

## INFORMATION AND DISCLOSURE STATEMENT

June 30, 2009

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 30th day of June 2009.

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

/s/ B.J. Grisaffi

## **Optical Systems, Inc.**

### **Initial Company Information and Disclosure Statement**

**June 30, 2009**

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.opticalsystemsinc.co](http://www.opticalsystemsinc.com)

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Investor Relations

B.J.Grisaffi  
888 W. Sam Houston Parkway S. Suite 180  
Houston, TX 77042  
Phone: 713-226-7700 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 operation.

The issuer is currently conducting operations.

3. If the issuer is considered a “shell company” pursuant to Securities Act Rule 405 conducting operations

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 standalone 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. There 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 (i) 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 190,896,923 were issued and outstanding as of June 30, 2009. Of these, 38,504,380 are freely tradable shares and 152,392,543 are restricted. There are a total of 83 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.

On May 24, 2009 the following shares were issued  
Jerry Grisaffi-----24,000,000 purchase  
B.J. Grisaffi-----35,500,000 past compensation  
Jamie Melgarrjo-----23,076,923 purchase

Jerry Grisaffi  
2 Soapberry Ln.  
Rockwall, TX 75087

B.J. Grisaffi  
8914 Hazen  
Houston, TX 77035

Jaime Melgranido  
15806 Pathfield Dr.  
Houston, TX 77084

**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

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 78,500,000 restricted common shares.

**Ray Rogers Chief Operating Officer, Vice President of Technology**

Ray Rogers has been a successful business strategist for technology driven companies for the last 25-years. He has worked with Fortune & Global Companies at their highest levels in the areas of integration of technology into the business process, global secured architectural design, infrastructure deployment, risk assessment and IT auditing. His background and expertise have enabled him to be called upon to support closure of global project implementations and as an expert witness in over a half dozen cases. He has the honor of knowing and working with Supreme Court Justice Clarence Thomas as an expert witness in cases where Mr. Thomas was the Chief Council. His experiences have led him to the belief that companies and institutions need to Develop a Security Mentality, as well as their continued focus on just the technical aspects of securing sensitive data and

## B. Directors

B.J. Grisaffi - Chairman  
Keith Orr - Director  
Texarkana, Texas  
Tom Price  
Portland, Oregon

**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 that 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.

**Tom Price** Portland, Oregon Tom Price is a successful entrepreneur and engineer with more than 20 years of experience in the technology industry. In 1995, Mr. Price founded Ultratape Industries, Inc., a semiconductor consumables manufacturing company. Ultratape was sold in 2007, and continues to thrive. From 1983-1995, Mr. Price worked for Mitsubishi Silicon as a Senior Process Engineer, where he was responsible for managing multiple projects simultaneously, and making data-driven decisions on new equipment and techniques. From 1975-1983, Mr. Price worked as a Research Engineer for Stauffer Chemical & Merck & Co, where he was responsible for the design of three organic chemical plants in California, Alabama and New Jersey. Tom Price earned a Bachelor's Degree in Chemical Engineering from the University of Delaware, and his Masters Degree in Chemical Engineering from Northwestern University. Tom Price owns no shares at this time.

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 and Tom Price 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 and Tom Price 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 and Tom Price 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 reversed, suspended, or vacated.
5. B.J. Grisaffi and Keith Orr and Tom Price have not been 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 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**

Jerry Grisaffi-----24,000,000

Jamie Malgranido – 23,076,923

B.J. Grisaffi-----78,500,000

**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 at this time

3. Counsel

The issuer's counsel is:  
David R. Gibson  
The Gibson Law Group  
1801 N. Hampton Road  
DeSoto, Texas 75115

4. Accountant or Auditor

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

5. Public Relations Consultant(s)

None at this time.

6. Investor Relations Consultant

None at this time.

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 attached financial statements which are incorporated by reference. These are posted to the Pinksheets for reference.

**Item 16**      Similar Financial Information for the prior two (2) fiscal years of issuer's existence. These are all posted to the Pinksheets.

See attached financial statements which are incorporated by reference. These are all posted to the Pinksheets.

**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 satisfy the Company's minimum cash flow requirements through the first quarter of 2010. In addition, the company has prospects for additional automotive dealer business and fully expects to grow its business substantially thru its new Business Development Center.

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. The BDC call center is also complete.

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 desking 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. The company has also added automotive warranty's and ID Theft protection to their call centers and the company and believes the sales will produce significant income for the company.

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.

**Part E Exhibits**

**Item 18** Material Contracts

**Part F Miscellaneous**

**Item 19** Purchase of Equity by Issuer and affiliated purchasers

None.

# LEASE

## DEFINITION OF LEASE TERMS

This LEASE AGREEMENT ("LEASE") is entered into as of this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between ASR PARKWAY ONE & TWO, L.P., by and through its Agent, American Spectrum Realty Management, Inc., a Delaware corporation (said Owner being hereinafter referred to as "Landlord") and \_\_\_\_\_ Automotive Software Designers, Inc. ("Tenant"), with respect to the facts set forth below:

BUILDING: Parkway Two  
ADDRESS: 888 Sam Houston Parkway  
Houston, Texas 77042

SUITE #: 180  
LANDLORD ADDRESS:  
(FOR RENT PAYMENTS):

PREMISES: Approximately 2,351 square feet of net rentable area.

