

## INFORMATION AND DISCLOSURE STATEMENT

May 15, 2008

Optical Systems, Inc. ("Company" or "Issuer") is responsible for the content of this information statement. To the knowledge of the Company the information is correct and no material circumstances have been omitted. The information contained in this report is in draft format and has not been filed with the Securities and Exchange Commission, the National Association of Securities Dealers, or any other regulatory body. The Issuer has duly caused this report to be signed on its behalf by the undersigned, duly authorized on this 15th day of May, 2008.

/s/ B.J. Grisaffi  
B.J. Grisaffi  
President and CEO  
Optical Systems, Inc.

## **Optical Systems, Inc.**

First Quarter of 2008 Information and Disclosure Statement

**May 15, 2008**

All information contained in this Information and Disclosure Statement has been compiled to fulfill the disclosure requirements of Rule 15(c)-211(a)(5) promulgated under the Securities Exchange Act of 1934, as amended.

### **Part A    General Company Information**

*Item 1        The exact name of the issuer*

Optical Systems, Inc.

*Item 2        Principal Executive Office of Issuer*

Optical Systems, Inc.  
888 W. Sam Houston Parkway S.  
Suite 180  
Houston, TX 77042  
Phone: 713-226-7700  
Fax: 866-283-2946  
<http://www.saveadeal.net>

Investor Relations

B.J. Grisaffi  
888 W. Sam Houston Parkway S.  
Suite 180  
Houston, TX 77042  
Phone: 713-226-770  
Fax: 866-283-2946

*Item 3        The jurisdiction and date of the issuer's incorporation or organization.*

Optical Systems, Inc. was incorporated in the State of Florida on May 27, 1997.

**Item 4**      *The name and address of the transfer agent.*

Interwest Transfer Co., Inc.,  
1981 E 4800 S.  
Suite 100  
Salt Lake City, UT 84117

Interwest Transfer Co., Inc., is registered under the Exchange Act and has the authority to record changes of ownership, maintain the issuer's security holder records, cancel and issue certificates, and distribute dividends.

**Item 5**      *Nature of Issuer's Business*

A      Business Development

Optical Systems, Inc., a Florida Corporation (hereinafter the "Company" or "Issuer") was incorporated on May 29, 1997 under the name Optical Systems Holdings, Inc. The Company acquired through merger, 100% of the Issued and outstanding common stock of Optical Systems, Inc, a New Jersey corporation ("OSI-NJ"), effective June 30, 1997. Immediately thereafter, the Company changed its name to Optical Systems, Inc. On July 8, 1998, the Company registered its common stock pursuant to Section 12(g) of The Securities Exchange Act of 1934 with the Securities and Exchange Commission. On July 28, 1999, the Company filed with the Securities and Exchange Commission Form 15-12G and terminated the registration. At that point in time the Company's business focus was identifying and remediating "Year 2000" (Y2K) issues. In May of 2000 the Company filed petition under Chapter 7 of the Federal Bankruptcy Code in the U.S. Bankruptcy Court, District of New Jersey. The estate of the company was fully administered and the Trustee was discharged by the court on May 7, 2001.

On May 1, 2007 the Company was reinstated pursuant to Florida Statutes 607.0702 and 607.0303 by Claude Eldridge, who was appointed the Company's Director. On November 19, 2007 the Company acquired 100% of the Issued and outstanding common stock of Automotive Software Designers, Inc., a Nevada Corporation ("ASD"). Prior to that acquisition B.J. Grisaffi, sole owner of ADS, acquired majority ownership of the Company and was appointed Director and President upon the resignation of Mr. Eldridge.

Today the Company, through its wholly owned subsidiary, ASD, provides front office software for automotive dealerships called "save-a-deal" that significantly improves dealership efficiency by automating workflow within a dealership, eliminating manual forms, and reducing the time to desk and finance a deal. The save-a-deal system offers customers the following:

Document and source all sales prospects from the Internet, telephone, walk-in traffic and appointments.

- Track advertising expense and effectiveness
- Monitor Traffic counts and key sales process percentages
- Internet lead management tool
- Monitor inbound sales calls and their follow-up

Facilitate, control and monitor follow-up with the CRM tool.

- Sales person daily work plans
- Letter-Writing and e-mail tool
- Manager controlled sales follow-up
- Protection on privacy issues and security of customer database
- Increase CSI scores and repeat business

Control and monitor the sales process with a customized DEAL DESKING TOOL

- Dealer controls the sales approach
- Customer friendly and consistent presentation of figures and negotiation
- Dramatically shorten transaction time

- Free up sales managers to use time more productively
- Eliminate COS mistakes and maximize deal potential

Control New and Used vehicle inventories with inventory management tools

- Tied to the desking system to facilitate inventory turns
- Identifies aged inventory every time a deal is worked
- Tracks used vehicles from appraisal through sale
- Provides historical data on turn, gross margins and values of used vehicles

1. *Form of organization of the issuer*

Optical Systems, Inc. is a Florida corporation.

