPANY").

WHEREAS, AMN operates a mobile phone information service whereby users of the service ("Users") receive responses to queries posted by the Users via a mobile cellular phone or hand-held device; and

WHEREAS, COMPANY sells a mobile service; and

WHEREAS, COMPANY wishes to market, promote and distribute certain of AMN's services, as described further herein, under the private label name of "AskFrank" which is a question and answer service for mobile phones.

NOW, THEREFORE, the parties agree as follows:

1. **SERVICES.** During the Term of this Agreement and on a sole and exclusive basis in Australia and New Zealand (the "Territory"), AMN will supply COMPANY with mobile phone information services whereby AMN will provide text answers via SMS to text queries on topics of general interest received from Users in the Territory in accordance with the specifications and as more fully described in Exhibit A (the "Services"). Unless otherwise mutually agreed, COMPANY will market the services in the Territory under the name "AskFrank." COMPANY shall not sublicense or subcontract access to and/or use of the Services without the express written approval of AMN, determined in its sole discretion. In the event that in respect of either Australia or New Zealand COMPANY is in arrears, other than by agreement with AMN, in respect of any payment due and owing from COMPANY to AMN under and in accordance with this Agreement, and such arrears are greater than sixty (60) days, then AMN may vary by notice in writing the grant of rights in clause 1 of this Agreement for the country in the Territory in respect of which payments are in arrears to make such grant non-exclusive. The grant of rights in respect of the country for which payments are not in arrears shall be unaffected.

2. **COMPANY'S RESPONSIBILITIES.**

2.1 **Promotion.** At all times during the Term, COMPANY at its sole cost and expense shall use its best commercial efforts to actively promote the Services in the Territory. COMPANY will not market the services outside of the Territory unless otherwise agreed in writing.

2.2 **Performance Obligations.** COMPANY shall represent the Services accurately and fairly. COMPANY shall not (a) make representations, warranties, covenants or other statements regarding the Services other than those specifically set forth in this Agreement or otherwise approved in writing by AMN, (b) materially alter or change the Services without AMN's prior written approval, or (c) use the AMN logo or any AMN trademark (registered or unregistered) in connection with sales orders, customer agreements, or any of its other materials that are distributed to end users of COMPANY's services or are published or circulated in any way without first obtaining AMN's express written consent for each country in the Territory. COMPANY shall comply with all applicable laws, rules and regulations in the Territory in connection with its performance of this Agreement and the use and marketing of the Services.

2.3 **Support.** COMPANY shall provide Users with reasonable support and assistance in connection with the use of the Services.

2.4 **Responsibility for the Shortcode & Hardware.** COMPANY will be responsible for providing the shortcode(s) used to access the Services in the Territory. AMN will not be responsible for the mobile telephones through which Users access the Service or any fees mobile cellular phone carriers may charge to send or receive messages.

3. **AMN'S RESPONSIBILITIES.**

3.1 **Services.** AMN shall perform the Services in good faith using reasonable skill, care and diligence, suitably qualified and trained personnel, and in a professional manner consistent with best commercial practice.

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Notwithstanding the foregoing, AMN makes no representation that the answers provided by it through the Service will be error-free, complete or otherwise reliable for any purpose. AMN's provision of the Services is further subject to the provisions of Exhibit A. AMN shall comply with all applicable laws, rules and regulations in connection with its performance of this Agreement and the supply of the Services.

3.2 AMN shall provide the Services in accordance with the service levels and technical parameters set out in Exhibit A and shall be responsible for all hardware, software and connectivity upstream of the Gateway (as defined in Exhibit A).

4. PRICING, FEES AND COSTS.

4.1 **Services and Pricing.** The COMPANY will pay AMN a one-time \$10,000 set up fee which includes the costs of staffing, training, technical development and implementation and the creation of the Style Guide as defined in Exhibit A (the "Set Up Fee") and a minimum fee of \$5,000 USD per month the "Minimum Fee", in advance, due and payable at the beginning of each month commencing with the first month immediately following the end of the Implementation Period (as defined in Exhibit A), during the term of this Agreement and any renewal thereof. AMN will answer through the Service up to 12,500 (the "Minimum Amount") AskFrank User generated questions per month under the terms of this agreement. AMN will answer through the Service any questions received that are greater than the Minimum Amount which will be charged at \$0.40 USD per Eligible Answer in accordance with the provisions of Exhibit A.

4.2 **Expenses.** COMPANY shall be responsible for all costs and expenses, including, but not limited to, travel, trade shows and other sales, marketing and promotional expenses incurred in connection with COMPANY's sale, marketing and promotion of the Services and its other responsibilities and activities under this Agreement. Except as otherwise set forth herein, AMN shall be responsible for all costs and expenses, including but not limited to providing the answer data feed to the Gateway (as defined in Exhibit A), all staffing and other overhead costs and any other liabilities incurred in complying with its responsibilities under this Agreement.

4.3 **Payment Terms.** Upon the signature of this Agreement by the Parties, COMPANY shall pay to AMN \$10,000 USD, being the Set Up Fee. When the parties agree (acting reasonably) that full commercial launch of the COMPANY's service has occurred throughout the Territory but in any event no later than [16 November 2007], COMPANY shall make a payment to AMN of USD\$30,000, being an advance payment of six instalments of the Minimum Fee in respect of the first six months of the Term following such date of full commercial launch. AMN shall provide invoices covering the services rendered in excess of the Minimum Amount to COMPANY on a monthly basis not less than five days after the end of the month in which the Services are provided and payment for such services shall be due within 30 days of receipt by Company of said invoice.

5. CONFIDENTIALITY.

5.1 **Confidential Information.** Confidential information shall include information that is disclosed by AMN or COMPANY (or by their respective affiliates) to the other party under this Agreement, including without limitation, any and all information about Users or potential Users of the Services, such as names, addresses, e-mail addresses, telephone numbers, lists, pricing, or any other information about Users ("User Information"), product and service specifications and documentation, business and product plans, pricing, and other confidential business information of AMN or COMPANY (or of their respective affiliates), or which AMN or COMPANY (or their respective affiliates) has in its possession under obligations of confidentiality with a third party and which confidentiality obligation is known to the recipient party hereto ("Confidential Information"). Confidential Information shall not include information which: (a) recipient can demonstrate was already known by the recipient; (b) is or becomes public knowledge without any wrongful act by the receiving party; (c) is or becomes (independent of disclosure by the disclosing party) known to the receiving party directly or indirectly from a source other than one having an obligation of confidentiality to the disclosing party; (d) is independently developed by the receiving party; or (e) is disclosed pursuant to any judicial or governmental order, provided that the receiving party gives disclosing party reasonable prior notice to contest such order.

5.2 **Nondisclosure.** Each of COMPANY and AMN agrees that during the Term or any Renewal Term (as defined below) of this Agreement, as the case may be, and for a period of three (3) years thereafter, it shall neither disclose any Confidential Information to third parties nor use any Confidential Information in any manner other than as contemplated by this Agreement. Notwithstanding the foregoing, the receiving party may disclose

Confidential Information to receiving party's employees or independent consultants on a need-to-know basis provided that such employees or independent consultants are placed under the same obligations of confidentiality as the parties to this Agreement and the receiving party making such disclosure shall not be relieved of its obligations of confidentiality and shall be liable for the acts or omissions of such disclosees.

6. INTELLECTUAL PROPERTY RIGHTS.

6.1 Definition. "Intellectual Property Rights" means:

(a) any and all proprietary rights provided under, (i) patent law, (ii) copyright law, (iii) trademark law, (iv) design patent or industrial design law, (v) semi-conductor chip or mask work law, or (vi) any other statutory provision or common law principle, including without limitation, trade secret or trade dress law, that may provide a right in either ideas, formulae, algorithms, concepts, inventions or know-how generally, or the expression, visual appearance, or use of such ideas, formulae, algorithms, concepts, inventions or know-how; and/or

(b) any and all applications, registrations, licenses, sublicenses, franchises, consents or permissions, agreements or any other evidence of a right in any of the foregoing.

6.2 Intellectual Property Rights. COMPANY hereby recognizes that as between AMN and COMPANY, AMN retains ownership of all Intellectual Property Rights in the Services (and the tools, systems and processes used in connection with the Services), Documentation, and Confidential Information received by COMPANY from AMN, including without limitation, all corrections, modifications and derivative works thereof. COMPANY hereby agrees (a) to retain all proprietary marks, legends and patent and copyright notices that appear on or within the Services, Confidential Information and other Documentation delivered to COMPANY by AMN and all whole or partial copies made by COMPANY thereof, and (b) to not represent COMPANY as the owner, licensor or licensee of any of AMN's Intellectual Property Rights used in connection with the Services, or in any Documentation or Confidential Information of AMN.

6.4 Limitations. Except as expressly set forth in this Agreement, neither party grants to the other any license under any of its Intellectual Property Rights, either expressly, by implication, estoppel or otherwise.

6.5 AMN's Marks. During the Term and any Renewal Term (as defined below) thereof, COMPANY shall have the non-exclusive right to use all licensed or proprietary trademarks, trade names, symbols, logos and/or brand names adopted from time to time to identify AMN, its products or services, including but not limited to AMN ("AMN's Marks") in COMPANY's advertising and promotional materials for the Services; provided, however, that AMN has pre-approved in writing the proposed advertising and promotional materials. COMPANY acknowledges the validity of AMN's Marks as well as AMN's Intellectual Property Rights, all of which shall remain the sole property of AMN or its licensors, as applicable. At no time during or after the Term or any Renewal Term (as defined below) thereof shall COMPANY, directly or indirectly, challenge or contest or assist others to challenge or contest the ownership, enforceability or validity of AMN's Intellectual Property Rights in AMN's Marks, or the registration thereof, or attempt to register any marks confusingly similar to AMN's Marks.

6.6 COMPANY's Marks. During the Term and any Renewal Term (as defined below) thereof, AMN shall have the right to indicate to the public that COMPANY is a customer of the Services and to use COMPANY's name, logos and other trademarks, trade names, service marks, insignia, symbols, decorative designs, or the like that COMPANY owns or is licensed or sublicensed to use ("COMPANY's Marks") in AMN's advertising and promotional materials for the Services, provided that COMPANY has pre-approved in writing the proposed advertising and promotional materials. AMN acknowledges the validity of COMPANY's Marks and agrees that during and after the Term and any Renewal Term (as defined below), it shall not directly or indirectly challenge or contest the ownership, enforceability or validity of COMPANY's Intellectual Property Rights in COMPANY's Marks or attempt to register any confusingly similar marks.

7. REPRESENTATIONS AND WARRANTIES

7.1 AMN Warranty. AMN represents and warrants to COMPANY that: (a) AMN has all requisite power and authority to enter into this Agreement; (b) by entering into this Agreement and performing its obligations

hereunder, AMN shall not be in breach of any agreement to which AMN is a party or other undertaking with any third party; and (c) that it will provide the Services in accordance with Exhibit A.

7.2 COMPANY Warranty. COMPANY represents and warrants to AMN that: (a) COMPANY has all requisite power and authority to enter into this Agreement; and (b) by entering into this Agreement and performing its obligations hereunder, COMPANY shall not be in breach of any agreement to which COMPANY is a party or other undertaking with any third party.

7.3 Disclaimer. In no event shall COMPANY make any representation, guarantee or warranty to any User or potential User concerning the Services provided by AMN except as expressly authorized in writing by AMN. COMPANY shall indemnify, defend, and hold harmless AMN, its directors, officers, agents, employees, and those of any wholly owned subsidiaries of AMN directly involved in the provision of the Services against any liability, loss, costs or damages, including without limitation, reasonable attorney's fees and expenses, arising out of or related to COMPANY's warranties or representations to Users or potential Users regarding the Services provided by AMN other than those warranties expressly authorized in writing by AMN. EXCEPT FOR THE EXPRESS WARRANTIES STATED HEREIN, AMN MAKES NO REPRESENTATION OR WARRANTY HEREUNDER TO COMPANY WITH RESPECT TO THE SERVICES, DOCUMENTATION OR AMN'S CONFIDENTIAL INFORMATION DISCLAIMS ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, WITHOUT LIMITATION, ALL IMPLIED WARRANTIES ARISING FROM COURSE OF DEALING OR COURSE OF PERFORMANCE AND MAKES NO REPRESENTATION OR WARRANTY AS TO THE MERCHANTABILITY, SUITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF ITS PRODUCTS OR SERVICES OR AS TO THEIR NON-INFRINGEMENT.

8. INDEMNITY.

8.1 AMN Indemnification. AMN shall indemnify and defend COMPANY from all cost or expense in connection with any third party claim against COMPANY (a) that AMN's content, AMN Marks, products or Services infringe any third party's existing patent, copyright, trademark or misappropriate trade secrets; (b) that arises out of AMN's breach of this Agreement or improper or unauthorized disclosure by AMN of Confidential Information; or (c) resulting from AMN's gross negligence or intentional misconduct, provided that COMPANY promptly notifies AMN of such claim. COMPANY shall cooperate with AMN, and provide AMN with all available information and assistance regarding such claim. AMN shall not be liable for any costs, damages, or fees incurred by COMPANY in such action or claim in the event that COMPANY assumes, or declines or fails to tender to AMN, control over the defense or settlement thereof, unless authorized in writing by AMN.

8.2 COMPANY Indemnification. COMPANY shall indemnify and defend AMN from all cost or expense in connection with any third party claim against AMN (a) that COMPANY's content, COMPANY Marks, products, or services infringe any third party's existing patent, copyright or trademark, or misappropriate trade secrets, (b) resulting from COMPANY'S breach of this Agreement or improper or unauthorized disclosure by COMPANY of Confidential Information; (c) resulting from COMPANY's gross negligence or intentional misconduct; or (d) arising from or related to (i) use of the Service by Users or (ii) a User's actions in reliance on the Service or (iii) COMPANY's relationship with Users or other third parties, provided that AMN promptly notifies COMPANY of such claim. AMN shall cooperate with COMPANY, and provide COMPANY with all available information and assistance regarding such claim. COMPANY shall not be liable for any costs, damages, or fees incurred by AMN in such action or claim in the event that AMN assumes, or declines or fails to tender to COMPANY, control over the defense or settlement thereof, unless authorized in writing by COMPANY.

8.3 Limitation of Indemnification Obligation. THIS SECTION 8 SETS OUT THE ENTIRE LIABILITY OF THE PARTIES AND THE SOLE AND EXCLUSIVE REMEDY OF EITHER PARTY WITH RESPECT TO THE CLAIMS SET FORTH IN THIS SECTION 8 AND NEITHER PARTY SHALL HAVE ANY ADDITIONAL LIABILITY WITH RESPECT TO ANY SUCH CLAIMS.

8.4 Notification of Unauthorized Use. Each party shall promptly notify the other in writing upon its discovery of any unauthorized use of the Services or any infringement of Intellectual Property Rights with respect thereto. Where such infringement is of AMN's Intellectual Property Rights, AMN shall have the sole and exclusive right to bring an infringement action or proceeding against any infringing third party, and, in the event that AMN

brings such an action or proceeding, COMPANY shall, at the expense and request of AMN, cooperate and provide full information and assistance to AMN and its counsel in connection with any such action or proceeding.

9. LIMITATION OF LIABILITY. EXCEPT FOR INDEMNIFICATION OBLIGATIONS, IN NO EVENT SHALL EITHER PARTY BE LIABLE TO THE OTHER, ANY USER OR ANY THIRD PARTY FOR ANY SPECIAL, CONSEQUENTIAL, INCIDENTAL, OR OTHER INDIRECT DAMAGES, HOWEVER CAUSED, ON ANY THEORY OF LIABILITY, AND THESE LIMITATIONS SHALL APPLY NOTWITHSTANDING ANY FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY. NEITHER PARTY'S LIABILITY TO THE OTHER PURSUANT TO THIS AGREEMENT SHALL EXCEED THE AMOUNT OF MONEY RECEIVED BY AMN FROM COMPANY DURING THE PREVIOUS SIX (6) MONTHS PRIOR TO THE EVENT GIVING RISE TO THE LIABILITY PURSUANT TO THIS AGREEMENT, WHETHER OR NOT EITHER PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THE PARTIES AGREE THAT THIS SECTION REPRESENTS A REASONABLE ALLOCATION OF RISK.

10. TERM AND TERMINATION

10.1 Term. This Agreement shall commence on the Effective Date and continue in full force and effect for a term of one (1) year (the "Term"), renewable for an additional twelve (12) month period at COMPANY'S option by notice in writing not less than 60 days prior to the end of the Term and if so renewed by COMPANY, thereafter automatically renewed for subsequent 12 month periods unless either party provides written notice of termination not less than 120 days prior to the end of the then current 12 month period (each additional 12 month period a "Renewal Term") unless earlier terminated in accordance with the provisions of this Agreement.

10.2 Termination with Cause. In the event of any material breach of this Agreement that is incapable of remedy or remains unremedied by the party in breach more than thirty (30) days after they have received written notice from the party not in breach specifying the breach and requesting remedial action, the non-breaching party may terminate this Agreement for cause by giving written notice to the other party immediately.

10.3 Termination for Insolvency. Either party may terminate this Agreement if the other party (a) becomes the subject of a voluntary or involuntary petition in bankruptcy or any proceeding in relation to insolvency, receivership, liquidation, or assignment for the benefit of creditors, if that petition or proceeding is not dismissed within sixty (60) days after filing, (b) suspends the operation of its present business or liquidates its business assets, or (c) generally fails to pay its debts as such debts become due or admits in writing its inability to pay its debts.