TERM: 3 year(s) 3 months (Tenant Initials)  
COMMENCEMENT DATE: December 1, 2007

(FOR ALL OTHER PURPOSES): AMERICAN SPECTRUM REALTY, INC.  
8880 SAN FELIPE, SUITE 400  
HOUSTON, TEXAS 77057

BASIC RENT: \$3,338.00 per month from 03/01/08 - 02/28/10  
\$3,576.25 per month from 03/01/10 - 02/28/11

SECURITY DEPOSIT: \$6,678.00

### SPECIAL PROVISIONS:

1. Tenant acknowledges that (a) it accepts the Premises in its "AS IS" condition, and (b) Landlord will have no obligation whatsoever to improve the Premises except as provided herein.
2. Basic rent shall be abated for the months of December 2007, January 2008, and February 2008.
3. Provided Tenant is not in default of the Lease and has a minimum of 2,800 square feet of net rentable area under lease in the Building, Tenant shall have the non-exclusive right, at its sole cost and expense, to install its company name on the building monument sign. Tenant's signage shall conform to applicable local, city, and county requirements, including the Harris County Top Road Authority. Tenant shall be responsible for all costs associated with sign permitting, fabrication, installation, maintenance, and repair. Upon termination of the Lease, Tenant agrees to remove all graphics from the sign and restore it to its original condition. This right to monument signage is not assignable by Tenant to any other party without Landlord's consent.
4. Tenant agrees to lease five (5) reserved covered parking spaces at Thirty Five and No/100 Dollars (\$35.00) per space.

Attested by:  
TENANT: Automotive Software Designers, Inc.  
(Tenant Name)  
BY: \_\_\_\_\_  
(Tenant Signature)  
TITLE: \_\_\_\_\_  
DATE: \_\_\_\_\_

Attested by:  
LANDLORD:  
American Spectrum Realty Management, Inc., A Delaware corporation  
(As agent for Owner)  
Date: \_\_\_\_\_  
RICHARD M. HOLLAND  
Vice President

## LEASE PROVISIONS

THIS LEASE ("Lease") is made by and between LANDLORD and TENANT in consideration of the mutual covenants and agreements herein set forth, and any other consideration, Landlord leases to Tenant and Tenant leases from Landlord the area generally outlined on the plan attached hereto as "Exhibit A", hereinafter referred to as the "Premises" which is part of the Building (hereinafter referred to as the "Building").

1. **TERM.** The term of this Lease shall continue, unless sooner terminated as provided hereinafter. In the event that Term is month-to-month, either party may terminate this Lease with a thirty (30) day written notice. Landlord reserves the right to increase monthly Rent for any month-to-month lease with a thirty (30) day written notice to Tenant. New Rent shall immediately become effective and due at the end of the thirty (30) day notice period.
2. **BASIC RENT AND SECURITY DEPOSIT.** Except as provided for in this Lease, Tenant will pay to Landlord without deduction or setoff, Basic Rent for each month of the entire Lease Term. The term "Rent" shall mean the amount so payable plus all other amounts payable by Tenant under this Lease. One full monthly Basic Rent installment together with a Security Deposit shall be payable by Tenant upon execution of this Lease. Basic Rent for any fractional month at the beginning or end of the Term shall be prorated. The Security Deposit shall be held by Landlord, without interest, as security for Tenant's performance under the Lease, and not as an advance payment of rent or a measure of Landlord's damages. Upon an Event of Default (defined below) or any damage to the Building or Premises caused by Tenant, its employees or invitees, Landlord may, without prejudice to any other remedy, use the Security Deposit to cure such Event of Default or repair any damage. Following any application of the Security Deposit, Tenant shall, on demand, restore the Security Deposit to its original amount. If Tenant is not in default hereunder, any remaining balance of the Security Deposit shall be returned to Tenant upon termination of this Lease. If Landlord transfers its interest in the Premises, Landlord may assign the Security Deposit to the transferee and thereafter shall have no further liability for the Security Deposit. Rent is due, and must be received by Landlord, by the first day of every month, at address specified by Landlord.
3. **LANDLORD'S OBLIGATIONS.**
  - (a) Landlord will furnish to Tenant at Landlord's expense:
    - (i) water at those points of supply provided for the general use of tenants of the Building;
    - (ii) heated and refrigerated air conditioning in season, at such times as Landlord determines, and at such temperatures and in such amounts as reasonably considered necessary by Landlord, service on Sundays, Saturdays, and holidays are optional on the part of the Landlord;
    - (iii) janitorial services to the Premises on weekdays other than holidays and window washing as may, in Landlord's judgment, be reasonably required;
    - (iv) passenger elevators for ingress to and egress from the Premises, in common with other tenants;
    - (v) replacement of building standard light fixtures; and
    - (vi) electric lighting for public areas and special service areas of the Building to the extent deemed by the Landlord to be reasonable.
  - (b) Landlord shall furnish electrical current required for normal office use of the Premises. Tenant shall pay Landlord's cost for any such excess use of electricity within ten (10) days after being invoiced therefor. In the event that the price of electricity per kilowatt hour, or "kwh", paid by the Landlord for the electricity supplied to the Premises increases by thirty percent (30%) or more from the Commencement Date of this Lease, Landlord may pass through the cost of any such increase above the thirty percent (30%) threshold to Tenant, based on Tenant's pro-rata share of the total rentable square footage of the building. Tenant agrees to pay such charge immediately upon receipt of written notice of the charge from Landlord or its management company. Any such charges will be billed monthly, and shall be determined using as the base rate the price per kwh charged for the time period covering the Commencement Date.
  - (c) Failure to furnish, stoppage, or interruption of these services resulting from any cause shall not render Landlord liable in any respect for damages to either person, property or business, or be construed as an eviction of Tenant, work an abatement of rent, or release Tenant from performance of its obligations. Should any equipment





