

wakeupnow™



**INITIAL DISCLOSURE REPORT**  
**Pink OTC Markets**

**Fiscal Year ended December 31, 2009**

**Fiscal Year ended December 31, 2010**

**Wake Up Now, Inc.**  
**3507 North University Avenue**  
**Suite 200 Provo, Utah 84604**  
**Tel: (801) 373-2600**

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**PART A****ITEM I THE EXACT NAME OF THE ISSUER AND ITS PREDECESSOR (IF ANY)**

Wake Up Now, Inc., formerly known as Wordcraft Systems, Inc.

**ITEM II THE ADDRESS OF THE ISSUER'S PRINCIPAL EXECUTIVE OFFICES**

3507 North University Avenue  
Suite 200 Provo, Utah 84604  
Tel: (801) 373-2600

**ITEM III THE JURISDICTION(S) AND DATE OF THE ISSUER'S INCORPORATION OR ORGANIZATION**

The Company was organized under the laws of the State of California on March 1, 1967, under the name Teaching Technology Corporation. The Company was organized to engage in the business of acquiring and distributing educational equipment and acquiring, producing, distributing educational materials primarily for use in elementary and secondary schools. The following is a full corporate history of corporate changes.

Amendment of Articles of Incorporation, August 1980

On August 7, 1980, the Company amended its articles of incorporation to change its name to Stewart Morgan Corporation and to increase authorized common and preferred stock to 10,000,000 shares at a par value of \$0.01, and 5,000,000 at no par value, respectively. The prior capitalization consisted of 1,000,000 shares of common stock at a \$0.10 par value and no preferred stock authorized.

Amendment of Articles of Incorporation, January 1989

On January 4, 1989, the Company amended its articles of incorporation to change its name from Stewart Morgan Corporation to Axion System Science, Inc. The Company engaged in a variety of development stage enterprises during this period.

Amendment of Articles of Incorporation, June 1994

On June 15, 1994, the Company amended its articles of incorporation to change its name from Axion System Science, Inc. to Wordcraft Systems, Inc. and to increase authorized common stock to 10,000,000 shares at a par value of \$0.05 from 1,000,000 at \$0.01 par value. At that time, the Company commenced a principal business in the manufacture, marketing and distribution in North America of a computer software program called HydraFax which allowed the networking of multiple personal computer users to interface with proprietary multi-function facsimile machines. At the time, HydraFax was the only software program known to the Company to provide such capability and operated compatibly with all major Local Area Network (LAN) programs and equipment of all major manufacturers of facsimile machines.

Amendment of Articles of Incorporation, March 1999

On March 11, 1999, the Company amended its articles of incorporation to increase its authorized common stock to 100,000,000 shares from 10,000,000.

Change of Control December 2007

On December 1, 2007, stockholders holding over 50% of the outstanding common shares of the Company elected David Hunt as a director of the Company. Mr. Hunt has served as the sole officer and director of the Company since that time.

Corporate Conversion

On November 10, 2010, the corporation converted from a California corporation to a Delaware corporation. In connection with the conversion, the corporation changed its name to Wake Up Now. The corporation's certificate of authority was amended several days later on November 18, 2010 to reflect the 1-for-250 reverse split.

Acquisition of Subsidiaries and Change of Control December 2010

On December 8, 2010, the then director and officer of the Company David Hunt appointed Troy Muhlstein to fill a vacancy on the board of directors. Mr. Muhlstein, in turn, appointed himself to serve as CEO. David Hunt subsequently resigned as both sole director and sole officer leaving Mr. Muhlstein as the sole officer and director of the Company. In

addition, in connection with development of the Company's new business, several million shares of the Company's common stock were issued to Mr. Muhlstein in connection with the acquisition of our subsidiaries diluting Mr. Hunt out of majority stockholder control.

## PART B SHARE STRUCTURE

### ITEM IV THE EXACT TITLE AND CLASS OF SECURITIES OUTSTANDING

Common stock  
CUSIP #931013 106  
Trading Symbol: WORC

### ITEM V PAR OR STATED VALUE AND DESCRIPTION OF THE SECURITY

The Company is currently authorized to issue one hundred twenty million (120,000,000) shares, consisting of (a) one hundred million (100,000,000) shares of common stock, par value \$0.0001 per share (the "Common Stock") and (b) twenty million (20,000,000) shares of preferred stock, par value \$0.0001 per share (the "Preferred Stock").