10.4 Effect of Termination. Upon any termination of this Agreement:

(a) Each party agrees to promptly return any Confidential Information that has been furnished by the other in connection with this Agreement, accompanied by all copies of such Confidential Information, and each party shall destroy all reports, analyses, notes or other information that are based on, contain or reflect any Confidential Information, and deliver to the other party a certificate executed by one of that party's duly authorized officers indicating that the requirements of this Section 10.4 have been completely satisfied;

(b) if requested by AMN or COMPANY, the parties shall issue a mutually acceptable communication regarding the termination to provide a smooth transition for Users following such termination; and

(c) termination of the Agreement by either party shall be without prejudice to the party's other rights and remedies hereunder, subject to any limitations on remedies provided herein.

10.5 Damages. No costs or damages shall be paid to or by either party solely as a result of the termination or non-renewal of this Agreement in accordance with its terms, other than costs and damages arising out of a breach of this Agreement or other costs or damages to which a party may be entitled for reasons other than the termination or non-renewal of this Agreement.

11. GENERAL PROVISIONS

11.1 Relationship of the Parties. Nothing in this Agreement shall render, or be interpreted or construed to mean, that the parties are partners, joint ventures, employer/employee or related other than as

independent contractors. Neither party shall have any authority whatsoever to obligate or commit the other party, contractually or otherwise. Neither party shall do anything whatsoever to represent to any person that it has any authority to so obligate or commit the other party. Each party agrees that each of them is an independent contractor. Each party shall act solely within the scope of its actual and express authority under this Agreement. Neither party shall represent to any person that it has any authority, permission or consent to represent, act on behalf of, or have a commercial relationship with, the other party except as is expressly authorized by such other party under this Agreement.

11.2 Waiver and Amendment. No failure or delay on the part of any party in exercising any right under this Agreement, irrespective of the length of time that such failure or delay may continue, will operate as a waiver of, or impair, any such right. No single or partial exercise of any right under this Agreement shall preclude any other or further exercise thereof or the exercise of any other right. No waiver, modification or amendment of any right under this Agreement will be effective unless it is in writing and signed by the parties.

11.3 Further Assurances and Good Faith. Each party to this Agreement will, at the request of the other party and without charge (provided that the cost to the providing party is reasonable under the circumstances), execute and deliver all such further instruments and documents and take such further actions as may be reasonably requested to further confirm, carry out and otherwise accomplish the intent and purpose of this Agreement.

11.4 Severability. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, illegal or unenforceable, such provision shall be deemed amended to conform to applicable laws so as to be valid and enforceable to the maximum extent possible, or, if it cannot be so amended without materially altering the intention of the parties, it shall be stricken, and the remainder of this Agreement shall remain in full force and effect.

11.5 No Announcement. Without the prior written consent of the other party, which shall not unreasonably be withheld or delayed, neither party shall, in any manner, disclose any terms of this Agreement, originate or publish any publicity, news release, or other public announcement relating to this Agreement or its provisions. The Parties shall issue an agreed joint announcement regarding the Service in respect of which prior written approval shall not unreasonably be withheld by either of the Parties.

11.6 Notices. Any notice given pursuant to this Agreement shall be in writing and shall be delivered by hand, by prepaid certified or registered mail, return receipt requested, or by reputable overnight courier, to the address designated below for the respective party or to such revised address as such party may, from time to time, designate by giving notice in writing to the other party in the prescribed manner. Any notice so given shall be deemed to be received on the date of delivery or refusal of acceptance of delivery. Notice to AMN shall be sent to the attention of Darryl Cohen, CEO, AskMeNow, Inc., 26 Executive Park, Suite 250, Irvine, CA 92614. Notice to COMPANY shall be sent to the address set forth on page one of this Agreement under the heading "COMPANY Address."

11.7 Force Majeure. Neither party will be liable for any failure or delay in its performance under this Agreement due to any cause beyond its reasonable control, including but not limited to acts of war or terrorism, acts of God, earthquake, flood, embargo, riot, sabotage, labor shortage or dispute, governmental acts or failure of the Internet (each an "Event of Force Majeure"). In the event that any Event of Force Majeure continues for a period of sixty (60) consecutive days then the unaffected party shall be entitled to terminate this Agreement forthwith by notice in writing to the affected party and the provisions of clause 10.4 shall apply.

11.8 Entire Agreement. This Agreement sets forth the entire agreement and understanding of AMN and COMPANY relating to the subject matter herein. This Agreement supersedes any and all other prior proposals (oral or written), understandings, representations, conditions, warranties, covenants and other communications between AMN and COMPANY which relate to the subject matter of the Agreement.

11.9 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of AMN and COMPANY and their respective wholly owned subsidiaries, successors and permitted assigns. Except where a Party proposes to merge with a third party or sell all or substantially all of its assets to a third party and that third party agrees in writing to be bound by this Agreement, neither Party may assign or transfer this Agreement to any person or entity without the prior written consent of the other Party, which shall not unreasonably be withheld or delayed.

11.10 Dispute Resolution. Either Party may call a meeting of the Parties to discuss any dispute arising from this Agreement that cannot be or has not been resolved at an operational level by providing not less than 2 business days written notice to the other Party and each Party agrees to procure that its Mark Cohen (in the case of AMN) and Doug Drury (in the case of COMPANY) shall attend telephonically any such meeting. The members of the relevant meeting shall cooperate in good faith to try and resolve the dispute. If the dispute referred to a meeting is not resolved at that meeting then either party, by immediate notice in writing to the other, may refer the dispute to Mark Cohen (in the case of AMN) and Doug Drury (in the case of COMPANY) who shall co-operate in good faith to try and resolve the dispute within 5 business days of the service of such notice. If the dispute is not resolved within this period of time then the Parties shall, on the written request of either Party, commence mediation with the assistance of a mediator to be appointed by agreement between the Parties and failing agreement within 2 business days, to be appointed by [AMN to suggest appropriate appointing body under the laws of New York]. The Parties shall attempt to resolve the dispute using mediation for a maximum of 15 business days, after which time and failing resolution either Party shall be free to pursue any available legal remedies.

11.11 Meetings. The Parties agree to conduct regular conference calls and/or meetings during the Term of this Agreement in order to discuss activities during the preceding day(s) and/or week(s) and any proposed changes that could be implemented with a view to improving the efficacy of the Service..

11.12 Counterparts. This Agreement may be executed in counterpart, each of which shall be deemed an original and all of which together shall constitute one instrument. The parties hereto may execute and deliver this Agreement via facsimile and such facsimile signatures shall be deemed to be, and shall have the same force and effect as original signatures.

11.13. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws applicable in the State of New York. Company consents to jurisdiction and venue in the state or federal courts located in New York County, New York regarding any disputes arising under this Agreement and service of process in any such action may be affected in the same manner as notices may be given under this Agreement or by any method permitted by applicable law.

IN WITNESS WHEREOF, the parties have entered into this Agreement as of the Effective Date.

Ask Frank Limited

By: _____
Name:
Title:

AskMeNow, Inc.

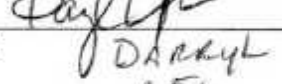
By: 
Name: Darryl Cohen
Title: CEO

Exhibit A

DESCRIPTION OF SERVICES

AskMeNow shall provide a question and answer service in accordance with the following specifications:

1. Definitions

1.1 In this Exhibit A the following words and expressions shall have the following meanings:

AskFrank User means a User of the COMPANY's service who is located within the Territory and uses the AskFrank service to ask a question;

Eligible Answer means an answer provided within the time limits set out in paragraph 8 below that counts towards the monthly total of answers provided by AMN to AskFrank Users for the purposes of calculating any fees due to AMN pursuant to clause 4.1. of this Agreement;

Gateway means the physical interface identified by an IP address to which AMN sends answers and at which AMN hands over responsibility of the carriage of the answer signal to COMPANY or COMPANY's nominee, as more fully described at paragraph 2 below;

Implementation Period means the period of two months immediately following the Effective Date unless otherwise agreed by the parties in writing;

Researcher means a dedicated member of AMN's staff who are to provide the Services to AskFrank Users in accordance with the terms of this Agreement including the Style Guide and "Researchers" shall be construed accordingly;

Referred Question means a trivia or other general interest type of question in the English language originating from a Company user which is referred to AMN by Company's third party aggregator in SMS format to research and provide an answer; and

Service Failure means a failure in any month by AMN to comply with any one Service Level as set out below;

Service Levels means the service levels set out in the Service Level Agreement at paragraph 8 below;

Style Guide means the guide to answering questions and using the COMPANY brand as more fully set out at paragraph 5 below;

1.2 In the event of any conflict or inconsistency between the main body of this Agreement and this Exhibit A the terms of this Exhibit A shall prevail.

2. Technical specification

COMPANY's third party aggregator will provide questions to AMN and AMN will provide answers to AskFrank User originated questions according to the technical specifications as required by COMPANY's third party aggregators, including in each case the delivery of an HTML data feed via the gateway.

3. Training

3.1 AMN will train Researchers in the correct techniques for answering questions originated by AskFrank Users, such training to include without limitation the development in researchers of appropriate skills and an appropriate cultural reference framework to be able to answer questions originating from within the Territory all in accordance with the Style Guide.

- 3.2 During the Implementation Period, such training will be provided at COMPANY's cost, such cost included within the Set Up Fee.
- 3.3 Where any training is required after the Implementation Period other than in the normal course of increasing the number of Researchers active at any time due to increased demand, such training will be provided at COMPANY's reasonable cost, provided that no costs may be incurred without the prior written consent of COMPANY which shall not be unreasonably withheld or delayed.
- 3.4 AMN will consult with COMPANY and give reasonable consideration to the views of COMPANY regarding the number of FTE required to meet the anticipated answer frequency for the Territory. AMN may substitute or supplement researchers with automated software provided that AMN has first consulted with COMPANY and COMPANY is reasonably satisfied that the introduction of automated software will not materially reduce the quality of the Services.

4. Testing

- 4.1 During the Implementation Period both parties agree to thoroughly and appropriately test the Service and both parties agree to commit sufficient resources on an "own cost" basis to conduct such testing of the service from both a technical and user-experience standpoint.

5. Style Guide

- 5.1 COMPANY will within one month of the Effective Date at its own cost, create and develop a style guide specifically for the Territory that will govern the appropriate styles to be used in answering questions originated by AskFrank Users. Within seven (7) days of receipt of the Style Guide, AMN will review and critique the Style Guide and provide COMPANY with suggested revisions to ensure that the Style Guide's mandates are in keeping with the normal question and answer policies of AMN as applied to other third party white label distributors of the Services. The parties shall agree the Style Guide promptly and in good faith following the delivery of revisions to COMPANY, at which time the Style Guide shall be appended to and form a part of this Agreement.
- 5.2 From time to time COMPANY shall request revisions to the Style Guide. AMN shall consent to revisions where such revisions are not contrary to law or the normal question and answer policies of AMN as applied to other third party white label distributors of the Services. The revised Style Guide shall be adopted and shall form part of this Agreement, replacing the former Style Guide.

6. Volume Forecasts

- 6.1 COMPANY will provide a preliminary non-binding forecast of the anticipated number of answers that AMN will be required to provide to AskFrank Users in any given month no later than two months prior to the month in question.
- 6.2 COMPANY will provide a firm and binding forecast of the anticipated number of answers that AMN will be required to provide to AskFrank Users in any given month no later than one month prior to the month in question (a "Final Forecast").
- 6.3 Nothing in this paragraph 6 will affect the payment commitment that COMPANY has made in clause 4 of the Agreement to the Minimum Amount.

7. Ramp Downs

- 7.1 If at any time after the first 12 months following the Effective Date any two consecutive monthly Final Forecasts provided by the COMPANY to AMN are more than twenty-five per cent (25%) below the corresponding Final Forecasts for the corresponding months in the previous calendar year, AMN may require COMPANY to assist in any direct labour costs incurred by AMN or its wholly owned subsidiaries arising directly from such failure to forecast correctly. At AMN's request, COMPANY will pay AMN a fee in respect of each Researcher that is made redundant after AMN (or AMN's wholly owned subsidiary as appropriate) has used its best endeavours to redeploy that Researcher and subject to receiving written

certification by an appropriately qualified officer of AMN of that Researcher's net monthly salary, an amount equivalent to the lesser of the thirty day notice payment which is one (1) month's salary and US\$1,000. The movement of tenured agents transferred from other AMN operations will be agreed upon by the Parties. Payments for separation pay shall likewise be indicated in the invoice mentioned in 4.3 of the Agreement.

8. Service Level Agreement and Service Credits

- 8.1 **Application:** During the Implementation Period AMN will use all reasonable endeavours to meet the Service Levels during said period. After the Implementation Period, for the remainder of the Term and any Renewal Term AMN will deliver the Services in accordance with the service level parameters. Further, the Parties agree that the provisions on Service Level Agreements and Service Credits will be continuously evaluated every ninety (90) days during the term of the Agreement or any renewal thereof and the said provisions may be amended provided that the Parties comply with the procedures set forth in 11.6, 11.10 and 11.11 of the Agreement.

8.2 Service Levels and Service Credits

- (a) **Accuracy:** 98% of all answers provided to AskFrank Users will be in accordance with the Style Guide and the normal question and answer policies of AMN as applied to other third party white label distributors of the Services. Except in the case of an Event of Force Majeure, failure to meet the answer accuracy target above on a monthly basis, will render AMN liable to issue COMPANY a service credit in respect of future payment of Fees (or, where no future payments of Fees are payable, a refund) calculated in accordance with the Table A below:

Table A Percentage of Accurate Answers

Percentage Accuracy	Service Credit (as % of Actual Charges)
98% - 100%	0%
96% - 97.99%	3%
94% - 95.99%	6%
92% - 93.99%	9%
90% - 91.99%	12%
85% - 89.99%	15%
Less than 85%	18%

- (b) **Answer Response Time:** For the first 180 days of the Term AMN shall provide an answer to a question originated by an AskFrank User within 3 minutes and 30 seconds, thereafter AMN shall provide an answer to a question originated by an AskFrank User within 3 minutes. 90% of all Referred Questions will be answered within 5 minutes, 98% within 10 minutes. The relevant time period for measuring timing is the time elapsed between the moment that the AskFrank User originated question is received by AMN on its server(s) to the time the answer leaves the AMN server(s) going to the COMPANY server or to the server of COMPANY's third party aggregator. Except in the case of an Event of Force Majeure, failure to meet either of the Answer response time targets specified above for any given day in a calendar month will render AMN liable to issue COMPANY with a service credit in respect of future payment of Fees (or, where no future payments of Fees are payable, a refund) calculated in accordance with the following tables:

Table B – Number of days where 5 minute SLA is not met

No of Days/month	Service Credit (as % of Actual Charges)
1-3	0%
4-6	3%
7-10	6%
11-15	9%

16-10	12%
21-15	15%
26+	18%

Table C – Number of days where 10 minute SLA is not met

No of Days/month	Service Credit (as % of Actual Charges)
1-6	3%
7-10	6%
11-15	9%
16-20	12%
21-25	15%
26+	18%

(c) **Availability:** AMN shall ensure that the Service and the System are fully functional and available 99.98% of the time calculated on a monthly basis subject to regularly scheduled maintenance down time, provided that all maintenance will be conducted at such times so as to minimise disruption to the Service, avoiding anticipated or known peak traffic times. Except in the case of an Event of Force Majeure, failure to meet the Service Availability requirement specified above during any calendar month will render AMN liable to issue COMPANY with a service credit in respect of future payment of Fees (or, where no future payments of Fees are payable, a refund) calculated in accordance with Table D below.

Table D – Service Availability

Average Service Availability	Service Credit (as % of Actual Charges)
99.99-100%	0%
99-99.98%	2.5%
98-98.99	5%
97-97.99%	7.5%
95-96.99%	10%
90-94.99%	15%
Less than 90%	25%

The Parties agree to comply with the procedures set forth in 11.10 and 11.11 of the Agreement if the Parties cannot agree whether AMN is liable for service credits. If COMPANY becomes entitled to more than three Service Credits in any 12 month period then COMPANY shall be entitled to terminate this Agreement by notice in writing forthwith.

8.3 **System:** AMN is solely responsible for all hardware, software and connectivity upstream of the Gateway (the "System").

8.4 **Volume Cap:** the maximum number of answers that AMN can provide per minute at any time will be determined 30 days after commercial launch by mutual agreement.

9. Canned answers

9.1 Certain questions may be answered by AMN using pre-prepared standard answers ("Canned Answers"). The provision of Canned Answers is still subject to the Answer Response Time Service Level. The provision of

10.

Canned Answers will not be taken into consideration when determining the Accuracy Service Level for any given month

- 9.2 Acceptable categories of question for Canned Answers are as follows and will be included in the Style Guide in a similar format but in keeping with the Style Guide as set out in the following examples:

(a) **Contrary to Q & A Policies**

Includes:

- (i) Inappropriate or dangerous material; or
- (ii) Multiple or research questions,

Answer: Sorry, some queries can't be answered b/c they conflict w/our Question & Answer Policies, which is posted at www.askfrank.com

(b) **Answer Not Found**

Includes where a Researcher has spent time attempting to find an answer but is unable to locate one:

Answer: Sorry, no results were found. Please check your question for accuracy or ask your question differently or w/more info.

(c) **Question Not Discernable/Intelligible**

Answer: Sorry, we couldn't understand your question. Please check it over and re-ask so we can get u an answer!

(d) **Incomplete or Non Specific Questions**

Answer: Sorry, your question is missing some needed info or isn't specific enough. Please re-ask your question w/more details.