**BUILDING RULES AND REGULATIONS**

- 1 No sign, notice, advertisement, name or notice shall be erected, displayed or affixed on or to any part of the inside of the Building or the Premises without the prior written consent of Landlord and Landlord shall have the right to remove any such item at the expense of Tenant. All approved signs or lighting on show and the building directory shall be periodic, standard, uniform or consistent in the expense of Tenant by a person approved by Landlord. Tenant shall not place anything near the glass of any window, door partition or wall which may obstruct sunlight from outside the Premises, provided however that such items may be hung and install a Building standard window covering at all exterior windows. Tenant shall not, without written consent of Landlord, cover or obscure any window, air shaft, or
- 2 Landlord shall approve a writing, plan or installation, any attachment of any other article to walls, ceiling or doors other than coats and similar items.
- 3 The structure of the Building will be provided equipment for the safety of the name and location of Tenant only, and Landlord reserves the right to install any other items or structure.
- 4 The staircase, public passages, entry entrances, elevators and stairways shall not be obstructed by Tenant or used by Tenant for any purpose other than that approved by Landlord.
- 5 The staircases, public passages, entry entrances, elevators, stairways, balconies and not be used for the use of any general public or the Landlord shall not be used for the purpose of any business, trade or profession, or for any other purpose, and as the Landlord may direct.
- 6 No person shall be permitted to enter the Building without the consent of Landlord and no moving of same into or out of the Building shall be done at such time and in such manner as Landlord shall direct. Landlord shall have the right to prescribe the weight, size and position of all signs and other heavy equipment brought into the Building and has the right and power of moving the same in and out of the Building and any damage caused by moving or maintaining such signs or other property shall be repaired at the expense of Tenant. There shall not be used in any space or in the public hall of the Building other than any hoist or other, any hand tools, except those equipped with rubber tires and safety guards.
- 7 Tenant shall not employ any person or persons for the purpose of cleaning the Premises without the consent of Landlord. Landlord shall be in no way responsible to Tenant for any loss of property from the Premises or other damage caused by Landlord's pastoral services or any other person. Landlord services will not include the cleaning of carpets and rugs, other than premises, if the Premises require more than building standard practice (e.g., such as carpet services that be at Tenant's cost).
- 8 No Tenant shall place anything in the hallway of the Building. No keys shall be placed in the common area.
- 9 Tenant shall only be permitted use an general office space, the shared staff entry or permit any portion of the Premises to be occupied for lodging or sleeping or for any illegal purposes or purposes not within the Premises or Building.
- 10 Tenant shall not use or store in the Premises or the Building any prohibited, flammable or medicinal, including the use of space heaters, and that not permit any open flame including candles, incense, etc.
- 11 Landlord will direct Christmas, use in shops and how lighters shall be kept. No burning or cutting for signs will be allowed without written consent of the Landlord. The location of firehoses, call boxes and other fire equipment offered to the Premises shall be adjacent to the approval of Landlord.
- 12 No Tenant shall be allowed to enter other than door covering or roof areas that be attached to the face of the Premises in any way except by a plate or other means which may result in contact with water, the use of cement or other similar adhesive materials being expressly prohibited. The method of affixing any such plate or other under floor covering to the floor, as well as the method of affixing carpets or rugs to the Premises, shall be subject to approval by Landlord. The Premises or repairing any damage resulting from a violation of this rule shall be done by the Tenant by person or by whom person, employee or friend, the charges shall have been incurred.
- 13 Tenant shall provide and use clear paths and carpet protectors of all doors and landing locations.
- 14 No furniture, apparatus, supplies, equipment or merchandise will be stored in the Building or carried up or down in the elevator, except between such hours in each direction as may be determined by Landlord.
- 15 No Staircase, Staircase and hand railings and on any other part between the hours of 8:00 p.m. and 8:30 a.m. Landlord reserves the right to keep all doors to the Building locked and access by the Building, or to the hall, corridors, elevators or stairways in the Building or to the Premises may be retained unless the person requesting access is an employee of the Building, or is person authorized as a carrier of the Building. The Landlord shall in no case be liable for damages for any damage which results from the admission to or exclusion from the Building of any person. In case of motion, mail, not public assistance, or other emergency, the Landlord reserves the right to prevent access to the Building during the continuance of the same by closing the doors for the safety of the tenants and protection of the property in the Building.
- 16 Access to the Building and parking shall be controlled by the use of electronic card key or by other method deemed necessary by Landlord. Tenant shall be issued card keys or other ingress/egress devices and a deposit for such device shall be paid upon issuance of the cards. In the event that Tenant shall damage or lose the card key(s) or device(s), then Tenant's request for such card(s) device(s) will be forfeited, and Tenant will be required to pay another equal deposit.
- 17 If Landlord or any other person complains about smoke, fumes, or odors caused by smoking in a Tenant's Premises, smoking shall be prohibited in such Premises from and after the date of such complaint. Smoking is prohibited in the common areas of the Building at all times.
- 18 In order to ensure a clear and safe security access, a key, Tenant agrees to provide a forwarding address to Landlord, a writing on or before the termination date of the Lease. Tenant agrees that a writing on or before the termination date of the Lease, providing a forwarding address to the Landlord, in writing on or before the termination date of the Lease, including a waiver of the right to receive a refund and to receive a description of damages and charges. Landlord shall have sixty (60) days from the date Tenant surrenders and the premises and Landlord's receipt of Tenant's forwarding address, to inform the security deposit holder of a written description of damages and charges.
- 19 Landlord reserves the right to charge Tenant, and receive payment in advance, by services and/or expenses not required of Landlord under the Lease, or incurred in relation to the Lease. Such charges include, but are not limited to, governing board's errors, changing locks, reviewing and signing bin wastes, waste management, other documents, providing new house HVAC work, etc.
- 20
- 21

## EXHIBIT "C"

### Additional Rent

The Base Rent payable by Tenant during each lease year shall be adjusted in accordance with the following:

#### A. Definitions

(1) The term "Taxes" shall mean all taxes, impositions, assessments, and all other governmental charges, if any, which are levied, assessed or imposed upon or become due and payable in connection with, or a lien upon, the Land, the Building, Garage, or facilities used in connection therewith, or the operation thereof, (excluding federal and state taxes on income) including taxes levied by present or future taxing authorities and all taxes of whatsoever nature that are imposed in substitution for or in lieu of any of the taxes, impositions, assessments, or other charges included in this definition of Taxes.