2. *The year that the issuer was organized*

1997.

3. *The issuer's fiscal year end date*

December 31.

4. *Whether the issuer (or predecessor) has been in bankruptcy, receivership, or any similar proceeding*

In May of 2000 the Company filed petition under Chapter 7 of the Federal Bankruptcy Code in the U.S. Bankruptcy Court, District of New Jersey. The estate of the company was fully administered and the Trustee was discharged by the court on May 7, 2001.

5. *Any material reclassification, merger, consolidation, or purchase or sale of a significant amount of assets.*

The Company acquired through merger, 100% of the issued and outstanding common stock of Optical Systems, Inc, a New Jersey corporation ("OSI-NJ"), effective June 30, 1997. Immediately thereafter, the Company changed its name to Optical Systems, Inc.

On November 19, 2007 the Company acquired 100% of the Issued and outstanding common stock of Automotive Software Designers, Inc., a Nevada Corporation ("ASD").

6. *Any default of the terms of any note, loan, lease, or other indebtedness or financing arrangement requiring the issuer to make payments.*

None.

7. *Any change of control*

May 22, 2000, The U.S. Bankruptcy Court, District of New Jersey appointed Andrea Dobin as Trustee.

The U.S. Bankruptcy Court, District of New Jersey, discharged Trustee Andrea Dobin on May 7, 2001.

On May 1, 2007 the Company was reinstated pursuant to Florida Statutes 607.0702 and 607.0303 by Claude Eldridge, who was appointed the Company's Director.

On September 17, 2007 B.J. Grisaffi was appointed President and Director of Company.

8. *Any increase of 10% or more of the same class of outstanding equity securities*

Beginning in November of 2007 The Company issued 60,300,000 shares of restricted common stock to B.J. Grisaffi pursuant to the acquisition of Automotive Software Designers, Inc., described in this Item 5 section A.

9. *Any past, pending or anticipated stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization*

None not already noted in the response to this Item 5, section A above.

10. *Any delisting of the issuer's securities by any securities exchange or deletion from the OTC Bulletin Board.*

On July 28, 1999, the Company voluntarily filed with the Securities and Exchange Commission Form 15-12G and terminated the 1999 registration of its common stock, thereby relieving the Company of its obligation to file reports under the Securities and Exchange Act of 1934.

11. *Any current, past, pending or threatened legal proceedings or administrative actions either by or against the issuer that could have a material effect on the issuer's business, financial condition, or operations and any current, past or pending trading suspensions by a securities regulator. State the names of the principal parties, the nature and current status of the matters, and the amounts involved.*

None.

B. Business of Issuer

1. *The issuer's primary and secondary SIC Code.*

The issuer's primary (and only) standard Industrial classification code is: SERVICES-COMPUTER PROCESSING & DATA PREPARATION [7374].

2. *If the issuer has never conducted operations, is in the development stage, or is currently conducting operations.*

The issuer is currently conducting operations.

3. *If the issuer is considered a "shell company" pursuant to Securities Act Rule 405.*

The issuer is not a "shell company."

4. *The names of any parent, subsidiary, or affiliate of the issuer, and its business purpose, its method of operation, its ownership, and whether it is included in the financial statements attached to this disclosure statement.*

The Company has one subsidiary, Automotive Software Designers, Inc., a Nevada corporation ("ASD"). ASD's business purpose is the same as the Company's. The Company owns 100% of ASD.

Management is intending only to report the operations of the parent company on a stand alone basis.

5. *The effect of existing or probable governmental regulations on the business.*

The Company does not foresee any substantial changes that would adversely affect the Company's business at this time.

6. *An estimate of the amount spent during each of the last two fiscal years on research and development activities, and, if applicable, the extent to which the cost of such activities are borne directly by customers.*

None.

7. *Costs and effects of compliance with environmental laws (federal, state and local).*

No costs or effects of compliance with environmental laws to date.

8. *The number of total employees and number of full-time employees.*

The Company currently employs eight full-time employees.

**Item 6** *The Nature of the Products or Services Offered*

**A.** Principal products / services and their markets

The Company provides front office software for automotive dealerships that significantly improves dealership efficiency by automating workflow within a dealership, eliminating manual forms, and reducing the time it takes to desk and finance a deal. The United States automobile dealers are the company's target market.

B. Distribution methods of the products or services

The products and services are distributed through internal sales staff and through general agents.

C. Status of any publicly announced new product or service.

None.

D. Competitive business conditions, the issuer's competitive position in the industry, and methods of competition.

The Company's major competitors include Autobase, Inc., The Higher Gear Group, Inc., CAR Research, Inc., and the Cobalt Group, Inc.