10. Reporting

- 10.1 Within 10 days of the end of each calendar month AMN shall provide to COMPANY, at AMN's cost, a written report (the "Monthly Report") detailing information on compliance with the Service Levels and the provision of the Services by AMN.

- 10.2 The Monthly Report will be in an agreed format and will include as a minimum detailed statistics on the following:

- (a) Volume & percentage of accurate answers (as defined above);
- (b) Volume & percentage of timely answers (as defined above by Answer Response Time);
- (c) Average time between question being received and the relevant answer being submitted;
- (d) Volume & percentage of answer time by 10 second blocks (e.g. 1-10 seconds, 11-20 seconds etc);
- (e) Number of questions received for each month (to each Gateway);
- (f) Number of answers provided for each month (to each aggregator destination – there will be two);
- (g) Number of minutes & percentage of month that is downtime/unavailability due to AMN;
- (h) Number of minutes & percentage of month that is downtime/unavailability due to aggregator;
- (i) Number of minutes & percentage of month that is downtime/unavailability due to other source;
- (j) A list of all questions that resulted in a Canned Answer being provided.

- (k) Total number of Researchers employed for COMPANY that month; and
 - (l) The average number of Researchers logged in to the COMPANY interface at any moment in time.
- 10.3 In addition to the Monthly Report, AMN shall provide COMPANY with an online user interface to enable COMPANY to access data concerning the Service (including the data that is included in Monthly reports) at www.askmenow.com
- 11. KPIs**
- 11.1 In the three month period following the Effective Date the COMPANY will work in good faith to introduce a bonus scheme for AMN such that should AMN exceed certain Key Performance Indicators ("KPIs") in its delivery of the Services to COMPANY during the Term then AMN shall be entitled to rewards (to be determined by COMPANY). The precise nature and parameters of the KPIs shall be agreed in good faith between the parties and recorded in writing and appended to this Agreement. .

FINANCIAL CONSULTING AGREEMENT

AGREEMENT made as of this 9th day of January, 2008 by and between AsMcNow, Inc., a Delaware corporation (the "Company"), with an address at 26 Executive Park, Suite 250, Irvine, CA 92614, and Blue Sky Consultants Ltd., a Belize registered corporation holding registered offices at 76 Dean Street, P.O Box 1117, Belize City, Belize (the "Consultant").

WITNESSETH

WHEREAS, the Consultant specializes in providing business and financial advisory services to companies; and

WHEREAS, the Company desires to have Consultant provide such business and financial advisory services to the Company.

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements hereinafter set forth, the parties hereto hereby agree as follows:

1. The Services. The Company hereby retains the Consultant, on a non-exclusive basis to perform consulting services related to corporate finance and other financial services matters, and to use his contacts and experiences in Canada and the United States primarily, and elsewhere worldwide, to locate acquisition candidates and joint venture candidates, and/or arrange for the acquisition of the Company and assist in structuring such transaction(s) in accordance with the Securities and Exchange Commission (the "SEC") and FINRA applicable rules and regulations, and the Consultant hereby accepts such retention. In this regard, subject to the terms set forth below, the Consultant shall furnish to the Company advice and recommendations with respect to such aspects of the business and affairs of the Company as the Company shall, from time to time, reasonably request upon reasonable notice. In addition, the Consultant shall hold itself ready to assist the Company in evaluating and negotiating particular contracts or transactions, if requested to do so by the Company, upon reasonable notice. All of the foregoing services to be provided by the Consultant shall be referred to as the "Services."

2. Compensation.

(a) In full satisfaction for the Services to be rendered hereunder pursuant to Section 1, the Consultant hereby accepts, from the Company, Three Million (3,000,000) shares of restricted Common Stock, \$0.01 par value (the "Shares"). The Shares shall be fully paid and non-assessable and fully vested, subject only to restriction on transferability under the Federal and applicable state securities laws.

(b) The Consultant agrees to the imprinting, so long as is required by this Section 2 of a legend on any of the Shares in the following form:

0301941

JAN-09-2009 15:24

95%

P. 11

THIS SECURITY HAS NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION OR THE SECURITIES COMMISSION OF ANY STATE IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND, ACCORDINGLY, MAY NOT BE OFFERED OR SOLD EXCEPT PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR PURSUANT TO AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS AS EVIDENCED BY A LEGAL OPINION OF COUNSEL TO THE TRANSFEROR TO SUCH EFFECT, THE SUBSTANCE OF WHICH SHALL BE REASONABLY ACCEPTABLE TO THE COMPANY. THIS SECURITY MAY BE PLEDGED IN CONNECTION WITH A BONA FIDE MARGIN ACCOUNT OR OTHER LOAN SECURED BY SUCH SECURITIES.

(c) In addition to the Shares, the Company will reimburse the Consultant for any and all reasonable expenses incurred by the Consultant in the performance of the Services (the "Reimbursements"), and the Consultant shall account for and provide receipts of such expenses to the Company, upon request; provided, however, that any expenses in excess of \$500 shall require the prior written approval of the Company, which will not be unreasonably withheld.

3. Availability. All obligations of the Consultant contained herein shall be subject to the Consultant's reasonable availability for such performance, in view of the nature of the requested service and the amount of notice received, but in no event shall notice greater than three (3) days be deemed insufficient notice. The Consultant shall devote such time and effort to the performance of the Services hereunder as the Consultant shall determine is reasonably necessary for such performance. The Consultant may look to third parties, which Consultant deems reliable and credible, for factual information, investment recommendations, economic advice and/or research, upon which to base its advice to the Company hereunder, as it shall deem appropriate.

4. Information. The Company shall furnish to the Consultant all information relevant to the performance by the Consultant of its obligations under this Agreement, or particular projects as to which the Consultant is acting as advisor, in order to permit the Consultant to know all facts material to the advice to be rendered, and all material or information reasonably requested by the Consultant. In the event that the Company fails or refuses to furnish any such material or information reasonably requested by the Consultant, and thus prevents or impedes the Consultant's performance hereunder, any inability of the Consultant to perform shall not be a breach of its obligations hereunder. All correspondence, books and records, financial statements, legal and other documentation held by the Consultant relating to the Agreement or the subject matter of the Agreement that have been provided by the Company shall, at the Company's written direction, either be returned to the Company or destroyed following the termination of the Agreement.

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5. Additional Services. The Consultant shall, if requested to do so by the Company, upon reasonable notice, undertake evaluations and negotiations outside of the scope of this Agreement (the "Additional Services") upon prior written agreement as to additional compensation to be paid by the Company to the Consultant with respect to such Additional Services. Nothing herein shall require the Company to utilize the Consultant's Additional Services in any particular transaction(s) nor shall it limit the Company's obligations arising under any other agreement or understanding.

6. Non-Exclusivity/Non-Compete. Nothing contained in this Agreement shall limit or restrict the right of the Consultant, to be a partner, director, officer, employee, agent or representative of, or to engage in, any other business, whether of a similar nature or not, nor to limit or restrict the right of the Consultant to render services of any kind to any other corporation, firm, entity, organization, individual or association. Notwithstanding the foregoing, the Consultant or any partner, employee, agent or representative of the Consultant, shall not be precluded from rendering similar services as those provided hereunder to other of Consultant's clients, provided that such provision of similar services does not create a conflict of interest.

7. Regulation M. The Consultant hereby agrees it shall comply with all anti-manipulation rules of the SEC, including Regulation M of the Exchange Act of 1934 (the "Exchange Act"), which generally provides that any person engaged in the distribution of the resale shares may not simultaneously engage in market making activities with respect to the common stock for the applicable restricted period as defined in Regulation M. If a market for the Company's securities develops, these rules may apply to sales of such securities in the marketplace. Consultant, in connection with its performance of the Services hereunder, may limit the timing of purchases and sales of shares of the common stock by the Consultant or any other person. Consultant acknowledges that Regulation M prohibits any person who participates in a distribution of securities from bidding for or purchasing any security which is the subject of the distribution until the entire distribution is complete. It also prohibits purchases to stabilize the price of a security in the distribution.

8. Confidentiality. The Consultant will hold in confidence any confidential information which the Company provides to the Consultant pursuant to this Agreement unless the Company gives the Consultant permission in writing to disclose such confidential information to a specific third party. In addition, all confidential information which the Company provides to the Consultant in connection with the Services shall be considered confidential information for purposes of this Agreement. Both parties shall keep this Agreement and the fact that it was entered into between the Parties confidential during the "quiet period" of any registration of securities by the Company and will not issue press releases or otherwise provide notice of the Agreement without the consent of the other party. Notwithstanding the foregoing, the Consultant shall not be required to maintain confidentiality with respect to information (i) which is or becomes part of the public domain; (ii) of which it has independent knowledge prior to disclosure; (iii) which comes into the possession of the Consultant in the normal and routine course of its own business from and through independent non-confidential sources; or (iv) which is required to be disclosed by the Consultant by governmental requirements. In the event the

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Consultant is requested or required (by oral questions, interrogatories, requests for information or document subpoenas, civil investigative demands, or similar process) to disclose any confidential information supplied to it by the Company, or the existence of other negotiations in the course of its dealings with the Company or its representatives, the Consultant shall, unless prohibited by law, promptly notify the Company of such request(s) so that the Company may seek an appropriate protective order. This Section shall survive the termination of this Agreement.

9. Indemnification. The Company and the Consultant agree to indemnify and hold each other harmless including their respective partners, employees, agents, representatives and controlling persons (and the officers, directors, employees, agents, representatives and controlling persons of each of them) from and against any and all losses, claims, damages, liabilities, costs and expenses (and all actions, suits, proceedings or claims in respect thereof) and any legal or other expenses in giving testimony or furnishing documents in response to a subpoena or otherwise (including, without limitation, reasonable attorneys fees and the cost of investigating, preparing or defending any such action, suit, proceeding or claim, whether or not in connection with any action, suit, proceeding or claim in which either the Company or the Consultant is a party), as and when incurred, directly or indirectly, caused by, relating to, based upon or arising out of their respective obligations under the Agreement. This Section shall survive the termination of this Agreement.

10. Independent Contractor. The Consultant shall furnish the Consulting Services as an independent contractor. The parties intend to have an independent contractor relationship, and do not intend to have a relationship in the nature of an employer-employee, partnership, joint venture or agency. The Company shall not be responsible for withholding any taxes or other similar amounts from the compensation the Consultant receives under Section 2 hereof, and Consultant alone shall remain responsible for the payment of any such amounts. Further, consistent with the foregoing, the parties acknowledge and agree that the Consultant shall have no power or authority to act for, represent or bind the Company in any manner, and that neither the Consultant nor any of its personnel shall be entitled to participate in any of the employee benefit plans adopted or maintained by the Company, including, without limitation, the Company's health benefit plans, life insurance plan and disability plan. The Consultant shall not be responsible for providing the Company with or obtaining or reviewing on the Company's behalf any specialist advice, for the avoidance of doubt including but not limited to legal, accounting, actuarial, environmental or information technology advice, although The Consultant would be happy to discuss with the Company the implications of any such advice the Company receives, within the terms of Section 5 and Section 8.

11. Applicable Laws and Regulations. The Consultant will comply with, and will ensure that the Consultant's directors, partners, employees, agents, subsidiaries and/or affiliates comply with, all applicable laws, rules and regulations in any relevant jurisdiction in relation to the Services to be performed under this Agreement.

12. Waiver. The failure or neglect of the parties hereto to insist, in any one or more instances, upon the strict performance of any of the terms or conditions of this

Agreement, or their waiver of strict performance of any of the terms or conditions of this Agreement, shall not be construed as a waiver or relinquishment in the future of such term or condition, but the same shall continue in full force and effect.

13. Assignability. This Agreement may not be transferred, assigned or delegated by any of the parties hereto without the prior written consent of the other party hereto. This Agreement shall be binding upon the parties hereto, the indemnified parties referred to in Section 7, and their respective heirs, administrators, successors and permitted assigns.

14. Term/Survival. This Agreement is for a term of twelve (12) months. This Agreement may be terminated by either party at any time upon thirty (30) days' prior written notice. Sections 7, 8, and 9 shall survive the expiration or termination of this Agreement under all circumstances.

15. Force Majeure. Neither of the parties shall be liable to the other for any failure to satisfy an obligation under this Agreement due to any cause beyond its reasonable control including, but not limited to, a declared state of emergency, acts of God, war, riot, malicious acts of damage, civil commotion, terrorism, strike, lockout, industrial dispute, power failure or major fire.

16. Notices. Any notices hereunder shall be sent to the Company and to the Consultant at their respective addresses set forth above. Any notice shall be given by registered or certified mail, postage prepaid, and shall be deemed to have been given when deposited in the United States mail. Either party may designate any other address to which notice shall be given, by giving written notice to the other of such change of address in the manner herein provided.

17. Governing Law. This Agreement has been made in the State of California and shall be construed and governed in accordance with the laws thereof without giving effect to principles governing conflicts of law. With respect to the resolution of any claims, disputes or controversies, the parties consent to the exclusive jurisdiction of the federal and state courts of the State of California within Orange County. All actions or proceedings between the parties shall be brought and maintained in one of the courts referred to above. A final judgment in any action or proceeding between the parties shall be conclusive and may be enforced in any court of competent jurisdiction throughout the world.

18. Severability. If one or more of the provisions of this Agreement shall be held invalid, illegal or unenforceable in any respect, such provision, to the extent invalid, illegal or unenforceable, shall be modified to the extent necessary to be legal, valid, and enforceable, and shall not affect any other provision hereof.

19. Headings. The headings in this Agreement are for reference purpose only and shall not in any way affect the meaning or interpretation of this Agreement.

20. Entire Agreement. This Agreement contains the entire agreement between the parties, may not be altered or modified, except in writing and signed by the party to

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be charged thereby, and supersedes any and all previous agreements between the parties relating to the subject matter hereof.

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IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto as of
the date first above written.

ASKMENOW, INC.

By: 

Darryl Cohen, CEO

Blue Sky Consultants Ltd.

By: 

Mark Glusing, President

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WIRELESS CONTENT DISTRIBUTION AGREEMENT

This Agreement is entered into as of the 31st of January, 2008 (the "**Effective Date**")

BETWEEN:

INFOBYPHONE INC, dba ASKMENOW, a Delaware corporation under the laws of the USA, having a place of business at 26 Executive Park, Suite 250, Irvine, Ca 92614,

AND:

BELL MOBILITY INC., a corporation incorporated under the laws of Canada, having a place of business at 5099 Creekbank Road, Mississauga, Ontario, L4W 5N2 ("**Bell Mobility**").

RECITALS:

NOW THEREFORE in consideration of the mutual covenants and obligations contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Bell and Supplier (individually, a "**Party**" and collectively, "**Parties**") agree as follows:

SECTION 1. DEFINITIONS

1.1. Definitions. In this Agreement, the following terms will have the following meanings:

"Affiliate" means, with respect to any entity, any other entity directly or indirectly controlling or controlled by, or under direct or indirect common control with, such entity or one or more of the other Affiliates of that entity (or a combination thereof). For the purposes of this definition, an entity shall control another entity if the first entity: (i) owns, beneficially or of record, more than fifty percent (50%) of the voting securities of the other entity; or (ii) has the ability to elect a majority of the directors of the other entity. For the purposes of this definition, Bell Mobility's Affiliates shall be deemed to include BCE Inc.'s Affiliates;

"Agreement" means this agreement, the Schedules attached hereto any other documents included by reference, as each may be amended from time to time in accordance with the terms of this Agreement;

"Background Intellectual Property" means, with respect to a Party, Intellectual Property in which that Party or any of its Affiliates owns all or part of the Intellectual Property Rights prior to or independently of the Deliverables being developed or provided hereunder;

"Bell Mobility Look and Feel" means the distinctive and particular elements of graphics, design, organization, presentation, layout, user interface, navigation, trade dress and stylistic convention (including the digital implementations thereof) within the Bell Mobility Service and the total appearance and impression substantially formed by the combination, coordination and interaction of these elements;

"Bell Mobility Network" means equipment and infrastructure that facilitates the delivery of wireless voice and data services to End Users, including the Internet protocol backbone infrastructure;

"Bell Mobility Service" means the wireless services delivered over Bell Mobility's wireless telecommunications network to End Users;

"Bell Mobility User Data" shall have the meaning ascribed to that term in Section 7.1;

"Bell Mobility Web/WAP Interfaces" means the user interfaces through which Bell Mobility and/or Supplier will present and distribute the Content to the End Users;

"Business Day" means any day other than a Saturday, Sunday or statutory holiday in the Province of Ontario or the United States of America, as applicable;

"BWA Member" means the present and future members of the Bell Wireless Alliance, currently consisting of Manitoba Telecom Services Inc., Saskatchewan Telecommunications Holding Corporation operating as SaskTel Mobility and Bell Canada;

"BWA Member Service" means the wireless services delivered over a BWA Member's wireless telecommunications network to End Users;

"Commercial Launch Date" means the date upon which the Deliverables are first made generally available to End Users on the Bell Mobility Service;

"Confidential Information" means any information which is confidential in nature or that is treated as being confidential by a Party or by any of its Affiliates and that is furnished by or on behalf of such Party or any of its Affiliates (collectively, the **"Disclosing Party"**) to the other Party or to any of its Affiliates (collectively, the **"Receiving Party"**), whether such information is or has been conveyed verbally or in written or other tangible form, and whether such information is acquired directly or indirectly such as in the course of discussions or other investigations by the Receiving Party, including, but not limited to, trade secrets and technical, financial or business information, data, ideas, concepts or know-how that is considered and treated as being confidential by the Disclosing Party, including in the case of Bell Mobility, for greater certainty and without limiting the generality of the foregoing, information pertaining to the Bell Mobility Network, the Bell Mobility User Data and the End User Data. Confidential Information disclosed in tangible or electronic form may be identified by Disclosing Party as confidential with conspicuous markings, or otherwise identified with a legend as being confidential, but in no event shall the absence of such a mark or legend preclude disclosed information which would be considered confidential by a party exercising reasonable business judgment from being treated as Confidential Information by Receiving Party;

"Content" means, collectively, (i) the WAP Content;

"Deliverables" means, collectively, (i) the Content and any related services as may be mutually agreed to by Bell mobility and the Supplier (from time to time).