For the purpose herein the term "Base Taxes" shall be deemed to be the amount Taxes incurred by Landlord for the calendar year 2007, per square foot of the total Net Rentable Area of the Building.

(2) The term "Operating Cost" shall mean all operating expenses of the Building which shall be computed on the accrual basis and which shall include all expenses, costs, and disbursements of every kind and nature which Landlord shall pay or become obligated to pay because of or in connection with the ownership and operation of the Land and Building (which for purposes of this Lease shall include by definition the Garage attached thereto), including, but not limited to, the following:

- (a) Wages and salaries of all employees engaged in the operation and maintenance of the Land and Building, including taxes, insurance and benefits relating thereto;
- (b) All supplies and materials used in the operation and maintenance of the Building;
- (c) Cost of water, sewage, power, heating, lighting, air conditioning, ventilating, and other utilities furnished in connection with the operation of the Building (excluding any such cost billed to specific tenants);
- (d) Costs of all maintenance and service agreements on equipment, including, but not limited to, security services, alarm services, window cleaning, janitorial service, and elevator and maintenance;
- (e) Cost of casualty, rentals and liability insurance applicable to the Building and Landlord's personal property used in connection therewith;
- (f) Costs of repairs and general maintenance of the Building, parking areas, and landscaping of the Land and Building, excluding repairs and general maintenance paid by proceeds of insurance or by any tenant or third parties and alterations attributable solely to tenants of the Building other than Tenant;
- (g) Management fees not to exceed a sum of equal to five percent (5%) of the Base Rentals and Parking Income derived from the Building; and General Office expenses and
- (h) A reasonable amortization charge on account of any capital expenditures incurred to effect a reduction in operating expenses of the Building.

Expressly excluded from the definition of the term Operating Cost are:

- (i) Replacement of capital investment items;
- (ii) Tenant improvement work;
- (iii) Rental and similar commissions, other than those set forth in (g) above;
- (iv) Specific costs billed to and paid by specific tenants;
- (v) Depreciation; and
- (vi) Principal, interest, and other costs directly related to financing.

For the purpose herein the term "Basic Operating Cost" shall be deemed to be the amount of Operating Costs incurred by Landlord for the calendar year 2007, per square foot of total Net Rentable Area of the Building.

(3) The term "Tenant's Share" shall mean the proportion that the Net Rentable Area of the Lease Premises bears to the total Net Rentable Area of the Building, which shall be deemed to be 36,625 square feet. For the purposes of this Lease, Tenant's Share shall be deemed to be 6.27%.

(4) The term "Operating Year" shall mean any calendar year ending December 31st after the commencement of the Lease Term, including the calendar year in which the term of this Lease commences.

(5) Within 120 days from the end of each Operating Year, Landlord shall deliver to Tenant an operating statement setting forth Taxes and Operating Cost for such year and comparing such cost with the Basic Taxes and Basic Operating Cost defined herein. In the event Taxes and/or Operating Cost for any Operating Year as reflected on the operating statement exceed the Basic Taxes and/or Basic Operating Cost Tenant shall pay to Landlord, within the time and in the manner as provided below, without reduction or set-off, as Additional Rental over and above the Basic Rental. Tenant's Share of such excess:

(a) Within thirty (30) days of its receipt of the operating statement, Tenant shall pay Landlord such Additional Rental due for the preceding Operating Year, plus an amount necessary so that the Tenant shall have paid one-tenth of such Additional Rental for each month that has passed in the then current Operating Year.

(b) Tenant shall also pay to Landlord, beginning on the first day of the first month after Tenant receives the operating statement and on the first day of each month thereafter during the Term, unless subsequently adjusted pursuant hereto, one-tenth of such Additional Rental due for the current Operating Year.

(c) Tenant shall pay to Landlord the Additional Rental due, as disclosed by the operating statement furnished after the expiration or earlier termination of this Lease, within ten (10) days of Tenant's receipt of such operating statement.

(5) Tenant shall be entitled to a credit on the Additional Rental due for the Operating Year preceding the year in which each operating statement is delivered, which credit shall be equal to the amount of Additional Rental already paid by Tenant to Landlord for such Operating Year pursuant to the operating statement delivered during such Operating Year.

(7) Anything herein to the contrary notwithstanding, in no event shall the Base Rental provided herein ever be reduced.

(8) Within thirty (30) days of its receipt of the operating statement, Tenant at its sole cost and expense shall have the right to review, in Landlord's offices and during normal business hours, Landlord's records of Taxes and Operating Cost. If within such thirty (30) day period, Tenant does not give written notice stating in reasonable detail any objections to such operating statement, Tenant shall be deemed to have given approval of such statement.

(9) Anything herein to the contrary notwithstanding, it is agreed that, in the event the Building is not ninety-five percent (95%) occupied during any Operating Year, an adjustment shall be made in accordance with generally accepted accounting principles in computing the Operating Cost and Taxes for such Operating Year so that such computation would be as though the Building had been ninety-five percent (95%) occupied during such Operating Year.

Item 29 Articles of Incorporation and Bylaws

A.