#### COMMON STOCK

As of January 19, 2011, 19,096,950 shares of Common Stock are outstanding and held of record by 337 holders. Holders of common stock are entitled to one vote per share on each matter submitted to a vote at any meeting of stockholders. Shares of common stock do not carry cumulative voting rights and, therefore, holders of a majority of the outstanding shares of common stock will be able to elect the entire board of directors, and, if they do so, minority stockholders would not be able to elect any members to the board of directors. Our board of directors has authority, without action by the stockholders, to issue all or any portion of the authorized but unissued shares of common stock, which would reduce the percentage ownership of the stockholders and which may dilute the book value of the common stock.

Stockholders have no pre-emptive rights to acquire additional shares of common stock. The common stock is not subject to redemption and carries no subscription or conversion rights. In the event of liquidation, the shares of common stock are entitled to share equally in corporate assets after satisfaction of all liabilities. The shares of common stock, when issued, will be fully paid and non-assessable.

Holders of common stock are entitled to receive dividends as the board of directors may from time to time declare out of funds legally available for the payment of dividends. We have not paid dividends on common stock and do not anticipate that we will pay dividends in the foreseeable future.

There are no conversion, preemptive, or other subscription rights or privileges with respect to any shares. Our stock does not have cumulative voting rights which means that the holders of more than fifty percent (50%) of the shares voting in an election of directors may elect all of the directors if they choose to do so. In such event, the holders of the remaining shares aggregating less than fifty percent (50%) would not be able to elect any directors.

#### LOCK-UP AGREEMENTS

Many of our stockholders are subject to a lock-up agreement where they are restricted from reselling shares of the common stock sold herein for the one year period from the time that the restrictive legend is cleared pursuant to registration or an exemption to registration as approved by the company (the "Resale Restriction Period"). From the time that the restrictive legend is cleared pursuant to registration or an exemption to registration as approved by the company, each stockholder shall be allowed to sell no more than 1/12 per month of the stockholder's original common share holdings. Each stockholder agrees that all sales will be made at no less than the best "asked" prices, and no sales will be made at the "bid" prices for the Common Stock. In addition, pursuant to the Lock-up Agreement, the Common Stock may not be sold at a price below \$3.00 per share, which may be waived by Wake Up Now. Finally, in general and with limited or no exceptions, all Common Stock purchased herein shall be sold in "broker's transactions" and each stockholder purchasing shares herein will comply with the "manner of sale" requirements as those terms are defined in Rule 144 of the Securities and Exchange Commission during the Resale Restriction Period.

#### PREFERRED STOCK

We are authorized to issue up to 20,000,000 shares of Preferred Stock, with such rights, privileges and preferences as determined by our Board. Currently, all 20,000,000 shares of Preferred Stock are available for issuance.

## NUMBER OF SHAREHOLDERS

As of January 19, 2011, there were 19,096,950 shares of our common stock outstanding; no shares of our Preferred Stock outstanding. There are 337 holders of record of our common stock. The number of record holders was determined from the records of our transfer agent and does not include beneficial owners of common stock whose shares are held in the names of security brokers, dealers, and registered clearing agencies.

## DIVIDEND POLICY

We have never declared or paid dividends on our common stock. We intend to retain earnings, if any, to support the development of our business and therefore do not anticipate paying cash dividends for the foreseeable future. Payment of future dividends, if any, will be at the discretion of our board of directors after taking into account various factors, including current financial condition, operating results and current and anticipated cash needs.

## MARKET PRICE OF COMMON EQUITY

Our common stock is quoted on the pink sheets ("Pink Sheets"), under the trading symbol "WORC". There has been minimal trading in our common stock and accordingly the market for our common stock is not indicative of a liquid trading market. The closing price of our common stock as quoted on the Pink Sheets on December 31, 2010, the date of the last sale of our stock on the Pink Sheets, was \$0.17.

The price range per share of common stock presented below represents the highest and lowest intra-day prices for the Company's common stock as quoted on the Pink Sheets. Such over-the-counter market quotations may reflect inter-dealer prices, without markup, markdown or commissions and may not necessarily represent actual transactions.