"End User" means any end user of the Bell Mobility Service or a BWA Member Service;

"Intellectual Property" means anything that is or may be protected by an Intellectual Property Right such as, but not limited to works (including computer programs), performances, discoveries, inventions, trade-marks (including trade names and service marks), trade secrets, industrial designs, confidential information (including Confidential Information as defined herein), mask work and integrated circuit topographies;

"Intellectual Property Right" means any right that is or may be granted or recognized under any Canadian or foreign legislation regarding patents, copyrights, neighbouring rights, moral rights, trade-marks, trade names, service marks, confidential information (including Confidential Information as defined herein), industrial designs, mask work, integrated circuit topography, privacy, publicity, celebrity and personality rights and any other statutory provision or common or civil law principle regarding intellectual and industrial property, whether registered or unregistered, and including rights in any application for any of the foregoing;

"Interactive Device" means any device listed in Appendix D that enables End Users to access the Bell Mobility Service or the BWA Member Service, as applicable;

"Mark" means trade names, trademarks, service marks, logos, marks or other business identifiers of any entity;

"MIN" means the "mobile identification number" issued by Bell Mobility to an End User in connection with subscription to the Bell Mobility Service;

"Person" means any individual, corporation, partnership, joint venture, association, trust or other entity or group;

"Registration Data" means the MIN and the handset registration data collected by Bell Mobility from End Users when such persons register for the Bell Mobility Service;

"Supplier's Marks" means those of the Supplier's Marks used in conjunction with the Application and set out in Schedule F attached hereto and such other Supplier's Marks used in conjunction with the Content as identified by Supplier from time to time during the Term;

"Territory" means Canada;

"Term" shall have the meaning ascribed to that term in Section 2.1;

"Use" includes any act which, if committed without the proper authorization of the owner of an Intellectual Property Right, would constitute an infringement of such Intellectual Property Right;

"Virtual Private Network" or "VPN" means the private network constructed by Bell Mobility and Supplier for the purposes of transferring the Content as contemplated by this Agreement;

"WAP Content" means the games, portal information and/or other content, accessible by End Users over the wireless application protocol, all as more particularly described in Part 1 of Schedule A attached hereto, including any text, graphics, pictures, sound, video and other data (other than Supplier's Marks) relating to such content and provided by Supplier to Bell Mobility pursuant to this Agreement;

"Web Page" means a single HTML, WML, VXML, HDML, XHTML or similar document, which is all or a portion of a portable or non-portable Web Site;

"Web Site" means, with respect to any Person, all points of presence and/or services maintained by such Person on or electronically connected (both wired and wireless connections) with the Internet (including, without limitation, the World Wide Web) or any successor public data network; and

SECTION 2. TERM AND EXCLUSIVITY

- 2.1. Term/Renewal. This Agreement shall have a term (the "Term") commencing on the 31st day of January, 2008 and ending on January 31st, 2009 (the "Initial Expiry Date"), unless extended or earlier terminated in accordance with the terms of this Agreement. Following the Initial Expiry Date, this Agreement shall remain in effect on a month to month basis until terminated by either party on not less than thirty (30) days notice to the other party.
- 2.2. Non-Exclusive Agreement. Under no circumstances shall this Agreement be construed or interpreted as an exclusive dealing agreement by either Party. Nothing in this Agreement shall be construed as to restrict either Party from entering into any agreement with any other party, even if similar to or competitive with the transactions contemplated hereunder. Without limiting the generality of the foregoing, either Party is free to develop, purchase, use or market products or services similar to or competitive with the Deliverables at any time, and from time to time, during and after the Term.

SECTION 3. GRANT OF RIGHTS

- 3.1. Distribution and Resale of Deliverables. Subject to the terms and conditions of this Agreement, Supplier hereby grants Bell Mobility:
 - 3.1.1. a non-exclusive non-transferable license during the Term to Use, reproduce, distribute and resell the Content solely to End Users in the Territory and permit End Users in the Territory to access and use the Content solely on their Interactive Device(s) via the Bell Mobility Service;
 - 3.1.2. subject to Section 3.3 below, a non-exclusive non-transferable license during the Term to sublicense each BWA Member to Use, reproduce, distribute and resell the Content solely to End Users in the Territory and permit End Users in the Territory to access and use the Application on their Interactive Device(s) via the BWA Member Service;
 - 3.1.3. subject to Supplier's prior review and written approval in each instance, a non-exclusive non-transferable license in the Territory during the Term to Use, reproduce, publish, perform and display:
 - 3.1.3.1. the Supplier's Marks on the Bell Mobility Web/WAP Interfaces solely in connection with posting, maintaining and delivering the Content thereon; and
 - 3.1.3.2. the Supplier's Marks solely to advertise and promote the Content on the Bell Mobility

Service in promotional and marketing materials, content directories and indexes, and electronic and printed advertising, publicity, press releases, newsletters and other communications about Supplier, the Content;

3.1.4 subject to Section 3.3 below, a non-exclusive non-transferable license in the Territory during the Term to sublicense each BWA Member to Use, reproduce, publish, perform and display:

3.1.4.1 the Supplier's Marks solely on the user interfaces over which the Content are presented and delivered via the BWA Member Service in connection with posting, maintaining and delivering the Content thereon; and

3.1.4.2 the Supplier's Marks solely to advertise and promote the availability of the Content on the applicable BWA Member Service in promotional and marketing materials, content directories and indexes, and electronic and printed advertising, newsletters and other communications about Supplier, the Content; provided, however, all such uses of Supplier's Marks shall be subject to Supplier's prior review and written approval in each instance.

3.2. Restrictions on Use of Application and Supplier's Marks. Bell Mobility shall not copy, decompile or reverse compile, reverse engineer or reverse assemble the Content without the express prior written consent of the Supplier. Any permitted Use by Bell Mobility of Supplier's Marks shall be in strict compliance with each of the following terms and conditions: (a) Bell Mobility shall strictly comply with all standards with respect to the Use of Supplier's Marks which may be furnished by Supplier to Bell Mobility from time to time and all Uses of Supplier's Marks in proximity to the trade name, trademark, service name or service mark of any other Person shall be consistent with the standards furnished by Supplier from time to time; (b) Bell Mobility shall not create a combination mark consisting of one or more Marks of each Party, (c) all Uses of Supplier's Marks shall ensure to the benefit of Supplier and Bell Mobility acknowledges and agrees that Supplier is the owner of Supplier's Marks, (d) Bell Mobility shall not use, register, or attempt to register, in any country, any name or trademark identical or confusingly similar to Supplier's Marks, and (e) any materials, activities, products or services distributed or marketed by Bell Mobility in conjunction with Supplier's Marks shall (i) meet all of the standards of this Agreement, (ii) meet or exceed standards of quality and performance generally accepted in the industry, and (iii) comply with all applicable laws, rules and regulations.

3.3. Bell Mobility Obligations with Respect to BWA Members. In the event Bell Mobility sublicenses to any BWA Members rights with respect to the Content and the Supplier's Marks pursuant to Section 3.1, such BWA Member shall be obligated to fully comply with all of its obligations hereunder and all applicable obligations of Bell Mobility hereunder, other than those obligations set forth in Section 5, for which Bell Mobility will be solely responsible.

SECTION 4. CONTENT, LBS SERVICES AND PRESENTATION

4.1. Acquisition of Content. Subject to the terms and conditions of this Agreement, Supplier agrees to provide to Bell Mobility, and Bell Mobility agrees to acquire the Content. Supplier shall manage, renew, create, delete, edit and otherwise control the Content. Supplier shall ensure that all Content is formatted to support all Interactive Devices. Bell Mobility has implemented a personal profiling option on the Bell Mobility Web/WAP Interfaces menu that enables End Users to decide the order of the Mobile Browser menu of the sites/applications displayed on their personal phone. Bell Mobility can make no guarantees to the positioning of the Content on such menu as the End User will have control of their own menu.

4.2. Supplier Responsibility – WAP Content. Supplier is solely responsible for creating, developing, licensing, hosting, supporting and maintaining the WAP Content. Supplier shall ensure at all times that the WAP Content and the manner in which it is delivered is consistent with Bell Mobility's then-current content policies, as soon as reasonably possible but in any event within 30 days of being provided such policy in writing.

4.3. Supplier Responsibility – Downloadable Content. Not applicable.

4.4. Supplier Responsibility – Java Content. Not applicable.

- 4.5. Supplier Responsibility – SMS Content. Not applicable.
- 4.6. Bell Mobility Responsibilities. Bell Mobility shall:
- 4.6.1 create, design, edit, manage, host and control the presentation of the Bell Mobility Web/WAP Interfaces. Supplier will provide and deliver the Content to Bell Mobility's proxy server via a VPN. The VPN will use the standard Internet as the transport mechanism and the underlying transport protocol will be TCP/IP;
 - 4.6.2 except as otherwise provided in this Article 4, have sole responsibility to deliver the WAP Content to the End User's Interactive Device and shall have sole responsibility for first tier customer support of End Users acquiring WAP Content;
 - 4.6.3 where agreed upon in writing with Supplier, be responsible for the billing of End Users in connection with End Users' purchase of Content.
- 4.7. Responsibility for Costs. Except as otherwise expressly provided hereunder, each Party shall be responsible for all costs and expenses incurred by it in connection with its performance of its obligations under this Agreement.
- 4.8. Affiliates and BWA Members. Supplier agrees that Bell Mobility may, in accordance with Section 2, provide the Content to its End Users, as well as to its Affiliates and BWA Members, who may in turn provide the Content to their respective End Users. Bell Mobility shall be responsible for entering with its Affiliates and BWA Members into appropriate arrangements reflecting the relevant terms and conditions of this Agreement to the extent that they relate to the provision of the Content to End Users of its Affiliates and BWA Members.
- 4.9. Other Supplier Obligations. In carrying out mobile data services, or any other services using the Bell Mobility Service or any BWA Member Service, Supplier shall comply in all material respects with (i) all applicable laws and regulations, including, without limitation those relating to consumer data privacy, and "opt-in" and "opt-out" ability, and (ii) the then-current content policies of Bell Mobility, its Affiliates and BWA Members, if any, and as suppliers to Supplier, provided that such compliance does not materially alter Supplier's obligations hereunder. In addition, the Supplier shall not (i) send to End Users or knowingly allow any third parties to send to End Users any unsolicited text messages, or (ii) engage in the practice commonly known as "spamming" as it relates to End Users.
- 4.10. Designated Managers. Each Party shall designate managers (the "Designated Manager") who shall coordinate the Parties' respective obligations under this Agreement. The Designated Managers shall be employees of Bell Mobility and Supplier tasked to oversee the performance of the relationship. Each Party may change its Designated Manager(s) from time to time, but shall inform the other Party of such a change. The Designated Managers shall meet periodically either in person or telephonically to discuss plans and issues as necessary. The initial Designated Managers shall be as follows:
- (a) Bell Mobility:
Jennifer Chan, Bell Mobility, jennifer.chan@bell.ca, 905-282-3668
 - (b) Supplier:
Grant Cohen, AskMeNow, gcohen@askmenow.com, 949-861-2590 x203

SECTION 5. COMPENSATION AND

- 5.1. Mutual Benefit. Currently neither party pays compensation to the other party. If the parties agree in the future that compensation must be paid by either party, Bell Mobility and Supplier agree to amend this Agreement and expressly include any amounts payable in connection with this Agreement (if any) in Schedule B attached hereto. At such time, payment terms shall also be included in Schedule B as applicable.

SECTION 6. ADVERTISING AND MARKETING

- 6.1. Bell Mobility Marketing Campaigns. During the Term, Bell Mobility shall use its commercially reasonable efforts to create, implement and administer direct marketing and promotional campaigns designed to promote the availability of the Content on the Bell Mobility Service both to existing and potential End Users.

SECTION 7. END USER DATA AND REPORTS

- 7.1. Bell Mobility User Data. Bell Mobility shall own and retain all right, title and interest in and to all customer information collected by Bell Mobility as part of or necessary for the operation of the Bell Mobility Service including, without limitation (a) information provided directly to Bell Mobility by End Users including, without limitation, names, addresses, survey and promotion responses, purchase information and other demographic information, and (b) information relating to network traffic on the Bell Mobility Service, including, without limitation, the Registration Data and the applicable MIN, all of which such information shall be referred to herein as the "Bell Mobility User Data". End User Data collected by Supplier from End Users and Bell Mobility or any of its Affiliates or BWA Members during the course of this Agreement will be the property of Bell Mobility and will be collected by Supplier on behalf of Bell Mobility. Supplier will treat such End User Data as Confidential Information of Bell Mobility under this Agreement. In no event will Supplier: (i) disclose any of the End User Data to any third party, unless compelled by law, or unless such disclosure is to a third party that is providing services to Supplier in connection with Supplier's performance of this Agreement (e.g., ad-serving platform or web analytics/metrics service) for advertising purposes only; (ii) send unsolicited e-mail or newsletters to, or otherwise directly or indirectly solicit, any users whose information was collected pursuant to this Agreement; or (iii) commercially exploit the End User Data for the benefit of or in connection with the name, goods, or services of a competitor of Bell Mobility. Bell Mobility acknowledges that in connection with providing its services hereunder, Supplier may place "cookies" on the web browsers of End Users. Supplier may use and disclose non-personally identifying information about End Users in aggregate form.
- 7.2. Privacy and Compliance With Laws. Each of Bell Mobility and Supplier shall ensure that the collection and use by Bell Mobility and Supplier of any End User information or data in connection with the purchase, use or operation of the Content complies in all respects with all applicable privacy laws, regulations and policies as well as the privacy policies of each of Bell Canada, Bell Mobility and Supplier. Without limiting the generality of the foregoing, Supplier shall not collect or track any End User information other than as necessary or incidental to Supplier's performance of this Agreement, without the prior written consent of Bell Mobility. In addition, Supplier agrees to perform any and all acts, including without limitation the provision of adequate security measures, necessary to ensure that the collection, use, or disclosure of End User Data is in full compliance with all applicable laws relating to the collection of such information, including without limitation all applicable privacy legislation. Except as set forth above in Section 7.1, Supplier may not disclose, sell or otherwise transfer the End User Data to any third party at any time without Bell Mobility's prior written consent, and subject to all applicable privacy laws and legislation.
- 7.3. Reports. Supplier will issue a monthly report to Bell Mobility for services related to the delivery of Content, including, without limitation, the number of hits per WAP Content, per month. Supplier will share all applicable information including information relating to future opportunities (subject in each case to confidentiality considerations) and participate in an extensive debriefing session, in respect of the Content.

SECTION 8. WARRANTY

- 8.1. Mutual Representations. Each Party represents to the other Party and acknowledges the other Party's reliance upon such representations, that this Agreement has been duly authorised, executed and delivered by its representative and that it has the power and authority to enter into and perform its obligations under this Agreement.
- 8.2. Warranties by Supplier. Supplier warrants to Bell Mobility that: (a) it has all necessary rights in and to the Content and the Supplier's Marks for Use in accordance with the terms of this Agreement, and has the power and authority to authorize the Use of any and all Intellectual Property Rights which it purports to authorize hereunder, free and clear of any and all security interests, liens, claims, charges or encumbrances; (b) the Deliverables and the Supplier's Marks will not infringe upon or violate any applicable laws or regulations or any rights of third parties, including, but not limited to, infringement or misappropriation of

Intellectual Property Rights, or to defamation or contain any libelous, obscene or unlawful material; and (c) the Hosting Services shall be performed in a diligent, professional, and workmanlike manner in accordance with the terms and conditions of this Agreement including without limitation the Service Level Standards set forth in Schedule C attached hereto, and good industry standards and practices for similar services.

- 8.3. No Other Warranties. THE ABOVE WARRANTIES (AND ANY OTHER WARRANTIES IN THE AGREEMENT) STATE THE SOLE WARRANTIES PROVIDED HEREUNDER AND NO OTHER WARRANTIES, WHETHER EXPRESS OR IMPLIED, SHALL APPLY TO THE DELIVERABLES, THE SUPPLIER'S MARKS, THE BELL MOBILITY SERVICE, BELL MOBILITY'S MARKS OR ANY OTHER MATERIALS OR SERVICES DELIVERED HEREUNDER. IN PARTICULAR, EACH PARTY MAKES NO OTHER WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OTHER THAN THE ONES SPECIFICALLY STATED HEREIN.