Item 29 *Articles of Incorporation and Bylaws*

A.

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**ARTICLES OF INCORPORATION**

**Article I. Name**

The name of this Florida corporation is:  
Optical Systems Holdings, Inc.

**Article II. Address**

The mailing address of the Corporation is:  
Optical Systems Holdings, Inc.  
265 Sunrise Avenue, Suite 204  
Palm Beach FL 33480

**Article III. Registered Agent**

The name and address of the registered agent of the Corporation is:  
Donald F. Mintmire  
265 Sunrise Avenue, Suite 204  
Palm Beach FL 33480

**Article IV. Board of Directors**

The name of each member of the Corporation's Board of Directors is:  
William H. Luckman

The affairs of the Corporation shall be managed by a Board of Directors consisting of no less than one director. The number of directors may be increased or decreased from time to time in accordance with the Bylaws of the Corporation. The election of directors shall be done in accordance with the Bylaws. The directors shall be protected from personal liability to the fullest extent permitted by applicable law.

Mintmire & Associates  
265 Sunrise Avenue, Suite 204  
Palm Beach FL 33480  
561-832-5698

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TALLAHASSEE, FLORIDA

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Article V. Capital Stock

The Corporation shall have the authority to issue 50,000,000 shares of common stock, par value \$.0001 per share. The Corporation shall have the authority to issue 10,000,000 shares of preferred stock, par value \$.0001 per share, which may be divided into series and with the preferences, limitations and relative rights determined by the Board of Directors.

Article VI. Incorporator

The name and address of the incorporator is:

Donald F. Mintmire  
Mintmire & Associates  
265 Sunrise Avenue, Suite 204  
Palm Beach FL 33480

Article VII. Corporate Existence

These Articles of Incorporation shall become effective and the corporate existence will begin on May 27, 1997.

The undersigned incorporator executed these Articles of Incorporation on May 27, 1997.

  
\_\_\_\_\_  
DONALD F. MINTMIRE  
Brian R. Fourn as attorney-in-fact

Mintmire & Associates  
265 Sunrise Avenue, Suite 204  
Palm Beach FL 33480  
561-832-5696

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PAGE 03

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**CERTIFICATE OF DESIGNATION  
REGISTERED AGENT/OFFICE**

**CORPORATION:**

Optical Systems Holdings, Inc.

**REGISTERED AGENT/OFFICE:**

Donald F. Mintmire  
265 Sunrise Avenue, Suite 204  
Palm Beach FL 33480

I agree to act as registered agent to accept service of process for the corporation named above at the place designated in this Certificate. I agree to comply with the provisions of all statutes relating to the proper and complete performance of the registered agent duties. I am familiar with and accept the obligations of the registered agent position.



Donald F. Mintmire  
Brian R. Fons as attorney-in-fact

Date: May 27, 1997

Mintmire & Associates  
265 Sunrise Avenue, Suite 204  
Palm Beach FL 33480  
661-832-5696

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PAGE 04

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ARTICLES OF AMENDMENT  
TO THE AMENDED AND RESTATED ARTICLES OF INCORPORATION  
OF  
OPTICAL SYSTEMS, INC.  
A FLORIDA CORPORATION

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98 JAN 14 PM 3:54  
SECRETARY OF STATE  
TALLAHASSEE, FLORIDA

The following Articles of Amendment to the Amended and Restated Articles of Incorporation of Optical Systems, Inc., a Florida corporation, are submitted for filing pursuant to Section 607.1006 of the Florida Business Corporation Act.

1. The name of the corporation is Optical Systems, Inc.
2. The following amendment to Article V of the Amended and Restated Articles of Incorporation of the corporation was adopted by the Board of Directors of the corporation on January 7, 1998.

ARTICLE V. Capital Stock

The corporation shall have the authority to issue 50,000,000 shares of Common Stock, par value \$.0001 per share. The corporation shall have the authority to issue 10,000,000 shares of Preferred Stock, par value \$.0001 per share, which may be divided into series and with the preferences, limitations and relative rights determined by the Board of Directors.

There is declared a Series A Preferred Stock, of which 1,065,513 shares shall be authorized to be issued with the following preferences, limitations and rights:

Voting rights: no voting rights.

Liquidation: on liquidation, a preference over Common Stock of \$11.60 per share of Series A Preferred Stock.

Dividend: at such time as a dividend is declared by the corporation's Board of Directors, and provided such funds are legally available therefor, a preference over the corporation's Common Stock of 5%, to be non-cumulative.

Conversion: each and every share of Series A Preferred Stock shall convert into Common Stock of the corporation at the rate of one share of Common Stock for every share of Series A Preferred Stock, which conversion shall occur on

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the earlier of (a) June 30, 1998, or (b) the corporation's filing of a registration statement with the Securities Exchange Commission pursuant to either or both of the Securities Act of 1933, as amended, or the Securities and Exchange Act of 1934.

Adjustment: the number of shares of Series A Preferred Stock authorized to be issued, and the number of shares of Common Stock into which they shall be converted, shall adjust automatically in the event of any split, reverse split, recapitalization or other similar action that may be authorized by the corporation.

3. This amendment was adopted on January 7, 1998.
4. This amendment was approved by the corporation's Board of Directors on January 7, 1998 in accordance with Section 607.0602(4) of the Florida Business Corporation Act. Action by the corporation's shareholders is not required.

IN WITNESS WHEREOF, the undersigned has executed these Articles of Amendment this \_\_\_ day of January, 1998.

OPTICAL SYSTEMS, INC.

By: 

Warren Zimmerman, President/Director

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Articles of Amendment  
to  
Articles of Incorporation  
of

Optical Systems, Inc.