**Wake Up Now, Inc. presently has limited operations and assets and has no revenues. As further described herein, there is presently no liquid public market for our common stock and any stock price quote for WORC is likely arbitrary and not necessarily a reflection of the current actual value of Wake Up Now. Multiplying any number of WORC common stock shares by a quoted stock price does not necessarily reflect actual value of those WORC common stock shares.**

**All high and low prices below are retroactively adjusted where applicable to reflect post 1-for-250 reverse split prices.**

YEAR ENDED December 31, 2010	HIGH SALES PRICE	LOW SALES PRICE
4th Quarter	\$0.82	\$0.17
3rd Quarter	\$0.50	\$0.05
2nd Quarter	\$0.12	\$0.05
1st Quarter	\$0.28	\$0.02
YEAR ENDED December 31, 2009	HIGH SALES PRICE	LOW SALES PRICE
4th Quarter	\$0.28	\$0.05
3rd Quarter	\$0.18	\$0.05
2nd Quarter	\$0.22	\$0.18
1st Quarter	\$0.18	\$0.18

## Pink OTC markets mandatory disclosure for alternative reporting:

**WE PREVIOUSLY WERE A SHELL COMPANY. THEREFORE, THE EXEMPTION OFFERED PURSUANT TO RULE 144 IS NOT AVAILABLE. ANYONE WHO PURCHASED SECURITIES DIRECTLY OR INDIRECTLY FROM US OR OUR AFFILIATES IN A TRANSITION OR CHAIN OF TRANSACTIONS NOT INVOLVING A PUBLIC OFFERING CANNOT SELL<sup>1</sup> SUCH SECURITIES IN AN OPEN MARKET TRANSACTION.**

### ITEM VI THE NUMBER OF SHARES OR TOTAL AMOUNT OF THE SECURITIES OUTSTANDING FOR EACH CLASS OF SECURITIES AUTHORIZED

Please refer to the preceding section entitled “PAR OR STATED VALUE AND DESCRIPTION OF THE SECURITY” for additional information regarding our stock. As for common stock in the public float, there are 76,355 in the public float listed in “Cede & Co.” street name. An additional 1,920,645 shares, 1,900,044 of which are directly or indirectly owned by one of our previous directors and officers were issued, or tacked back through securities previously issued, more than three to ten years ago and may be eligible to be sold under the Section 4(1) transactional resale exemption from registration. In addition, the 1,900,044 shares held by a former officer and director have registration rights. As a result, any or all of these 1,920,645 shares could enter the public float at any time which could place downward pressure on our stock price.

### PART C BUSINESS INFORMATION

#### ITEM VII THE NAME AND ADDRESS OF THE TRANSFER AGENT

Fidelity Transfer Company located at 8915 South 700 East, Suite 102, Sandy, Utah 84070, is our transfer agent and registrar.

#### ITEM VIII THE NATURE OF THE ISSUER’S BUSINESS

Wake Up Now, Inc. has only had limited commercialization and cash flows from its technologies or products. Please carefully read Risk Factors on page 6.

## Vision Statement

We Exist to Inspire People Worldwide to: Become Financially Independent. Be FREE2BE who they Really are. Discover and Fulfill their personal Mission and Purpose.

## Brand Positioning Statement

For people struggling to manage their finances, Wake Up Now helps them get out of debt and achieve financial independence. That’s because Wake Up Now combines powerful financial management and debt reduction tools with a unique opportunity to earn extra money. The Wake Up Now product includes a web-based software-as-a-service (SaaS) computer program, a specialized bank account and an associated MasterCard™ debit and rewards card that makes tracking finances easy and offers discounts on items customers typically already purchase. Furthermore, Wake Up Now delivers these benefits through a patented direct marketing channel that effectively gives customers a second paycheck without having to get a second job.

<sup>1</sup> Notwithstanding any suggestion to the contrary in the OTC Markets mandatory disclosure, we believe that the Rule 144 safe-harbor to Section 4(1) of the Securities Act of 1933 may become available one year from the time “Form 10” type information has been publicly filed with the SEC or on this OTC Markets/Pink Sheets website. Such “Form 10” type information includes, among other things, current audited financial information for the prior two fiscal years as well as the interim annual financial, with comparisons from the prior twelve month period. We also believe the Section 4(1) of the Securities Act of 1933 could become available to certain shares of our common stock outside of the four corners of the Rule 144 safe-harbor.