SECTION 9. CONFIDENTIALITY AND PUBLICITY

- 9.1. Use/Safeguarding Confidential Information. Receiving Party shall not use Disclosing Party's Confidential Information for any purpose other than to exercise or perform its rights or obligations under this Agreement. Receiving Party shall not, without the prior written consent of Disclosing Party, copy or otherwise reproduce Disclosing Party's Confidential Information, or disclose, disseminate or otherwise communicate, in whole or in part, Disclosing Party's Confidential Information to any third party except to officers, directors and employees of Receiving Party (and, in the case of Bell Mobility and Supplier, to any Licensee and their subcontractors and agents provided that such parties have agreed in writing to comply with the confidentiality obligations herein) who need to know the Confidential Information and who will have undertaken to treat the Confidential Information in accordance with the provisions of this Section. Receiving Party further agrees that it shall safeguard Disclosing Party's Confidential Information from disclosure and, at a minimum, use efforts commensurate with those Receiving Party employs for protecting the confidentiality of its own Confidential Information which it does not desire to disclose or disseminate, but in no event less than reasonable care. In the event that Receiving party becomes compelled by law or order of court or administrative body to disclose any Disclosing Party's Confidential Information, Receiving Party shall be entitled to disclose such Confidential Information *provided* that: (i) Receiving Party provides Disclosing Party with prompt prior written notice of such requirements to allow Disclosing Party to take any necessary action to safeguard the Confidential Information; and (ii) if required to do so, Receiving Party shall furnish only that portion of Disclosing Party's Confidential Information which is legally required to be disclosed and shall exercise its best efforts to obtain assurances that Confidential Information will be treated in confidence.
- 9.2. Exceptions. Notwithstanding anything to the contrary herein, the following will not constitute "Confidential Information" for the purposes of this Agreement: (i) information that Receiving Party can show, by documented and competent evidence, was known by it prior to the disclosure thereof to it, or independently developed by it, in both cases, without using the Confidential Information; (ii) information that is or becomes generally available to the public other than as a result of a disclosure directly or indirectly by Receiving Party in breach of this Agreement; (iii) information that is or becomes available to Receiving Party on a non-confidential basis from a source other than Disclosing Party, provided that such source is not known by Receiving Party to be subject to any prohibition against transmitting the information to Receiving Party; or (iv) information for which Disclosing Party has authorised the relevant disclosure or other use.
- 9.3. Restrictions on Use of Name. Supplier may not use in its publicity or marketing communications of any type whatsoever either Bell Mobility's name or Marks or the names or Marks of its Affiliates or the BWA Members, the fact that it has signed this Agreement with Bell Mobility, or any information which may reasonably be seen to imply that Supplier has entered into an agreement with or has a relationship with Bell Mobility, its Affiliates or the BWA Members without first obtaining Bell Mobility's prior written approval.
- 9.4. Remedies. Receiving Party agrees that Disclosing Party may be irreparably injured by a breach of this Agreement and that Disclosing Party may be entitled to seek equitable relief, including a restraining order, injunctive relief, specific performance and any other relief that may be available from any court to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof in any action instituted in any court having subject matter jurisdiction, in addition to any other remedy to which Disclosing Party may be entitled at law or in equity in the event of any breach of the provisions hereof. Such remedies shall not be deemed to be the exclusive remedies for a breach of this Agreement but shall be in addition to all other remedies available at law or in equity.

- 9.5. Return of Confidential Information. Upon the Disclosing Party's request and, in any event, when this Agreement has expired or terminated, the Receiving Party will promptly return to the Disclosing Party or destroy, except for one copy of Disclosing Party's Confidential Information, which may be retained for evidence purposes only:
- 9.5.1. all Confidential Information that has been supplied by the Disclosing Party and is in the Receiving Party's possession or control, except for any Supplier's Confidential Information that is part of the Deliverables; and
 - 9.5.2. all analyses, studies, or other materials, or part thereof, that were created by the Receiving Party and that are based on or contain Confidential Information of the Disclosing Party.
- 9.6. Certification. Upon the Disclosing Party's request, a senior officer of the Receiving Party shall certify in writing on behalf of the Receiving Party, that all Confidential Information required to be returned or destroyed pursuant to this Agreement has been returned or destroyed, as applicable.
- 9.7. Ownership. Nothing in this Article 9 is to be construed as granting Receiving Party any title, ownership, license or other right or interest in any of Disclosing Party's Confidential Information, or to any Intellectual Property Right of Disclosing Party therein.

SECTION 10. PROPERTY RIGHTS

- 10.1. Background Intellectual Property. For greater certainty, unless otherwise expressly provided hereunder, each Party shall retain all Intellectual Property Rights in any Background Intellectual Property which it contributes to the Bell Mobility Service or the Deliverables and shall not be deemed to have assigned all or part of the Background Intellectual Property to the other Party.
- 10.2. Supplier. Bell Mobility acknowledges and agrees that all licenses, rights, title and interests not specifically granted in and to the Deliverables and the Supplier's Marks including without limitation, all Intellectual Property Rights therein, not specifically granted to Bell Mobility hereunder shall remain vested in Supplier.
- 10.3. Bell Mobility. Supplier acknowledges and agrees that each of the following (and all Intellectual Property Rights therein) shall remain the sole property of Bell Mobility:
- 10.3.1 the Bell Mobility Web/WAP Interfaces;
 - 10.3.2 the Bell Mobility Look and Feel;
 - 10.3.3 the Bell Mobility Network;
 - 10.3.4 the Bell Mobility Service;
 - 10.3.5 any Bell Mobility Marks;
 - 10.3.6 the Bell Mobility Short Code numbers or Range of Short Code numbers;
 - 10.3.7 the Bell Mobility User Data;
 - 10.3.8 the End User Data; and
 - 10.3.9 the Registration Data.

SECTION 11. INDEMNITY

- 11.1. Supplier Indemnity. Supplier agrees to defend, fully indemnify and hold harmless Bell Mobility, its Affiliates, the BWA Members and their respective directors, officers, employees, licensees and End Users (, from and against any and all third-party claims, demands, suits, actions, causes of action and/or liability, of any kind whatsoever (each "Claim"), for damages, losses, costs and/or expenses (including legal fees

and disbursements) resulting from: (i) any and all breaches by Supplier of any representations, warranties, covenants, terms or conditions of this Agreement, (ii) any claim that any Content or the Supplier's Marks constitutes an infringement, violation or misappropriation of such third party's right, including, without limitation, any Intellectual Property Right or contains any defamatory, obscene, libelous or unlawful material. The foregoing indemnity is contingent on Bell Mobility (i) promptly notifying Supplier of any Claim, (ii) permitting Supplier to control and manage the defense of any Claim (and any settlement), and (iii) reasonably cooperating with Supplier in the defense of any Claim (and any settlement).

- 11.2. **Bell Mobility Indemnity.** Bell Mobility agrees to defend, fully indemnify and hold harmless Supplier, its Affiliates, and their respective directors, officers, employees, and licensees, from and against any and all claims, demands, suits, actions, causes of action and/or liability, of any kind whatsoever (a "Supplier Claim") for damages, losses, costs and/or expenses (including legal fees and disbursements) resulting from the fact that Bell Mobility Web/WAP Interfaces, Bell Mobility Look and Feel, Bell Mobility Network, Bell Mobility Service, or the Bell Mobility Marks constitutes an infringement, violation or misappropriation of such third party's right, including, without limitation, any Intellectual Property Right or contains any defamatory, obscene, libelous or unlawful material. The foregoing indemnity is contingent on Supplier (i) promptly notifying Bell Mobility of any Supplier Claim, (ii) permitting Bell Mobility to control and manage the defense of any Supplier Claim (and any settlement), and (iii) reasonably cooperating with Bell Mobility in the defense of any Supplier Claim (and any settlement).
- 11.3. **LIMITATION OF LIABILITY.** IN NO EVENT SHALL EITHER SUPPLIER OR BELL MOBILITY BE LIABLE FOR ANY INDIRECT, SPECIAL, INCIDENTAL, CONSEQUENTIAL, PUNITIVE OR EXEMPLARY DAMAGES, INCLUDING, WITHOUT LIMITATION, LOSS OF REVENUE OR LOSS OF PROFITS, REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT OR IN TORT INCLUDING NEGLIGENCE, EVEN IF SUPPLIER OR BELL MOBILITY HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. THE FOREGOING LIMITATIONS OF LIABILITY SHALL NOT APPLY TO: (A) SUPPLIER'S OR BELL MOBILITY'S BREACH OF SECTION 9, (B) EITHER PARTY'S INDEMNITY IN SECTION 11 RELATING TO THIRD PARTY CLAIMS FOR INFRINGEMENT OF SUCH THIRD PARTY'S INTELLECTUAL PROPERTY RIGHTS.

SECTION 12. TERMINATION

- 12.1. **Insolvency.** Either Party may immediately terminate this Agreement, upon written notice to the other Party, if such other Party is subject to proceedings in bankruptcy or insolvency, voluntarily or involuntarily, if a receiver is appointed with or without the other Party's consent, if the other Party assigns its property to its creditors or performs any other act of bankruptcy or if the other Party becomes insolvent and cannot pay its debts when they are due.
- 12.2. **Material Breach.** Either Party (the "Terminating Party") may terminate this Agreement in the event of material breach by the other Party (the "Defaulting Party") of its obligations hereunder, provided that such breach in the Terminating Party's reasonable opinion is not cured within twenty (20) Business Days of notification by the Terminating Party of such breach.
- 12.3. **Termination for Convenience.** Bell Mobility may, at any time during the Term and without cause, terminate this Agreement for convenience without penalty, charge or liability of any kind upon giving the other party at least thirty (30) days' prior written notice.
- 12.4. **No Prejudice.** Save as otherwise provided above, the Parties' right to terminate this Agreement is without prejudice to, and shall not affect any other remedies available to Parties.
- 12.5. **Return of Information.** Upon expiry or other termination of this Agreement, Supplier shall immediately remit to Bell Mobility all End User Data, in a mutually agreed upon electronic format. Supplier shall subsequently destroy all other materials or information provided by Bell Mobility to Supplier hereunder and all copies thereof in its possession other than what may be required to be retained by law. Each Party shall immediately return or destroy, at the election of the Disclosing Party, the Confidential Information of the Disclosing Party.

- 12.6. **Rights Continue.** Notwithstanding any of the above, upon termination or expiry of this Agreement, End Users may continue to use the Deliverables for a period of up to thirty (30) days, and Supplier shall perform all of its obligations hereunder to continue to provide the Deliverables to such End Users, provided that all related fees are paid to Supplier.
- 12.7. **Transition Assistance Services.** Upon the termination or expiration of this Agreement for any reason, Supplier shall use commercially reasonable efforts to provide, at Bell Mobility's request and expense, all necessary assistance and information to Bell Mobility and any third parties authorized by Bell Mobility to transfer all End User Data and Bell Mobility Datasets within one hundred and eighty (180) days to an alternative service provider identified by Bell Mobility, and shall return all End User Data and Bell Mobility Datasets to Bell Mobility in an industry standard database or text-based format to be mutually agreed upon by Supplier and Bell Mobility at the time of the transition (the "**Transition**"). Supplier shall provide Bell Mobility and any third party designated by it with adequate access to data, data structures, programs and information required that is not proprietary to Supplier to allow Bell Mobility or a third party to download and transfer all End User Data and Bell Mobility Datasets to the alternative service provider. Following transition and upon instruction by Bell Mobility, Supplier shall delete all End User Data and Bell Mobility Datasets on Supplier's active and back-up servers, if any.
- 12.8. **Spam.** If Bell Mobility reasonably believes that Content being delivered over the Bell Mobility Service is in violation of applicable laws and regulations or policies or involves "spam", then Bell Mobility shall promptly notify the Supplier and such event shall be deemed to be "Critical" under the Service Level Agreement attached hereto as Schedule C and shall be handled accordingly. If Supplier does not either terminate such services or otherwise cause such services to be modified to address Bell Mobility's concern, then Bell Mobility has the right to either terminate such service(s) or, if terminating such service(s) is not commercially feasible, may temporarily terminate the connection until such issues are resolved.

SECTION 13. GENERAL PROVISIONS

- 13.1. **Assignment.** This Agreement may not be assigned by either Party in whole or in part, without the other Party's prior written consent. Assignment shall not relieve Supplier of its obligations hereunder. Notwithstanding the foregoing, each party may, without prior notice, assign this Agreement or any of its rights or obligations hereunder to any of its Affiliates. In the event that any division, business unit, Affiliate of Bell Mobility or of BCE Inc. is sold, re-organised or otherwise disposed of, in whole or in part in such a way that it does not meet the definition of Affiliate, the business shall be entitled to all benefits of this Agreement to the extent previously entitled provided that entity assumes all of Bell Mobility's obligations under this Agreement. Each party shall have the right to terminate this Agreement if the other party assigns this Agreement in a manner not expressly permitted in this Section 13.1.
- 13.2. **Relationship of Parties.** Supplier is an independent contractor of Bell Mobility. This Agreement shall not be construed to and does not create a relationship of agency, partnership, employment or joint venture. Neither party shall have the authority to bind the other party without the prior written consent of such other party. The inclusion of portions of this Agreement in Supplier's arrangements with its suppliers or subcontractors, shall not create a contractual relationship between a supplier or subcontractor of Supplier and Bell Mobility.
- 13.3. **Force Majeure.** No Party to this Agreement shall be liable to the other Party for any failure or delay in fulfilling an obligation hereunder, if said failure or delay is attributable to circumstances beyond its control, including, but not limited to, any fire, power failure, labour dispute or government measure ("**Force Majeure**"). The Parties agree that the deadline for fulfilling the obligation in question shall be extended for a period of time equal to that of the continuance of the Force Majeure. Each party shall use all commercially reasonable efforts to minimize the effect of the Force Majeure on its performance under this Agreement. Notwithstanding the continuance of an event of Force Majeure, neither party may delay performance of its obligations under any circumstances by more than thirty (30) Business Days, otherwise the other party may terminate this Agreement.
- 13.4. **Survival.** The following sections and Schedule shall survive the expiration or termination of this Agreement, regardless of the reasons for its expiration or termination, in addition to any other provision which by law or by its nature should survive: Sections 5, 7, 9, 10, 11 and 13.

13.5. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein, the Parties hereby excluding the application of the United Nations Convention on Contracts for the International Sale of Goods. The Parties hereby irrevocably attorn to the exclusive jurisdiction of the courts of the Province of Ontario for any legal proceedings arising out of this Agreement or the performance of the obligations hereunder.

13.6. Notices. All notices under the terms of this Agreement shall be given in writing and sent by registered mail or facsimile transmission or shall be delivered by hand to the following addresses:

BELL MOBILITY INC.

ASKMENOW

Address: 5099 Creekbank Road
Mississauga, Ontario
L4W 5N2

Address: 26 Executive Park, Ste 250
Irvine Ca, 92614

Attention:

All notices shall be presumed to have been received when they are hand delivered, or five (5) Business Days of their mailing, or on the Business Day following the day of facsimile transmission.

13.7. Severability. If any provision, or portion thereof, of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable, such determination shall not impair or affect the validity, legality or enforceability of the remaining provisions of this Agreement, and each provision, or portion thereof, is hereby declared to be separate, severable and distinct.

13.8. Waiver. A waiver of any provision of this Agreement shall only be valid if provided in writing and shall only be applicable to the specific incident and occurrence so waived. The failure by either Party to insist upon the strict performance of this Agreement, or to exercise any term hereof, shall not act as a waiver of any right, promise or term, which shall continue in full force and effect.

13.9. Remedies Cumulative. No single or partial exercise of any right or remedy under this Agreement shall preclude any other or further exercise of any other right or remedy in this Agreement or as provided at law or in equity. Rights and remedies provided in this Agreement are cumulative and not exclusive of any right or remedy provided at law or in equity.

13.10. Number and Gender. Unless the context requires otherwise, words importing the singular include the plural and vice versa and words importing gender include all genders.

13.11. Business Days. Any payment or notice that is required to be made or given pursuant to this Agreement on a day that is not a Business Day shall be made or given on the next Business Day.

13.12. Conflicts. In the event of any conflict or inconsistency between the terms of the main body of this Agreement and any Schedule, the terms of the main body of this Agreement shall prevail, unless otherwise expressly indicated and subject to any applicable provisions or laws in respect of tariffs or other regulatory matters.

13.13. Amendment. This Agreement may only be amended by written agreement duly executed by authorized representatives of the Parties.

13.14. Language. This Agreement has been drawn up in English at the express wish of the Parties. Le présent contrat a été rédigé en anglais à la demande expresse des Parties.

13.15. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be an original instrument, but all of which shall constitute one and the same agreement.

13.16. Currency. All dollar amounts referred to herein are expressed in Canadian funds.

13.17. Headings and Wording. Section or paragraph headings used in this Agreement are for reference purposes only, and shall not be used in the interpretation hereof. Words in the singular include the plural and vice-

versa and words in one gender include all genders. The terms "including" and "includes" shall be deemed to be followed by the statement "without limitation" and neither of these terms shall be construed to limit any word or statement it follows to the specific or similar terms or matters immediately following it. No provision of this Agreement shall be construed against either Party as the drafter thereof.