(Name of corporation as currently filed with the Florida Dept. of State)

P97000046424

(Document number of corporation (if known))

Pursuant to the provisions of section 607.1006, Florida Statutes, this *Florida Profit Corporation* adopts the following amendment(s) to its Articles of Incorporation:

**NEW CORPORATE NAME (if changing):**

(Must contain the word "corporation," "company," or "incorporated" or the abbreviation "Corp.," "Inc.," or "Co.")  
(A professional corporation must contain the word "chartered", "professional association," or the abbreviation "P.A.")

**AMENDMENTS ADOPTED- (OTHER THAN NAME CHANGE)** Indicate Article Number(s) and/or Article Title(s) being amended, added or deleted: **(BE SPECIFIC)**

Article II. Address

The mailing address of the corporation is:

8914 Hazen St

Houston, TX 77036

Article V. Capital Stock

The corporation shall have the authority to issue 200,000,000 shares of common stock, par value \$.0001 per share

(Attach additional pages if necessary)

If an amendment provides for exchange, reclassification, or cancellation of issued shares, provisions for implementing the amendment if not contained in the amendment itself: (if not applicable, indicate N/A)

(continued)

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DIVISION OF CORPORATIONS  
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The date of each amendment(s) adoption: November 15, 2007

Effective date if applicable: November 19, 2007  
(no more than 90 days after amendment file date)

Adoption of Amendment(s) **(CHECK ONE)**

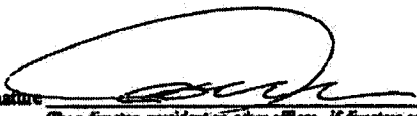
The amendment(s) was/were approved by the shareholders. The number of votes cast for the amendment(s) by the shareholders was/were sufficient for approval.

The amendment(s) was/were approved by the shareholders through voting groups. The following statement must be separately provided for each voting group entitled to vote separately on the amendment(s):

"The number of votes cast for the amendment(s) was/were sufficient for approval by \_\_\_\_\_"  
(voting group)

The amendment(s) was/were adopted by the board of directors without shareholder action and shareholder action was not required.

The amendment(s) was/were adopted by the incorporators without shareholder action and shareholder action was not required.

  
Signature  
(By a director, president or other officer - if directors or officers have not been selected, by an incorporator - if in the hands of a receiver, trustee, or other court appointed fiduciary by that fiduciary)

B.J. Grisaffi  
(Typed or printed name of person signing)

President  
(Title of person signing)

FILING FEE: \$35

B.

**BYLAWS**  
**of**  
**Optical Systems, Inc.**

**ARTICLE  
I  
OFFICES**

Section 1.01 **Offices.** The Corporation shall have its registered office in the State of Florida, and may have such other offices and places of business within or without the State of Florida as the Board of Directors may from time to time determine or the business of the Corporation may require.

**ARTICLE II  
STOCKHOLDERS**

Section 2.01 **Place of Meetings.** Meetings of stockholders for any purpose may be held at such place or places, either within or without the State of Florida, as shall be designated by the Board of Directors, or by the President with respect to meetings called by him.

Section 2.02 **Annual Meeting.** The annual meeting of stockholders shall be held on such date as may be determined by the Board of Directors. At such meeting, the stockholders shall elect a Board of Directors and transact such other business as may properly come before the meeting.

Section 2.03 **Special Meetings.** Special meetings of stockholders may be called at any time by the Board of Directors or by the President, and shall be called by the President or Secretary at the written request of stockholders owning a majority of the shares of the Corporation then outstanding and entitled to vote.

Section 2.04 **Quorum.** At all meetings of stockholders, the holders of a majority of the stock issued and outstanding and entitled to vote thereat, present in person or represented by proxy, shall constitute a quorum for the transaction of business, except as otherwise provided by statute, the Certificate of Incorporation or these By-Laws. When a quorum is once present to organize a meeting, it is not broken by the subsequent withdrawal of any stockholder.

Section 2.05 **Voting.** (a) At all meetings of stockholders, each stockholder having the right to vote thereat may vote in person or by proxy, and, unless otherwise provided in the Certificate of Incorporation or in any resolution providing for the issuance of any class or series of stock adopted by the Board of Directors pursuant to authority vested in the Board by the Certificate of Incorporation, shall have one vote for each share of stock registered in his name. Election of directors shall be by written ballot.

(b) When a quorum is once present at any meeting of stockholders, a majority of the votes cast, whether in person or represented by proxy, shall decide any question or proposed action brought before such meeting, except for the election of directors, who shall be elected by a plurality of the votes cast, or unless the question or action is one upon which a different vote is required by express

provision of statute, the Certificate of Incorporation or these By-Laws or an agreement among stockholders, in which case such provision shall govern the vote on the decision of such question or action.

**Section 2.06 Adjourned Meetings.** Any meeting of stockholders may be adjourned to a designated time and place by a vote of a majority in interest of the stockholders present in person or by proxy and entitled to vote, even though less than a quorum is present, or by the President if a quorum of stockholders is not present. No notice of such adjourned meeting need be given, other than by announcement at the meeting at which adjournment is taken, and any business may be transacted at the adjourned meeting which might have been transacted at the meeting as originally called. However, if such adjournment is for more than thirty days, or if after such adjournment a new record date is fixed for the adjourned meeting, a notice of the adjourned meeting shall be given to each stockholder of record entitled to vote at such meeting.

**Section 2.07 Action by Written Consent of Stockholders.** Any action of the stockholders required or permitted to be taken at any regular or special meeting thereof may be taken without any such meeting, notice of meeting or vote if a consent in writing setting forth the action thereby taken is signed by the holders of outstanding stock having not less than the number of votes that would have been necessary to authorize such action at a meeting at which all shares entitled to vote were present and voted. Prompt notice of the taking of any such action shall be given to any stockholders entitled to vote who have not so consented in writing.