The Company believes that there are a sufficient number of dealers in Texas and surrounding states to make its product and services successful. The Company believes that it employs a very different approach than its competitors. Optical Systems, unlike its competitors, customizes its product to fit the needs of the automobile dealers, while the competition essentially does not.

E. Sources and availability of raw materials and the names of principal suppliers.

Not applicable.

F. Dependence on one or a few major customers.

Not applicable.

G. Patents, trademarks, licenses, franchises, concessions, royalty agreements or labor contracts, including their duration.

Not applicable.

H. The need for any government approval of principal products or services and the status of any requested government approvals.

None.

**Item 7**

*The nature and extent of the issuer's facilities.*

The Company currently leases offices located at 888 W. Sam Houston Parkway S., Suite 180, Houston, TX 77042. The Company's offices comprise 3,274 square feet and the lease payment is \$3,887 per month.

## **Part B Share Structure and Issuance History**

*Item 8 The exact title and class of securities outstanding*

Common Stock. CUSIP 683861 10 8. Trading symbol OPSY

*Item 9 Description of the security*

### **A. Par or Stated Value**

Common Stock, Par Value 0001.

The are no outstanding preferred shares.

### **B. Common or Preferred Stock**

1. Each outstanding share of common stock is entitled to one vote, either in person or by proxy, on all matters that may be voted upon by the owners thereof at meetings of the shareholders. The holders of Common shares (1) have equal ratable rights to dividends from funds legally available thereof, when, and if declared by the Board of Directors of the company; and (ii) are entitled to share ratably in all the assets of the Company available for distribution to holders of Common shares upon liquidation, dissolution or winding up of the affairs of the Company. The holders of Common shares do not have preemptive, subscription or conversion rights, redemption or sinking fund provisions applicable thereto, and are entitled to one non-cumulative vote per share on all matters on which shareholders may vote at all meetings of shareholders.
2. There are no preferred shares issued or outstanding.
3. There are no other material rights of common or preferred stockholders

4. There are no provisions in issuer's charter that would delay, defer, or prevent a change in control of the issuer.

**Item 10** *The number of shares or total amount of the securities outstanding for each class of securities authorized*

The issuer is authorized to issue 200,000,000 shares of common stock, of which 95,281,379 were issued and outstanding as of March 31, 2008. Of these, 10,378,905 are freely tradable shares and 84,902,474 are restricted. There are a total of 73 shareholders of record.

The issuer is authorized to issue 10,000,000 shares of preferred stock, of which none are issued and outstanding.

As of the end of each of the two previous fiscal years, prior to fiscal year end 2007, the issuer was authorized to issue 50,000,000 shares of common stock, of which 6,411,379 were issued and outstanding. Of these 1,378,905 were freely tradable shares and 5,032,474 were restricted.

As of the end of the each of the two previous fiscal years, prior to fiscal year end 2007, the issuer was authorized to issue 10,000,000 shares of preferred stock, of which zero shares were issued and outstanding.

**Item 11** *List of securities offerings and shares issued for services in the past two years*

On October 19, 2007, and December 18, 2007, 5,000,000 shares and 25,000 shares respectively of restricted common stock were issued to an employee of the Company, Clinton Rawls, for his dedicated service.

On December 18, 2007 25,000 shares were issues to Earl Tackett Jr, an employee of the Company, for his dedicated service.

## **Part C Management and Control Structure**

*Item 12 The names of the chief executive officer and Members of the Board of Directors*

### **A. Executive Officers**

B.J. Grisaffi Chief Executive Officer  
888 W. Sam Houston Parkway S.  
Suite 180  
Houston, TX 77042

B.J. Grisaffi is a veteran of more than 30 years in general management of automobile dealerships. Over the last five years Mr. Grisaffi and his team developed the premiere auto dealer customer sales information system in the industry, the "Save-a-Deal" program. "Save-a-Deal" simplifies and personalizes the customer car buying experience, significantly increasing dealer profits by automating workflow within a dealership, eliminating manual forms, and dramatically reducing the time to desk and finance a deal. Currently the shares beneficially owned by Mr. Grisaffi are 60,300,000 restricted common shares.

### **B. Directors**

B.J. Grisaffi - Chairman

Keith Orr - Director  
1825 Moores Lane  
Texarkana, Texas 75503

Keith Orr is a veteran of the automobile industry. His leadership and business acumen are clearly demonstrated by his success as CEO and majority owner of the esteemed Orr Automotive Group, which comprises eighteen new vehicle dealerships with twenty-

three franchises in Texas and Louisiana. Mr. Orr's leadership experience encompasses an array of disciplines, including sales, marketing, product development, and dealership management. Mr. Orr received a bachelor's degree in business management from the University of Texas at Arlington in 1986. He and his wife, Pam, live in Texarkana with their four children. Currently the shares beneficially owned by Mr. Orr are 1,000,000 restricted common shares.