- 13.18. English Language. The Parties have requested that this Agreement and all communications and documents relating hereto be expressed in the English language. Les Parties ont exigé que ce contrat ainsi que tous documents s'y rattachant soient rédigés en anglais.
- 13.19. Further Assurances. Each of the Parties hereto shall promptly do, make, execute or deliver, or cause to be done, made, executed or delivered, all such further acts, documents and things as the other Party hereto may reasonably require from time to time for the purpose of giving effect to this Agreement, and shall use reasonable efforts and take all such steps as may be reasonably within its power to implement to their full extent, the provisions of this Agreement.
- 13.20. Bell Mobility Property and Conduct of Personnel. Supplier shall take care of all property (including real and personal property, whether tangible or intangible) belonging to Bell Mobility which may from time to time be in its care, under its control or otherwise used by it and shall be responsible for any loss or damage resulting from its negligence or willful misconduct or that of its employees, agents or subcontractors, and shall use such property solely for the purposes of fulfilling its obligations hereunder in accordance with Bell Mobility's instructions. All rules and regulations applicable to employees of Bell Mobility in relation to behaviour, conduct of Bell Mobility business and security and notified to Supplier by Bell Mobility in due time shall be applicable to Supplier's employees and agents when at the premises of Bell Mobility and Bell Mobility reserves the right to disallow any person(s) admittance to its premises. Unless otherwise agreed by Bell Mobility in writing, failure of any person to adhere to such rules or regulations shall result in the immediate termination by Supplier of the person's performance of work or services under this Agreement.
- 13.21. Entire Agreement. This Agreement shall constitute the entire agreement between the Parties with respect to the subject matter hereof and shall replace all prior promises or understandings, oral or written with respect to the subject matter hereof.

AGREED TO AND SIGNED in duplicate by the duly authorized representatives of the Parties.

BELL MOBILITY INC.

ASKMENOW

Name: Andrew Wright

Name: Darryl Cohen

Per: _____

Per: _____

Title: Director, Business Development

Title: CEO

Date: _____

Date: _____

SCHEDULE A

Description of Content

Part 1 – WAP Content

Supplier will deliver and support the following WAP Content:

The mobile search and content delivery site accessible at <http://bell.askmenow.com>. The site allows end users to access a wide array of basic information including, but not limited to, sports scores, stock quotes, directory assistance, news, weather, daily features, entertainment and travel information.

Supplier will adhere to Bell Mobility form factor, usability requirements (layouts, handsets, etc), and service level standards defined in Schedule C. Bell Mobility is currently evolving their WAP portal look and feel and subsequently may require Supplier to conform to new standards. Bell Mobility and Supplier may work together to evolve WAP Content to include advertisement and shall be mutually agreed to in writing between the parties. Bell Mobility will evaluate at its sole discretion new Content offerings

SCHEDULE B

Compensation

Part 1 – WAP Content

Both parties agree to waive any fees during the Initial Term, both parties recognizes that there is value to be exchanged in the provision and participation of this agreement. Both companies will consider additional revenue streams, such as Supplier fees for advertisement services, as well as other potential fees associated as these opportunities arise.

SCHEDULE C

Service Level Standards

I. Incident Notification.

- 1.1. In the event that Bell Mobility identifies an incident that may impact Bell Mobility services, Bell Mobility shall provide Supplier with all available information in order to expedite the resolution of the incident. Supplier shall provide Bell Mobility with contact information through which Bell Mobility may notify Supplier of any incidents 24 hours a day, seven days a week, and 365 days a year.
- 1.2. In the event that Supplier identifies an incident that may impact Supplier services, Supplier shall provide Bell Mobility with all available information in order to expedite the resolution of the incident. Bell Mobility shall provide Supplier with contact information through which Supplier may notify Bell Mobility of any incidents 24 hours a day, seven days a week, and 365 days a year.
- 1.3. Supplier will proactively inform Bell Mobility when an issue or condition arises that may cause potential system anomalies or Service Unavailability to Bell Mobility services. Bell Mobility will proactively inform Supplier when an issue or condition arises that may cause potential system anomalies to Supplier services.

(a) Bell Mobility Business Contact Information:

Hours of Operation: 9:00 a.m. – 5:00 p.m.
Telephone: 905-282-3787
Email: viria.pich@bell.ca
In the event of escalated incidents, contact:
Andrew Wright
905-282-2166
wright.andrew@bell.ca

(b) Bell Mobility Technical Contact Information:

Hours of Operation: 24x7x365.
Wireless National NOCC
1.866.299.6006
Wireless_National_NOCC@bell.ca
In the event of escalated incidents, contact:
Daniel Robillard
(514) 858-2729
Daniel.Robillard@bell.ca

(c) Supplier Business Contact Information:

Hours of Operation: 9:00 a.m. – 5:00 pm PST
Telephone: 949 861 2590
Email: gcohen@askmenow.com
In the event of escalated incidents, contact:

(d) Supplier Technical Contact Information:

Hours of Operation: 9:00 am – 5:00 pm PST
Telephone: 949 861 2590
Email: mlulic@askmenow.com
In the event of escalated incidents, contact: Grant Cohen

1.4. Contact Persons. Both Parties shall by written notice keep each other informed of the responsible persons to contact regarding operational and contractual questions and notices. A first list of Supplier contact persons is provided in section 1.3, which shall be kept up to date and any changes shall be reported in writing to the other Party.

1.5. Supplier maintains a Technical Support Group that is available 24x7x365. All Service Level issues must be raised to this group. Primary contact information and escalation procedures are as follows:-

Priority	Definition	Support Availability	Response time
P1	The Supplier Service is inaccessible by all End Users.	24 x 7 x 52	60 minutes
P2	Supplier Service is not down for all End Users, but is down for one or more of the subsystems or subset of the End Users.	Business Hours	4 hours
P3	The Supplier Service is running with limited functionality in one or more subsystems.	Business Hours	8 hours
P4	The Supplier Service is having some non-service affecting defect.	Business Hours	2 business days

1.6. Bell Mobility maintains a Technical Support Group that is available 24x7x365. All Service Level issues must be raised to this group. Primary contact information and escalation procedures are as follows:

Event	Contact #	Alternate #	Expected resolution time
VPN connectivity unavailable	Wireless National NOCC 24X7 – 1.866.299.6006 Wireless_National_NOCC@bell.ca		Response – 24 hour Quick Fix – 24 hours Closure – (TBD)
Customer has issue with download	Bell Mobility Customer Service 1 800 667 0123 www.bell.ca (contact us)		Response – 1 hour Quick fix – 1 hour Closure – (TBD)
Wireless Data Network connectivity unavailable	Bell Mobility Customer Service 1 800 667 0123 www.bell.ca (contact us)		Response – 1 hour Quick fix – 1 hour Closure – (TBD)

1.7. Incident Handling. Supplier shall expeditiously remedy all incidents that may impact Bell Mobility services. Bell Mobility shall expeditiously remedy all incidents that may impact supplier services. Supplier shall contact Bell Mobility as outlined in section 1.5 of this Schedule C daily, until the incident is fully resolved.

- 1.8. Escalation Procedures. If the origin of the incident is with supplier and if it is not resolved in a timely manner, the incident shall be escalated within supplier' organization. If the origin of the incident is with Bell Mobility and if it is not resolved in a timely manner, the incident shall be escalated within Bell Mobility's organization. Supplier and Bell Mobility will work together to resolve escalated incidents.
- 1.9. The supplier will notify Bell mobility, Wireless_National_NOCC@bell.ca at least 3 business days prior to executing a planned maintenance impacting customer experience. This maintenance will be subject to the approval of Bell Mobility. In case an Emergency maintenance is required the Supplier will notify the Wireless National NOCC by email and by phone 1.866.299.6006

SCHEDULE D

List of Handsets to Support

WAP 2 / Java Colour

- Samsung N400
- Samsung A600
- Samsung A660
- Samsung A680
- Samsung A860
- Samsung A740
- Samsung A920
- Samsung A900
- Samsung A640
- Audiovox 8450
- Audiovox 8455
- Audiovox 8910
- Audiovox 8615
- Audiovox 8930
- LG 5400
- LG 5550
- LG TM325
- LG 3300
- LG 6200
- Nokia 6225
- Nokia 6585
- Nokia 2855i
- Nokia 6275i
- Sanyo 7300
- Sanyo 8100
- Sanyo 4920
- Sanyo 2300
- Sanyo 8300
- Sanyo 7500
- Sanyo 6600
- Sanyo 2400
- Motorola E815
- Motorola V3C

SCHEDULE E

Supplier's Marks



AskMeNow

2005 MANAGEMENT AND DIRECTOR EQUITY INCENTIVE AND COMPENSATION PLAN

Section 1. Purposes of Plan.

The purpose of this 2005 Management and Director Equity Incentive and Compensation Plan (the "Plan") of OCEAN WEST HOLDING CORPORATION, a Delaware corporation (the "Company"), is to advance the interests of the Company and its stockholders by providing a means of attracting and retaining employees, directors and other third parties for the Company and its subsidiary corporations. In order to serve this purpose, the Plan encourages and enables key employees, directors and consultants to participate in the Company's future prosperity and growth by providing them with incentives and compensation based on the Company's performance, development, and financial success. These objectives will be promoted by granting to key employees equity-based awards in the form of: (a) Incentive Stock Options ("ISOs"), which are intended to qualify under Section 422 of the Internal Revenue Code of 1986, as amended (the "Code"); and (b) shares of the Company's common stock, \$0.01 par value (the "Shares"), (or their economic equivalent) that will be subject to a vesting schedule based on certain performance objectives ("Performance Shares"). In addition, key employees, directors and consultants may receive (i) stock options which are not intended to qualify as ISOs, Non-Qualified Stock Options ("NQSOs") (ISOs and NQSOs are referred to together hereinafter generally as "Stock Options") and (ii) Shares that will be subject to a vesting schedule based on the recipient's continued employment ("Restricted Shares"). These awards are referred to generally hereafter as the "Awards". For purposes of this Plan, "subsidiary" shall mean a subsidiary corporation as defined in Section 424(f) of the Code.

Section 2. Administration of Plan.

The Plan shall be administered by a committee of not less than two non-Employee directors (the "Committee"). The members of the Committee shall serve at the pleasure of the Board of Directors of the Company (the "Board"), which may remove members from the Committee or appoint new members to the Committee from time to time, and members of the Committee may resign by written notice to the Chairman of the Board or the Secretary of the Company. The Committee shall have the power and authority to: (a) select Eligible Employees (as defined in Section 3, below) as recipients of Awards (such recipients, "Participants"); (b) grant Stock Options, Restricted Shares, or Performance Shares, or any combination thereof; (c) determine the number and type of Awards to be granted; (d) determine the terms and conditions, not inconsistent with the terms hereof, of any Award, including without limitation, time and performance restrictions; (e) adopt, alter, and repeal such administrative rules, guidelines, and practices governing the Plan as it shall, from time to time, deem advisable; (f) interpret the terms and provisions of the Plan and any Award granted and any agreements relating thereto; and (g) take any other actions the Committee considers appropriate in connection with, and otherwise supervise the administration of, the Plan. All decisions made by the Committee pursuant to the provisions hereof, including without limitation, decisions with respect to employees to be granted Awards and the number and type of Awards, shall be made in the Committee's sole discretion and shall be final and binding on all persons.

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Section 3. Participants in Plan.

The persons eligible to receive Awards under the Plan ("Eligible Employees") shall include officers, directors, other key employees and consultants of the Company or one or more of its subsidiaries who, in the opinion of the Committee, have responsibilities affecting the management, development, or financial success of the Company or such subsidiaries; provided, however, that with respect to ISOs and Performance Shares, the persons eligible to receive such awards shall be limited to officers or other key employees designated by the Committee.

Section 4. Shares Subject to Plan.

The maximum aggregate number of Shares which may be issued under the Plan shall be 2,000,000 Shares. The Shares which may be issued under the Plan may be authorized but unissued Shares or issued Shares reacquired by the Company and held as treasury Shares.

If any Shares that have previously been the subject of a Stock Option cease to be the subject of a Stock Option (other than by reason of exercise), or if any Restricted Shares or Performance Shares granted hereunder are forfeited by the holder, or if any Stock Option or other Award terminates without a payment or transfer being made to the Award recipient in the form of Shares, or if any Shares (whether or not restricted) previously distributed under the Plan are returned to the Company in connection with the exercise of an Award (including without limitation in payment of the exercise price or tax withholding), such Shares shall again be available for distribution in connection with future Awards under the Plan.

Section 5. Grant of Awards.

ISOs, NQSOs, Restricted Shares, and Performance Shares may be granted alone or in addition to other Awards granted under the Plan. Any Awards granted under the Plan shall be in such form as the Committee may from time to time approve, consistent with the Plan, and the provisions of Awards need not be the same with respect to each Participant.

Each Award granted under the Plan shall be authorized by the Committee and shall be evidenced by a written Stock Option Agreement, Restricted Share Agreement, or Performance Share Agreement, as the case may be (collectively, "Award Agreements"), in the form approved by the Committee from time to time, which shall be dated as of the date approved by the Committee in connection with the grant, signed by an officer of the Company authorized by the Committee, and signed by the Participant, and which shall describe the Award and state that the Award is subject to all the terms and provisions of the Plan and such other terms and provisions, not inconsistent with the Plan, as the Committee may approve. The date on which the Committee approves the granting of an Award shall be deemed to be the date on which the Award is granted for all purposes, unless the Committee otherwise specifies in its approval. The granting of an Award under the Plan, however, shall be effective only if and when a written Award Agreement is duly executed and delivered by or on behalf of the Company and the Participants.

Section 6. Stock Options.

Stock Options granted under the Plan shall be subject to the following terms and conditions and shall contain such additional terms and conditions not inconsistent with the terms of the Plan as the Committee deems appropriate. Each Stock Option grant shall be evidenced by a written Stock Option Agreement, executed as set forth in Section 5, above, which shall be consistent with the Plan, including without limitation the following provisions:

(a) Exercise Price.

The exercise price per Share issuable upon exercise of an ISO shall be no less than the fair market value per Share on the date the ISO is granted; provided that if the Participant at the time an ISO is granted owns stock possessing more than 10% of the total combined voting power of all classes of stock of the Company or any subsidiary, the exercise price per Share shall be at least 110% of the fair market value of the Shares subject to the ISO on the date of grant. The exercise price per Share issuable upon exercise of an NQSO shall be no less than one hundred percent (100%) of the fair market value per Share on the date the NQSO is granted. For the purposes of the Plan, the fair market value of the Shares shall mean, as of any given date, the (i) last reported sale price on the New York Stock Exchange on the most recent previous trading day, (ii) last reported sale price on The Nasdaq Stock Market on the most recent previous trading day, (iii) mean between the high and low bid and ask prices, as reported by the National Association of Securities Dealers, Inc. on the most recent previous trading day, or (iv) last reported sale price on any other stock exchange on which the Shares are listed on the most recent previous trading day, whichever is applicable; provided that if none of the foregoing is applicable, then the fair market value of the Shares shall be the value determined in good faith by the Committee, in its sole discretion.

(b) Vesting and Exercise of Options.

A Stock Option shall be exercisable only with respect to the Shares which have become vested pursuant to the terms of that Stock Option. Each Stock Option shall become vested with respect to Shares subject to that Stock Option on such date or dates and on the basis of such other criteria, including without limitation, the performance of the Company, as the Committee may determine, in its discretion, and as shall be specified in the applicable Stock Option Agreement. The Committee shall have the authority, in its discretion, to accelerate the time at which a Stock Option shall be exercisable whenever it may determine that such action is appropriate by reason of changes in applicable tax or other law or other changes in circumstances occurring after the grant of such Stock Option.

(c) Term.

No Stock Option shall be exercisable after the expiration of ten years from the date on which that Stock Option is granted. With respect to ISOs, if the Participant at the time the ISO is granted owns stock possessing more than 10% of the total combined voting power of all classes of stock of the Company or any subsidiary, the ISO shall not be exercisable after the expiration of five years from the date on which the ISO is granted.

(d) Method of Exercise.

A Stock Option may be exercised, in whole or in part, by giving written notice to the Company stating the number of Shares (which must be a whole number) to be purchased. Upon receipt of payment of the full purchase price for such Shares by cash, certified or bank cashier's check, money order or other form of payment acceptable to the Company, or, if approved by the Committee, by (i) delivery of unrestricted Shares having a fair market value on the date of such delivery equal to the total exercise price, (ii) surrender of Shares subject to the Stock Option which have a fair market value equal to the total exercise price at the time of exercise (which may include Shares to be issued pursuant to the exercise of a Stock Option), (iii) cancellation of indebtedness of the company to Participant, (iv) waiver of consideration due to Participant for services rendered, (v) tender of a full recourse promissory note by Participant, or (vi) a combination of the preceding methods, and subject to compliance with all other terms and conditions of the Plan and the Stock Option Agreement relating to such Stock Option, the Company shall issue, as soon as reasonably practicable after receipt of such payment, such Shares to the person entitled to receive such Shares, or such person's designated representative. Such Shares may be issued in the form of a certificate, by book entry, or otherwise, in the Company's sole discretion.

(e) Restrictions on Shares Subject to Stock Options.

Shares issued upon the exercise of any Stock Option may be made subject to such disposition, transferability or other restrictions or conditions as the Committee may determine, in its discretion, and as shall be set forth in the applicable Stock Option Agreement.

(f) Transferability.

Except as provided in this paragraph, Stock Options shall not be transferable, and any attempted transfer (other than as provided in this paragraph) shall be null and void. Except for Stock Options transferred as provided in this paragraph, all Stock Options shall be exercisable during a Participant's lifetime only by the Participant or the Participant's legal representative. Without limiting the generality of the foregoing, (i) ISOs may be transferred only upon the Participant's death and only by will or the laws of descent and distribution and, in the case of such a transfer, shall be exercisable only by the transferee or such transferee's legal representative, (ii) NQSOs may be transferred by will or the laws of descent and distribution and, in the case of such a transfer, shall be exercisable only by the transferee or such transferee's legal representative, and (iii) the Committee may, in its sole discretion and in the manner established by the Committee, provide for the irrevocable transfer, without payment of consideration, of any NQSO by a Participant to such Participant's spouse, children, grandchildren, nieces, or nephews or to the trustee of a trust for the principal benefit of one or more such persons or to a partnership whose only partners are one or more such persons, and, in the case of such transfer, such NQSO shall be exercisable only by the transferee or such transferee's legal representative.