**Section 2.08 Stockholders of Record.** (a) The stockholders from time to time entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or to express consent to any corporate action without a meeting, or entitled to receive payment of any dividend or other distribution or the allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, shall be the stockholders of record as of the close of business on a date fixed by the Board of Directors as the record date for any such purpose. Such a record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and shall not, with respect to stockholder meetings, be more than sixty days nor less than ten days before the date of such meeting, or, with respect to stockholder consents, more than ten days after the date upon which the resolution fixing the record date is adopted by the Board of Directors.

(b) If the Board of Directors does not fix a record date, (i) the record date for the determination of stockholders entitled to notice of or to vote at a meeting of stockholders shall be as of the close of business on the day next preceding the day on which notice of such meeting is given, or, if notice is waived as provided herein, on the day next preceding the day on which the meeting is held; (ii) the record date for determining stockholders entitled to express consent to corporate action in writing without a meeting, where no prior action by the Board of Directors is necessary, shall be the close of business on the day on which the first signed written consent setting forth the action taken or proposed to be taken is delivered to the Corporation; and (iii) the record date for determining stockholders for any other purpose shall be at the close of business on the day on which the resolution of the Board of Directors relating thereto is adopted.

### **ARTICLE III DIRECTORS**

**Section 3.01 Board of Directors.** The management of the affairs, property and business of the Corporation shall be vested in a Board of Directors, the members of which need not be stockholders. In addition to the power and authority expressly conferred upon it by these By-Laws and the Certificate of Incorporation, the Board of Directors may take any action and do all such lawful acts

and things on behalf of the Corporation and as are not by statute or by the Certificate of Incorporation or these By-Laws required to be taken or done by the stockholders.

**Section 3.02 Number.** The number of directors shall be as fixed from time to time by the Board of Directors.

**Section 3.03 Election and Term of Directors.** At each annual meeting of the stockholders, the stockholders shall elect directors to hold office until the next annual meeting. Each director shall hold office until the expiration of such term and until his successor, if any, has been elected and qualified, or until his earlier resignation or removal.

**Section 3.04 Annual and Regular Meetings.** The annual meeting of the Board of Directors shall be held promptly after the annual meeting of stockholders, and regular meetings of the Board of Directors may be held at such times as the Board of Directors may from time to time determine. No notice shall be required for the annual or any regular meeting of the Board of Directors.

**Section 3.05 Special Meetings.** Special meetings of the Board of Directors may be called by the President, by an officer of the corporation who is also a director or by any two directors, upon one day's notice to each director either personally or by mail, telephone, or email, and if by telephone, confirmed in writing before or after the meeting, setting forth the time and place of such meeting. Notice of any special meeting need not be given, however, to any director who submits a signed waiver of notice, before or after the meeting, or who attends the meeting without objecting to the transaction of business.

**Section 3.06 Place of Meetings.** (a) The Board of Directors may hold its meetings, regular or special, at such places, either within or without the State of Florida, as it may from time to time determine or as shall be set forth in any notice of such meeting.

(b) Any meeting of the Board of Directors may be held by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other, and such participation shall constitute presence at the meeting.

**Section 3.07 Adjourned Meetings.** A majority of the directors present, whether or not a quorum, may adjourn any meeting of the Board of Directors to another time and place. Notice of such adjourned meeting need not be given if the time and place thereof are announced at the meeting at which the adjournment is taken.

**Section 3.08 Quorum of Directors.** A majority of the total number of directors shall constitute a quorum for the transaction of business. The total number of directors means the number of directors the Corporation would have if there were no vacancies.

**Section 3.09 Action of the Board of Directors.** The vote of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the question or action is one upon which a different vote is required by express provision of statute, the Certificate of Incorporation or these By-Laws, in which case such provision shall govern the vote on the decision of such question or action. Each director present shall have one vote.

**Section 3.10 Action by Written Consent of Directors.** Any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting, if a written consent thereto is signed by all members of the Board of Directors or of such committee, and such written consent is filed with the minutes of proceedings of the Board of Directors or committee.

**Section 3.11 Resignation.** A director may resign at any time by giving written notice to the Board of Directors, the President or the Secretary of the Corporation. Unless otherwise specified in the notice, the resignation shall take effect upon receipt by the Board of Directors or such officer, and acceptance of the resignation shall not be necessary.

**Section 3.12 Removal of Directors.** Any or all of the directors may be removed with or without cause by the stockholders.

**Section 3.13 Newly Created Directorships and Vacancies.** Newly created directorships resulting from an increase in the number of directors or vacancies occurring in the Board of Directors for any reason except the removal of directors without cause may be filled by a vote of the majority of the directors then in office, although less than a quorum. Vacancies occurring by reason of the removal of directors without cause shall be filled by a vote of the stockholders. A director elected to fill a newly created directorship or to fill any vacancy shall hold office until the next annual meeting of stockholders, and until his successor, if any, has been elected and qualified.

**Section 3.14 Chairman.** At all meetings of the Board of Directors the Chairman of the Board or, if one has not been elected or appointed or in his absence, a chairman chosen by the directors present at such meeting, shall preside.

**Section 3.15 Committees Appointed by the Board of Directors.** The Board of Directors may, by resolution passed by a majority of the entire Board of Directors or by written consent of all of the directors, designate one or more committees, each committee to consist of one or more of the directors. The Board may also designate one or more directors as alternate members of any committee who may replace any absent or disqualified committee member at any committee meeting. Any such committee, to the extent provided in the resolution, except as restricted by law, shall have and may exercise the powers of the Board of Directors in the management of the affairs, business and property of the Corporation, and may authorize the seal of the Corporation to be affixed to all papers which may require it.