C. General Partners

Not applicable.

D. Control Persons

1. B.J. Grisaffi is the only affiliate with more than 5% of the common shares outstanding.
2. B.J. Grisaffi and Keith Orr have not been subject to a conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding.
3. B.J. Grisaffi and Keith Orr have not been in the subject of the entry of an order, judgment, nor decree, not subsequently reversed, suspending or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities.
4. B.J. Grisaffi and Keith Orr have not been the subject of a finding or judgment by a court of competent jurisdiction (in a civil action), the

SEC, the CFTC, or a state securities regulator of a violation of a federal or state securities or commodities law, which finding or judgment has not been reverse, suspended or vacated.

5. B.J. Grisaffi and Keith Orr have not subject to the entry of any order by self-regulatory organization that permanently or temporarily barred, suspended or otherwise limited such persons; involvement in any type of business or securities activities. It should also be noted there are no beneficial owners of securities exceeding ten percent of the issued and outstanding shares with the exception of B.J. Grisaffi. There are no known relationships or conflicts of interest existing among and/or between the issuer's officers, directors and shareholders, or among and between the shareholders and the issuer, its predecessors, its present and prior officers and directors, and other shareholders. There are no known related party transactions or conflicts of interests with regard to any executive officer or director with competing professional or personal interests.

**Item 13**      *Beneficial Owners*

B.J. Grisaffi: 60,300,000 common shares

Clinton Rawls: 5,025,000 common shares

Galaxy Microsystems, Inc.: 5,025,000 common shares

Walter Stock, resident agent

3004 Duke Dr.

Richardson, TX 75081

La Dolce Vita Trust, Christine Guthrie Trustee: 5,000,000 common shares

**Item 14** *The name of any outside providers that advise the issuer on matters relating to the operations, business development and disclosure. The information should include the advisor(s) name, address, telephone, and email address.*

1. *Investment Banker*

None at this time

2. *Promoters*

None.

3. *Counsel*

The issuer's counsel is:

Trey Stock, Esq.

9101 LBJ Freeway, Suite 650

Dallas, TX 75243

4. *Accountant or Auditor*

The issuer, at this time, has not identified an accountant or auditor.

5. *Public Relations Consultant(s)*

None.

6. *Investor Relations Consultant*

None.

7. *Any other advisor(s) that assisted, advised, prepared or provided information with respect to this disclosure statement - the information shall include the telephone number and email address of each advisor.*

None.

## Part D Financial Information

**Item 15** *The issuer's most recent balance sheet and profit and loss and Retained Earnings Statements*

See the financial statements which are incorporated by reference and will be uploaded separately.

**Item 16** *Similar Financial Information for the prior two (2) fiscal years of issuer's existence*

See attached financial statements which are incorporated by reference.

**Item 17** *Management's Discussion and Analysis or Plan of Operation*

### A. Plan of Operation

1. *The Company's plan of operation for the next twelve months*

*i. Discussion of how long the Company can satisfy its cash requirements and whether it will have to raise additional funds in the next twelve months;*

The Company's subsidiary, Automotive Software Designers, Inc., has contracts with numerous automotive dealers which will help satisfy the Company's minimum cash flow requirements. In addition, the company has prospects for additional automotive dealer business and fully expects to grow its business substantially. Also, the company expects to raise additional capital through the sale of equity securities.

*ii. Summary of any product research and development that the Company will perform for the term of the plan;*

The development of the Company's principal software package product is complete. Any immediate research and development costs will be minimal.

*iii. Expected purchase or sale of plant and significant equipment;*

The Company does not expect to purchase or sell any plant or significant equipment.

*iv. Expected significant changes in the number of employees.*

No significant changes in the number of employees, aside from commissioned sales representatives, are expected in the foreseeable future.

B. Management's Discussion and Analysis of Financial Condition and Results of Operations.

1. Optical Systems acquired the assets of Automotive Software Designers ("ASD"). ASD currently has twenty-one franchised dealers using their save-a-deal dealership deskings software product. Capital raised via private placement of Company stock will help fund expansion of the Company's current customer base.

The Company has recognized a need for call centers used for providing customer follow up calls for save-a-deal franchise dealerships. The ability to provide this highly profitable service to save-a-deal dealerships is a natural offshoot of the save-a-deal package since the system requires a dealer's sales associate to acquire a customer's information at point of contact. Automobile dealerships are in desperate need of

sales follow-up, and the Company is in a unique position to fill that need.

For additional information regarding this question please refer to Item 5 of this Disclosure.

C. Off-Balance Sheet Arrangements

The Company currently does not have any known off-balance sheet arrangements, as defined in the guidelines.