(g) Termination of Employment by Reason of Death or Disability.

If a Participant's employment, membership on the Board of Directors of the Company or engagement as a consultant to the Company terminates by reason of the Participant's death or

permanent disability (as defined in Section 22(e)(3) of the Code with respect to ISOs, and, with respect to NQSOs, as defined by the Committee in its sole discretion at the time of grant and set forth in the Stock Option Agreement), then (i) unless otherwise determined by the Committee within 60 days of such death or disability, to the extent a Stock Option held by such Participant is not vested as of the date of death or disability, such Stock Option shall automatically terminate on such date, and (ii) to the extent a Stock Option held by such Participant is vested (whether pursuant to its terms, a determination of the Committee under the preceding clause (i), or otherwise) as of the date of death or disability, such Stock Option may thereafter be exercised by the Participant, the legal representative of the Participant's estate, the legatee of the Participant under the will of the Participant, or the distributee of the Participant's estate, whichever is applicable, for a period of one year (or, with respect to NQSOs, such other period as the Committee may specify at or after grant or death or disability) from the date of death or disability or until the expiration of the stated term of such Stock Option, whichever period is shorter.

(h) Termination of Employment by Reason of Retirement.

If a Participant's employment, membership on the Board of Directors of the Company or engagement as a consultant to the Company terminates by reason of the Participant's retirement, then each NQSO held by such Participant may thereafter be exercised by the Participant according to its terms, including without limitation, for such period after such termination as shall be set forth in the applicable Stock Option Agreement, and each ISO held by such Participant may thereafter be exercised by the Participant for a period of 90 days from the date of such termination of employment, or until the expiration of the stated term of such ISO, whichever period is shorter. For purposes of the Plan, "retirement" shall mean voluntary termination of employment with the Company and its subsidiaries, membership on the Board of Directors of the Company and its subsidiaries or engagement as a consultant to the Company and its subsidiaries by a Participant after attaining age 60 and having at least two years of service with the Company or any one or more of its subsidiaries or, in the case of a director, completion of a number of years of service on the Board of Directors of the Company as specified in the Stock Option Agreement or, in the case of a consultant, completion of a number of years of service to the Company as a consultant as specified in the Stock Option Agreement.

(i) Other Termination of Employment.

If a Participant's employment, membership on the Board of Directors of the Company or engagement as a consultant to the Company terminates for any reason other than death, disability, or retirement, then (i) to the extent any Stock Option held by such Participant is not vested as of the date of such termination, such Stock Option shall automatically terminate on such date; and (ii) to the extent any Stock Option held by such Participant is vested as of the date of such termination, such Stock Option may thereafter be exercised for a period of 90 days (or, with respect to NQSOs, such other period as the Committee may specify at or after grant or termination of employment) from the date of such termination or until the expiration of the stated term of such Stock Option, whichever period is shorter; provided that, upon the termination of the Participant's employment, membership on the Board of Directors or engagement as a consultant by the Company or its subsidiaries for Cause (as defined in an applicable Stock Option Agreement), any and all unexercised Stock Options granted to such Participant shall

immediately lapse and be of no further force or effect. For purposes of the Plan, whether termination of a Participant's employment by, membership on the Board of Directors of the Company or engagement as a consultant is for "Cause" shall be determined by the Committee, in its sole discretion.

(j) Effect of Termination of Participant's Employment on Transferee.

Except as otherwise permitted by the Committee in its sole discretion, no Stock Option held by a transferee of a Participant pursuant to Section 6(f)(iii), above, shall remain exercisable for any period of time longer than would otherwise be permitted under Section 6(g), (h), and (i) without specification of other periods by the Committee as provided herein.

(k) ISO Limitations and Savings Clause.

The aggregate fair market value (determined as of the time of grant) of the Shares with respect to which ISOs are exercisable for the first time by the Participant during any calendar year under the Plan and any other stock option plan of the Company and its affiliates shall not exceed \$100,000 unless otherwise permitted by Code Section 422 as an unused limit carryover to such year.

Any provision of the Plan to the contrary notwithstanding, without the consent of each Participant affected, no provision of the Plan relating to ISOs shall be interpreted, amended, or altered, nor shall any discretion or authority granted under the Plan be so exercised, so as to disqualify the Plan under Section 422 of the Code or so as to disqualify any ISO under such Code Section 422.

Section 7. Restricted Shares.

Restricted Shares awarded under the Plan shall be subject to the following terms and conditions and such additional terms and conditions not inconsistent with the terms of the Plan as the Committee deems appropriate. Each Restricted Share grant shall be evidenced by a written Restricted Share Agreement, executed as set forth in Section 5, above, which shall be consistent with the Plan, including without limitation the following provisions:

(a) Price.

The purchase price for Restricted Shares shall be any price set by the Committee but may not be less than the par value of such Restricted Shares. Payment in full of the purchase price, if any, shall be made by certified or bank cashier's check or other form of payment acceptable to the Company, or, if approved by the Committee, by (i) delivery of unrestricted Shares having a fair market value on the date of such delivery equal to the total purchase price, or (ii) a combination of the preceding methods.

(b) Acceptance of Restricted Shares.

At the time of the Restricted Share Award, the Committee may determine that such Shares shall, after vesting, be further restricted as to transferability or be subject to repurchase by the Company or forfeiture upon the occurrence of certain events determined by the Committee,

in its sole discretion, and specified in the Restricted Share Agreement. Awards of Restricted Shares must be accepted by the Participant within 30 days (or such other period as the Committee may specify at grant) after the grant date by executing the Restricted Share Agreement. The Participant shall not have any rights with respect to the grant of Restricted Shares unless and until the Participant has executed the Restricted Share Agreement, delivered a fully executed copy thereof to the Company, and otherwise complied with the applicable terms and conditions of the Award.

(c) Share Restrictions.

Subject to the provisions of the Plan and the applicable Restricted Share Agreement, during such period as may be set by the Committee, in its discretion, and as shall be set forth in the applicable Restricted Share Agreement (the "Restriction Period"), the Participant shall not be permitted to sell, transfer, pledge, assign, or otherwise encumber the Restricted Shares. The Committee shall have the authority, in its sole discretion, to accelerate the time at which any or all of the restrictions shall lapse with respect to any Restricted Shares. Unless otherwise determined by the Committee at or after grant or termination of the Participant's employment, Board membership or engagement, if the Participant's employment by, membership on the Board of Directors of or engagement as a consultant to the Company and its subsidiaries terminates during the Restriction Period, all Restricted Shares held by such Participant and still subject to restriction shall be forfeited by the Participant, and the Company shall repay to such Participant the purchase price paid by such Participant for such forfeited Restricted Shares.

(d) Stock Issuances and Restrictive Legends.

Upon execution and delivery of the Restricted Share Agreement as described above and receipt of payment of the full purchase price, if any, for the Restricted Shares subject to such Restricted Share Agreement, the Company shall, as soon as reasonably practicable thereafter, issue the Restricted Shares. Restricted Shares may be issued in the form of a certificate, by book entry, or otherwise, in the Company's sole discretion, and shall bear an appropriate restrictive legend. Notwithstanding the foregoing to the contrary, the Committee may, in its sole discretion, issue Restricted Shares (whether or not such Restricted Shares are, at the time of such issuance, the subject of an Award) to the trustee of a trust set up by the Committee, consistent with the terms and conditions of the Plan, to hold such Restricted Shares until the restrictions thereon have lapsed (in full or in part, in the Committee's sole discretion), and the Committee may require that, as a condition of any Restricted Share Award, the Participant shall have delivered to the Company or such trustee, as appropriate, a stock power, endorsed in blank, relating to the Restricted Shares covered by the Award.

(e) Shareholder Rights.

Unless otherwise provided in the applicable Restricted Share Agreement, no Participant (or his executor or administrator or other transferee) shall have any rights of a shareholder in the Company with respect to the Restricted Shares covered by an Award unless and until the Restricted Shares have been duly issued and delivered to him under the Plan.

(f) Expiration of Restriction Period.

Upon the expiration of the Restriction Period without prior forfeiture of the Restricted Shares (or rights thereto) subject to such Restriction Period, unrestricted Shares shall be issued and delivered to the Participant.

Section 8. Performance Shares.

Performance Shares awarded under the Plan shall be subject to the following terms and conditions and such additional terms and conditions not inconsistent with the terms of the Plan as the Committee deems appropriate. Each Performance Share grant shall be evidenced by a written Performance Share Agreement, executed as set forth in Section 5, above, which shall be consistent with the Plan, including without limitation the following provisions:

(a) Performance Periods and Goals.

(i) The performance period for each Award of Performance Shares shall be of such duration as the Committee shall establish at the time of the Award (the "Performance Period"). There may be more than one Award in existence at any one time, and Performance Periods may differ.

(ii) At the time of each Award of Performance Shares, the Committee shall establish a range of performance goals (the "Performance Goals") to be achieved during the Performance Period. The Performance Goals shall be determined by the Committee using such measures of the performance of the Company over the Performance Period as the Committee shall select, including without limitation earnings, return on capital, or any performance goal approved by the shareholders of the Company in accordance with Section 162(m) of the Code. Performance Shares awarded to Participants will be earned as determined by the Committee with respect to the attainment of the Performance Goals set for the Performance Period. Attainment of the highest Performance Goal for the Performance Period will be 100% of the Performance Shares awarded for the Performance Period; failure to attain the lowest Performance Goal for the Performance Period will earn none of the Performance Shares awarded for the Performance Period.

(iii) Attainment of the Performance Goals will be calculated from the consolidated financial statements of the Company but shall exclude (A) the effects of changes in federal income tax rates, (B) the effects of unusual, non-recurring, and extraordinary items as defined by Generally Accepted Accounting Principles ("GAAP"), and (C) the cumulative effect of changes in accounting principles in accordance with GAAP. The Performance Goals may vary for different Performance Periods and need not be the same for each Participant receiving an Award for a Performance Period. The Committee may, in its sole discretion, subject to the limitations of Section 17, vary the terms and conditions of any Performance Share Award, including without limitation the Performance Period and Performance Goals, without shareholder approval, as applied to any recipient who is not a "covered employee" with respect to the Company as defined in Section 162(m) of the Code. In the event applicable tax or securities laws change to permit the Committee discretion to alter the governing performance measures as they pertain to covered employees without obtaining shareholder approval of such

changes, the Committee shall have sole discretion to make such changes without obtaining shareholder approval.

(b) Price.

The purchase price for Performance Shares shall be any price set by the Committee but may not be less than the par value of such Performance Shares. Payment in full of the purchase price, if any, shall be made by certified or bank cashier's check or other form of payment acceptable to the Company, or, if approved by the Committee, by (i) delivery of unrestricted Shares having a fair market value on the date of such delivery equal to the total purchase price, or (ii) a combination of the preceding methods.

(c) Acceptance of Performance Shares.

At the time of the Performance Share Award, the Committee may determine that such Shares shall, after vesting pursuant to the Performance Period and Performance Goal provisions described above, be further restricted as to transferability or be subject to repurchase by the Company or forfeiture upon the occurrence of certain events determined by the Committee, in its sole discretion, and specified in the Performance Share Agreement. Awards of Performance Shares must be accepted by the Participant within 30 days (or such other period as the Committee may specify at grant) after the grant date by executing the Performance Share Agreement. The Participant shall not have any rights with respect to the grant of Performance Shares unless and until the Participant has executed the Performance Share Agreement, delivered a fully executed copy thereof to the Company, and otherwise complied with the applicable terms and conditions of the Award.

(d) Share Restrictions.

Subject to the provisions of the Plan and the applicable Performance Share Agreement, during the Performance Period and any additional Restriction Period (as defined in Section 7(c), above), the Participant shall not be permitted to sell, transfer, pledge, assign, or otherwise encumber the Performance Shares. The Committee shall have the authority, in its sole discretion, to accelerate the time at which any or all of the restrictions shall lapse with respect to any Performance Shares. Unless otherwise determined by the Committee at or after grant or termination of the Participant's employment, Board membership or engagement, if the Participant's employment by, membership on the Board of Directors of or engagement as a consultant to the Company and its subsidiaries terminates during the Performance Period or the Restriction Period, all Performance Shares held by such Participant and still subject to restriction shall be forfeited by the Participant, and the Company shall repay to such Participant the purchase price paid by such Participant for such forfeited Performance Shares.

(e) Stock Issuances and Restrictive Legends.

Despite the execution and delivery of the Performance Share Agreement as described above, the Company shall have no obligation to issue the Performance Shares prior to the vesting of the Performance Shares, provided that the Company shall issue the Performance Shares as soon as reasonably practicable after such vesting and after payment in full of the purchase price, if any, for such Performance Shares. Performance Shares may be issued, whenever issued, in the

form of a certificate, by book entry, or otherwise, in the Company's sole discretion, and shall bear such restrictive legend as is consistent with applicable restrictions, if any, including without limitation those represented by the Performance Period and Performance Goals and those described in Section 8(d), above. The Committee may require that, whenever issued, the Performance Shares be issued to and held by the Company or a trustee until the restrictions on such Performance Shares have lapsed (in full or in part), and that, as a condition of any Performance Share Award, the Participant shall have delivered a stock power, endorsed in blank, relating to the Performance Shares covered by the Award.

(f) Shareholder Rights.

Unless otherwise provided in the applicable Performance Share Agreement, no Participant (or his executor or administrator or other transferee) shall have any rights of a shareholder in the Company with respect to the Performance Shares covered by an Award unless and until the Performance Shares have been duly issued and delivered to him under the Plan.

(g) Expiration of Restricted Period.

Subject to fulfillment of the terms and conditions of the applicable Performance Share Agreement and any other vesting requirements related to the applicable Performance Period or Performance Goals, upon the expiration of the Restriction Period without prior forfeiture of the Performance Shares (or rights thereto) subject to such Restriction Period, unrestricted Shares shall be issued and delivered to the Participant.

(h) Termination of Employment.

If a Participant's employment by the Company and its subsidiaries, membership on the Board of Directors of the Company and its subsidiaries or engagement as a consultant to the Company and its subsidiaries terminates before the end of any Performance Period with the consent of the Committee, or upon the Participant's death, retirement (as defined in Section 6(h), above), or disability (as defined by the Committee in its discretion at the time of grant and set forth in the Performance Share Agreement), the Committee, taking into consideration the performance of such Participant and the performance of the Company over the Performance Period, may authorize the issuance to such Participant (or his legal representative or designated beneficiary) of all or a portion of the Performance Shares which would have been issued to him had his employment, Board membership or engagement continued to the end of the Performance Period. If the Participant's employment by the Company and its subsidiaries, membership on the Board of Directors of the Company and its subsidiaries or engagement as a consultant to the Company and its subsidiaries terminates before the end of any Performance Period for any other reason, all Performance Shares shall be forfeited.

(i) Election to Receive Cash in Lieu of Shares.

Notwithstanding the foregoing to the contrary (but subject to any shareholder approval or other requirements of Section 162(m) of the Code), the Committee may, in its sole discretion and as set forth in the applicable Performance Share Agreement, provide the Participant with the option to elect to receive, instead of Performance Shares, cash in an amount determined pursuant to such Performance Share Agreement including, without limitation, any one or more of the

following: (i) the fair market value of the number of Shares subject to the Performance Share Agreement as of the date thereof, (ii) part or all of any increase in such fair market value since such date, (iii) part or all of any dividends paid or payable on the number of Shares subject to such Performance Share Agreement since the date thereof, (iv) any other amounts which, in the Committee's sole discretion and as set forth in the applicable Performance Share Agreement, are reasonably related to the achievement of the applicable Performance Goals, or (v) any combination of the foregoing. Such election and any cash payment resulting therefrom shall be made at such time or times as shall be specified in the Performance Share Agreement.

Section 9. Restriction on Exercise After Termination.

Notwithstanding any provision of this Plan to the contrary, no unexercised right created under this Plan (an "Unexercised Right") and held by a Participant on the date of termination of such Participant's employment, membership on the Board of Directors of the Company or engagement as a consultant for any reason shall be exercisable after such termination if, prior to such exercise, the Participant (a) takes other employment or renders services to others without the written consent of the Company, (b) violates any non-competition, confidentiality, conflict of interest, or similar provision set forth in the Award Agreement pursuant to which such Unexercised Right was awarded, or (c) otherwise conducts himself in a manner adversely affecting the Company in the sole discretion of the Committee.

Section 10. Withholding Tax.

The Company, at its option, shall have the right to require the Participant or any other person receiving Shares, Restricted Shares, or Performance Shares (including cash in lieu of Performance Shares) to pay the Company the amount of any taxes which the Company is required to withhold with respect to such Shares, Restricted Shares, or Performance Shares or, in lieu of such payment, to retain or sell without notice a number of such Shares sufficient to cover the amount required to be so withheld. The Company, at its option, shall have the right to deduct from all dividends paid with respect to Shares, Restricted Shares, and Performance Shares the amount of any taxes which the Company is required to withhold with respect to such dividend payments. The Company, at its option, shall also have the right to require a Participant to pay to the Company the amount of any taxes which the Company is required to withhold with respect to the receipt by the Participant of Shares pursuant to the exercise of a Stock Option, or, in lieu thereof, to retain, or sell without notice, a number of Shares sufficient to cover the amount required to be withheld. The obligations of the Company under the Plan shall be conditional on such payment or other arrangements acceptable to the Company.