**Section 3.16 Compensation.** No compensation shall be paid to directors, as such, for their services, but the Board of Directors may authorize payment of an annual retainer and/or fixed sum and expenses for attendance at each annual, regular or special meeting of the Board of Directors. Nothing herein contained shall be construed to preclude any director from serving the corporation in any other capacity and receiving compensation therefore.

#### **ARTICLE IV OFFICERS**

**Section 4.01 Offices, Election and Term.** (a) At its annual meeting the Board of Directors shall elect or appoint a President and a Secretary and may, in addition, elect or appoint at any time such other officers as it may determine. Any number of offices may be held by the same person.

(b) Unless otherwise specified by the Board of Directors, each officer shall be elected or appointed to hold office until the annual meeting of the Board of Directors next following his election or appointment and until his successor, if any, has been elected or appointed and qualified, or until his earlier resignation or removal.

(c) Any officer may resign at any time by giving written notice to the Board of Directors, the President or the Secretary of the Corporation. Unless otherwise specified in the notice, the resignation shall take effect upon receipt thereof, and the acceptance of the resignation shall not be necessary to make it effective.

(d) Any officer elected or appointed by the Board of Directors may be removed by the Board of Directors with or without cause. Any vacancy occurring in any office by reason of death, resignation, removal or otherwise may be filled by the Board of Directors.

**Section 4.02 Powers and Duties.** The officers, agents and employees of the corporation shall each have such powers and perform such duties in the management of the affairs, property and business of the Corporation, subject to the control of and limitation by the Board of Directors, as generally pertain to their respective offices, as well as such powers and duties as may be authorized from time to time by the Board of Directors.

**Section 4.03 Sureties and Bonds.** If the Board of Directors shall so require, any officer, agent or employee of the Corporation shall furnish to the Corporation a bond in such sum and with such surety or sureties as the Board of Directors may direct, conditioned upon the faithful performance of his duties to the Corporation and including responsibility for negligence and for the accounting for all property, funds or securities of the corporation which may come into his hands.

## **ARTICLE V CERTIFICATES AND TRANSFER OF SHARES**

**Section 5.01 Certificates.** Unless otherwise provided pursuant to the General Corporation Law of the State of Florida, the shares of stock of the Corporation shall be represented by certificates, as provided by the General Corporation Law of the State of Florida. They shall be numbered and entered in the books of the Corporation as they are issued.

**Section 5.02 Lost or Destroyed Certificates.** The Board of Directors may in its discretion authorize the issuance of a new certificate or certificates in place of any certificate or certificates theretofore issued by the Corporation, alleged to have been lost, stolen or destroyed. As a condition of such issuance, the Board of Directors may require, either generally or in each case, the record holder of such certificates, or his legal representative, to furnish an affidavit setting forth the facts of such alleged loss, theft or destruction, together with proof of advertisement of the alleged loss, theft or destruction, and a bond with such surety and in such form and amount as the Board may specify indemnifying the Corporation, any transfer agent and registrar against any claim against any of them relating to such lost, stolen or destroyed certificates.

**Section 5.03 Transfer of Shares.** (a) Upon surrender to the Corporation or the transfer agent of the Corporation of a certificate for shares or other securities of the Corporation duly endorsed or accompanied by proper evidence of succession, assignment or authority to transfer, the corporation shall issue a new certificate to the person entitled thereto, and cancel the old certificate, except to the extent the Corporation or such transfer agent may be prevented from so doing by law, by the order or process of any court of competent jurisdiction, or under any valid restriction on transfer imposed by the Certificate of Incorporation, these By-Laws, or agreement of security holders. Every such transfer shall be entered on the transfer books of the Corporation.

(b) The Corporation shall be entitled to treat the holder of record of any share or other security of the Corporation as the holder in fact thereof and shall not be bound to recognize any equitable or other claim to or interest in such share or security on the part of any other person whether or not it shall have express or other notice thereof, except as expressly provided by law.

**ARTICLE VI  
INDEMNIFICATION**

Section 6.01 **Indemnification.** The Corporation shall indemnify the directors, officers, agents and employees of the Corporation in the manner and to the full extent provided by laws of the State of Florida. Such indemnification may be in addition to any other rights to which any person seeking indemnification may be entitled under any agreement, vote of stockholders or directors, any provision of these By-Laws or otherwise. The directors, officers, employees and agents of the Corporation shall be fully protected individually in making or refusing to make any payment or in taking or refusing to take any other action under this Article VI in reliance upon the advice of counsel.

## **ARTICLE VII MISCELLANEOUS**

Section 7.01 **Execution of Instruments.** All corporate instruments and documents shall be signed or countersigned, executed, and, if desired, verified or acknowledged by a proper officer or officers or such other person or persons as the Board of Directors may from time to time designate.

Section 7.02 **Fiscal Year.** The fiscal year of the Corporation shall be as determined by the Board of Directors.

## **ARTICLE VIII AMENDMENTS**

Section 8.01 **Amendments.** These By-Laws may be altered, amended or repealed from time to time by the stockholders or by the Board of Directors without the assent or vote of the stockholders.

The above Bylaws are certified to have been adopted by the Board of Directors of the Corporation on the 15th day of November, 2007.

**Item 20 Issuer's Certifications.**

I, B.J. Grisaffi, certify that: 1. I have reviewed this annual disclosure statement of Optical Systems, Inc.; 2. Based on my knowledge, this disclosure statement 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 disclosure statement; and 3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.



\_\_\_\_\_  
President, Optical Systems, Inc.

06/30/2009

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Date