Section 11. Securities Law Restrictions.

No right under the Plan shall be exercisable and no Share shall be delivered under the Plan except in compliance with all applicable federal and state securities laws and regulations. The Company shall not be required to deliver any Shares or other securities under the Plan prior to such registration or other qualification of such Shares or other securities under any state or federal law, rule, or regulation as the Committee shall determine to be necessary or advisable.

The Committee may require each person acquiring Shares under the Plan (a) to represent and warrant to and agree with the Company in writing that such person is acquiring the Shares without a view to the distribution thereof, and (b) to make such additional representations, warranties, and agreements with respect to the investment intent of such person or persons as the Committee may reasonably request. Any certificates for such Shares may include any legend which the Committee deems appropriate to reflect any restrictions on transfer.

All Shares or other securities delivered under the Plan shall be subject to such stop-transfer orders and other restrictions as the Committee may deem advisable under the rules, regulations, and other requirements of the Securities and Exchange Commission, any stock exchange upon which the Shares are then listed, and any applicable federal or state securities law, and the Committee may cause a legend or legends to be put on any certificates evidencing such Shares to make appropriate reference to such restrictions.

Section 12. Change in Control.

(a) Accelerated Vesting and Company Purchase Option.

Notwithstanding any provision of this Plan or any Award Agreement to the contrary (unless such Award Agreement contains a provision referring specifically to this Section 12 and stating that this Section 12 shall not be applicable to the Award evidenced by such Award Agreement), if a Change in Control (each as defined below) occurs, then:

(i) Any and all Stock Options theretofore granted and not fully vested shall thereupon become vested and exercisable in full and shall remain so exercisable in accordance with their terms, and the restrictions applicable to any or all Restriction Shares and Performance Shares shall lapse and such Shares and Awards shall be fully vested; provided that no Stock Option or other Award right which has previously been exercised or otherwise terminated shall become exercisable; and

(ii) The Company may, at its option, terminate any or all unexercised Stock Options and portions thereof not more than 30 days after such Change in Control; provided that the Company shall, upon such termination and with respect to each Stock Option so terminated, pay to the Participant (or such Participant's transferee, if applicable) theretofore holding such Stock Option cash in an amount equal to the difference between the fair market value (as defined in Section 6(a), above) of the Shares subject to the Stock Option at the time the company exercises its option under this Section 12(a)(ii) and the exercise price of the Stock Option; and provided further that if such fair market value is less than such exercise price, then the Committee may, in its discretion, terminate such Stock Option without any payment.

(b) Definition of Change in Control.

For purposes of the Plan, a "Change in Control" shall mean the happening of any of the following:

(i) When any "person" as defined in Section 3(a)(9) of the 1934 Act and as used in Sections 13(d) and 14(d) thereof, including a "group" as defined in Section 13(d) of the

1934 Act, but excluding the Company, any subsidiary of the Company, and any employee benefit plan sponsored or maintained by the Company or any subsidiary of the Company (including any trustee of such plan acting as trustee), directly or indirectly, becomes the "beneficial owner" (as defined in Rule 13d-3 under the 1934 Act) of securities of the Company representing 50% or more of the combined voting power of the Company's then outstanding securities;

(ii) When, during any period of 18 consecutive months during the existence of the Plan, the individuals who, at the beginning of such period, constitute the Board (the "Incumbent Directors") cease for any reason other than death to constitute at least a majority of the Board; provided, however, that a director who was not a director at the beginning of such 18-month period shall be deemed to have satisfied such 18-month requirement (and be an Incumbent Director) if such director was elected by, or on the recommendation of or with the approval of, at least two-thirds of the directors who then qualified as Incumbent Directors either actually (because they were directors at the beginning of such 18-month period) or by prior operation of this Section 12(b)(ii); or

(iii) The occurrence of a transaction requiring stockholder approval for the acquisition of the Company by an entity other than the Company, a subsidiary of the Company, or any of their respective affiliates through purchase of assets, by merger, or otherwise.

Notwithstanding the foregoing to the contrary, a change in control shall not be deemed to be a Change in Control for purposes of this Plan if the Incumbent Directors of the Board approve or had approved such change (A) described in Sections 12(b)(i), (ii), (iii), or 12(c)(i) of this Plan, or (B) prior to the commencement by any person other than the Company of a tender offer for Shares.

Section 13. Changes in Capital Structure.

In the event the Company changes its outstanding Shares by reason of stock splits, stock dividends or recapitalization, or any other increase or reduction of the number of outstanding Shares without receiving consideration in the form of money, services, or property deemed appropriate by the Board, in its sole discretion, the aggregate number of Shares available for issuance under the Plan shall be proportionately adjusted and the number of Shares available for any individual award and the number of shares and the exercise price for each Share subject to the unexercised portion of any then-outstanding Award shall be proportionately adjusted, provided, however, that the number of shares subject to any option shall always be a whole number, with the objective that the Participant's proportionate interest in the Company shall remain the same as before the change without any change in the total exercise price applicable to the unexercised portion of any then-outstanding Awards, all as determined by the Committee in its sole discretion.

In the event of any other recapitalization or any merger, consolidation, or other reorganization of the Company, the Committee shall make such adjustment, if any, as it may deem appropriate to accurately reflect the number and kind of shares deliverable, and the exercise prices payable, upon subsequent exercise of any then-outstanding Awards, as determined by the Committee in its sole discretion.

The Committee's determination of the adjustments appropriate to be made under this Section 13 shall be conclusive upon all Participants under the Plan.

Section 14. No Right to Continue as an Employee.

The adoption of this Plan and the grant of one or more Awards to an employee, Director, Officer, consultant or independent contractor of the Company or any of its subsidiaries shall not confer any right to that individual to continue in the employ of the Company or any such subsidiary and shall not restrict or interfere in any way with the right of his employer to terminate his employment at any time, with or without cause.

Section 15. Rights as a Shareholder.

No Participant or his executor or administrator, beneficiary or other transferee shall have any rights of a stockholder in the Company with respect to the Shares covered by an Award unless and until such Shares have been duly issued and delivered to him under the Plan. No adjustment shall be made for dividends or distributions or other rights for which the record date is prior to the date of exercise of an option.

Section 16. Acceleration of Rights.

The Committee shall have the authority, in its discretion, to accelerate the time at which a Stock Option or other Award right shall be exercisable whenever it may determine that such action is appropriate by reason of changes in applicable tax or other laws or other changes in circumstances occurring after the grant of the Award.

Section 17. Interpretation, Amendment, or Termination of the Plan.

The interpretation by the Committee of any provision of the Plan or of any Award Agreement executed pursuant to the grant of an Award under the Plan shall be final and conclusive upon all Participants or transferees under the Plan. The Board, without further action on the part of the shareholders of the Company, may from time to time alter, amend, or suspend the Plan or may at any time terminate the Plan, provided that: (a) no such action shall materially and adversely affect any outstanding Stock Option or other right under the Plan without the consent of the holder of such Stock Option or other right; and (b) except for the adjustments provided for in Section 13, above, no amendment may be made by Board action without shareholder approval if the amendment would (i) materially increase the benefits accruing to Participants under the Plan, (ii) materially increase the number of Shares which may be issued under the Plan in the aggregate, (iii) materially modify the requirements as to eligibility for participation in the Plan, (iv) extend the maximum option period of Stock Options, or (v) effect any other change which requires shareholder approval under applicable law or regulation. Subject to the above provisions, the Board shall have authority to amend the Plan to take into account changes in applicable tax and securities laws and accounting rules, as well as other developments.

Section 18. Unfunded Status of the Plan.

The Plan is intended to constitute an "unfunded" plan for incentive and deferred compensation. With respect to any payments or deliveries of Shares not yet made by the Company to a Participant or transferee nothing contained herein shall give any such Participant or transferee any rights that are greater than those of a general creditor of the Company. The Committee may authorize the creation of trusts or other arrangements to meet obligations created under the Plan to deliver Shares or payments hereunder consistent with the foregoing.

Section 19. Protection of Board and Committee.

No member of the Board or the Committee shall have any liability for any determination or other action made or taken in good faith with respect to the Plan or any Award granted under the Plan.

Section 20. Government Regulations.

Notwithstanding any provision of the Plan or any Award Agreement executed pursuant to the Plan, the Company's obligations under the Plan and such Award Agreement shall be subject to all applicable laws, rules, and regulations and to such approvals as may be required by any governmental or regulatory agencies, including without limitation any stock exchange on which the Company's Shares may then be listed.

Section 21. Governing Law.

The Plan and all actions taken thereunder shall be enforced, construed under and governed by the laws of the State of Florida applicable to contracts made and to be performed wholly within such state without giving effect to the principles of conflict of laws thereof.

Section 22. Genders and Numbers.

When permitted by the context, each pronoun used in the Plan shall include the same pronoun in other genders and numbers.

Section 23. Headings.

The headings contained in this Plan are for reference purposes only and shall not affect in any way the meaning of interpretation of this Plan.

Section 24. Effective Date.

The Plan shall be effective June 6, 2005. The Plan shall be submitted to the shareholders of the Company for approval and ratification as soon as practicable but in any event not later than 12 months after the adoption of the Plan by the Board. If the Plan is not approved and ratified by the shareholders of the Company within 12 months after the adoption of the Plan by the Board, the Plan and all Awards granted under the Plan shall become null and void and have no further force or effect.

Section 25. Term of Plan.

No Award shall be granted pursuant to the Plan on or after the 10th Anniversary of Effective Date, but Awards granted prior to such tenth anniversary may extend beyond that date, including a five-year limit on exercise for 10% or greater stockholders with any excess grant to those individuals over the limits set by Section 422 being NQSOs.

Section 26. Private Company Provisions.

(a) Restrictive Legend.

If one or more Stock Options or other rights under the Plan are exercised pursuant to exemptions from the Federal and state securities laws: (a) any Shares issued upon exercise of those Stock Options or rights may not be sold or otherwise transferred, and the Company shall not be required to transfer any such Shares, unless they have been registered under the Federal and state securities laws or a valid exemption from such registration is available; and (b) the Company may cause each certificate or other documentation evidencing the ownership of any Shares issued upon exercise of those Stock Options or rights to be imprinted with a legend in the following form:

The shares represented by this certificate have not been registered under the Securities Act of 1933, as amended, or any state securities law and may not be sold or otherwise transferred without such registration unless a valid exemption from such registration is available and the corporation has received an opinion of, or satisfactory to, its counsel that such transfer would not violate any Federal or state securities laws.

(b) Restriction on Transfers.

No Shares awarded under the Plan or issued upon exercise of a Stock Option or other right under the Plan may be sold or otherwise transferred while the holder of those Shares is an employee of the Company or any subsidiary corporation.

(c) Purchase Option.

If any Participant ceases to be an employee of the Company and its subsidiary corporations, a member of the Board of Directors of the Company and its subsidiaries or a consultant to the Company and its subsidiaries for any reason (including, without limitation, his death, disability, retirement, resignation, replacement discharge, or any other reason), then the Company shall have the exclusive right and option to purchase from such Participant, the executor or administrator of his estate, or his other successor in interest, as the case may be (for purposes of this subsection, the "Selling Shareholder"), any or all of the Shares which may have been purchased by or awarded to the Participant under the Plan (including without limitation any Shares purchased upon exercise of a Stock Option or other right after termination of the Participant's employment, engagement or Board membership and any additional Shares which the Participant may have received as a result of any stock splits, stock dividends, or similar sources as a result of receiving Shares under the Plan).

In order to exercise its purchase option under this subsection, the Company shall give written notice to the Selling Shareholder, stating that the Company thereby exercises its option under this subsection, at any time after termination of the Participant's employment. The purchase price for the Shares under this subsection shall be equal to: (i) the fair market value of the total shareholders' equity of the Company, as determined by an appraisal which shall be made by an independent firm of certified public accountants selected by the Board and which shall be approved by the Board, if such appraisal was so made and approved not earlier than 15 months prior to the termination of the Participant's employment or, if not, a new appraisal made by such an independent firm and approved by the Board, plus or minus any increases or decreases in the book value of the total shareholders' equity of the Company from the effective date of such appraisal to the last day of the calendar month of termination of the Participant's employment (whether such termination was before or after the effective date of such appraisal), divided by (ii) the total outstanding common shares of the Company as of the last day of that calendar month, calculated on a fully diluted basis under generally accepted accounting principles. In the event of any disagreement between the Selling Shareholder and the Company concerning calculation of the purchase price for the Shares under this subsection, the calculation shall be made by any independent firm of certified public accountants selected by the Board, whose determination shall be final and conclusive on all interested parties. All costs of any such appraisal shall be borne by the Company, and all costs of any calculation of the purchase price by an independent firm of certified public accountants to resolve any such disagreement shall be borne equally by the Selling Shareholder and the Company.

If the Company exercises its option under this subsection, the purchase and sale of the Shares shall be closed within 20 business days after determination of the purchase price, at a time and place reasonably specified by the Company. At the closing, the Selling Shareholder shall assign and transfer the Shares to the Company free and clear of all encumbrances or other claims, and the Company shall execute and deliver to the Selling Shareholder the Company's promissory note: (i) dated as of the closing date, (ii) payable to the order of the Selling Shareholder, (iii) in a principal amount equal to the full purchase price, (iv) payable on or before the first anniversary of the closing date, (v) with interest payable at maturity calculated on the unpaid principal amount from the closing date to the payment date at a rate per annum equal to the then-current yield-to-maturity on United States Treasury securities of comparable maturity, as determined in good faith by the Company, plus 100 basis points. The Company may elect, in its discretion, to pay all or any part of the purchase price by good and sufficient check at the closing, in which event the Company's promissory note shall be eliminated or reduced by that amount, as the case may be. The Company may prepay its promissory note at any time without penalty.

Section 27. Savings Clause.

In case any one or more of the provisions of this Plan or any Award shall be held invalid, illegal, or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby, and the invalid, illegal, or unenforceable provision shall be deemed null and void; however, to the extent permissible by law, any provision which could be deemed null and void shall first be construed, interpreted, or revised retroactively to permit this Plan or such Award, as applicable, to be construed so as to foster the intent of this Plan. This Plan and all Awards are intended to comply in all respects

with applicable law and regulation, including Section 422 of the Code, Rule 16b-3 under the 1934 Act (with respect to persons subject to Section 16 of the 1934 Act ("Reporting Persons")), and Section 162(m) of the Code (with respect to covered employees as defined under Section 162(m) of the Code ("Covered Employees")). In case any one or more of the provisions of this Plan or any Award shall be held to violate or be unenforceable in any respect under Code Section 422, Rule 16b-3, or Code Section 162(m), then, to the extent permissible by law, any provision which could be deemed to violate or be unenforceable under Code Section 422, Rule 16b-3, or Code Section 162(m) shall first be construed, interpreted, or revised retroactively to permit the Plan or such Award, as applicable, to be in compliance with Code Section 422, Rule 16b-3, and Code Section 162(m). Notwithstanding anything in this Plan to the contrary, the Committee, in its sole discretion, may bifurcate the Plan so as to restrict, limit, or condition the use of any provision of this Plan to Participants who are Reporting Persons or Covered Employees without so restricting, limiting, or conditioning this Plan with respect to other Participants.

Section 28. No Violation.

Notwithstanding any provisions in this Plan to the contrary, no Options may be granted if such grant would otherwise violate the terms of any agreement entered into by the Company.

Section 29. Other Compensation Agreements.

Nothing contained in the Plan shall prevent the Board from adopting other compensation arrangements, subject to shareholder approval if such approval is required. Such other arrangements may be either generally applicable or applicable only in specific cases.

Section 30. Treatment of Proceeds.

Proceeds realized from the exercise of Options under the Plan shall constitute general funds of the Company.

Executed this ____ day of July, 2005.

OCEAN WEST HOLDINGS CORP.

By: _____
Darryl Cohen, CEO

Exhibit 21

Subsidiary

InfoByPhone, Inc.

AskMeNow, Inc.

Jurisdiction

Delaware

Philippines

Certification

I, Darryl Cohen, Chief Executive Officer and Principal Financial Officer of AskMeNow, Inc. (formerly known as Ocean West Holding Corporation), certify that:

1. I have reviewed this Annual Report on Form 10-KSB of AskMeNow, Inc.;
 2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
 3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the small business issuer as of, and for, the periods presented in this report;
 4. The small business issuer's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the small business issuer and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the small business issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the small business issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any change in the small business issuer's internal control over financial reporting that occurred during the small business issuer's most recent fiscal quarter (the small business issuer's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the small business issuer's internal control over financial reporting; and
 5. The small business issuer's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the small business issuer's auditors and the audit committee of the small business issuer's board of directors (or persons performing the equivalent functions):
-

a) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the small business issuer's ability to record, process, summarize and report financial information; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the small business issuer's internal control over financial reporting.

Date: April 15, 2008

/s/ Darryl Cohen

Darryl Cohen, Chief Executive Officer
and Principal Financial Officer

**CERTIFICATION PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY
ACT OF 2002 (SUBSECTIONS (a) AND (b) OF SECTION 1350, CHAPTER 63 OF
TITLE 18, UNITED STATES CODE)**

Pursuant to section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of AskMeNow, Inc. (the "Company") hereby certifies with respect to the Annual Report on Form 10-KSB of the Company for the year ended December 31, 2007 as filed with the Securities and Exchange Commission (the "10-KSB Report") that to his knowledge:

1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company for the dates and periods covered by the Report.

Date: April 15, 2008

/s/ Darryl Cohen

Darryl Cohen
Chief Executive Officer
and Principal Financial Officer