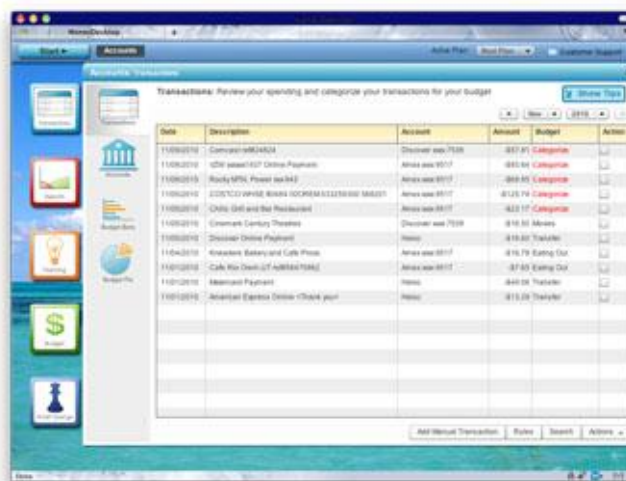
## Product

Millions of people are struggling to manage their finances. In 2008, U.S. household debt had surpassed household income by 36%. Most customers that use online banking hop from one online banking site after another trying to get an accurate picture of their financial status. Stress over finances is taking its toll, affecting their health, relationships, and overall happiness and satisfaction with life. In addition to the day-to-day difficulties of personal financial management, add the economics of the U.S. and Worldwide recession that impact most households and you have families facing an uncertain financial future, yet still hopeful that they might one day be financially independent, retire, and leave something to their children. Wake Up Now offers a program that will:

- Track all transactions and accounts in one place
- Offer easy visibility into what is happening with personal finances
- Create budgets and plans to help users regain control
- Let the computer do all the heavy lifting!

Wake Up Now's program offers unprecedented insight and control after a simple 5 minute setup. This program incorporates two parts.

1. A web-based computer program that simplifies all the organizing and tracking of transactions.
2. A special bank account with its own MasterCard debit card that helps track individual spending and allows members to pay less for just about everything they buy!



### Part 1 Wake Up Now personal financial management program

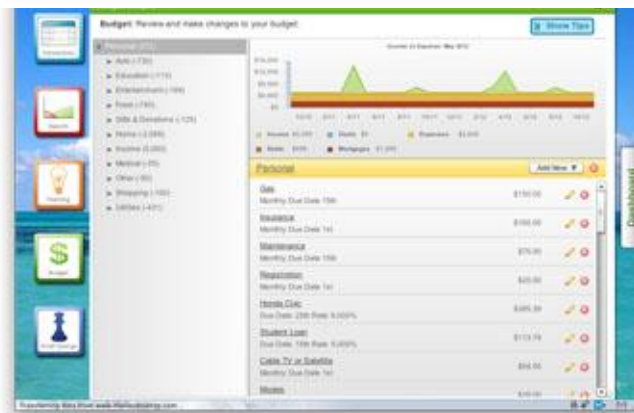
- Track transactions from ALL user bank, credit card, and other accounts in one place, as they happen.



- Save thousands in interest and eliminate debt entirely using professional debt reduction tools.



- Create easy to follow budgets
- Receive alerts when payments are due (no more late fees)



- Save for kids college, retirement, etc.



*The Wake Up Now program practically does it for you!*

Part 2 CurrentSee Account benefits. The Wake Up Now membership includes a CurrentSee bank account (backed by FDIC insured First Bank of Delaware) and an associated Prepaid MasterCard Debit Card. With this account members can save on almost everything they buy. Members don't need to buy special products or change their behavior, they can earn these savings and rebates on the items they already buy.

Features include membership discounts on groceries. A family spending \$90 per week on groceries is estimated to save over \$500 a year in discounts. The Wake Up Now membership makes the thrift of coupon clipping painless and easy and discounts are available at the stores members shopped at before joining. The only difference is that now their groceries simply cost less.



In addition to just groceries, Wake Up Now members gain access to discounts and rebates while shopping online at over 2,100 online retailers. Again, these are not just a limited group of specialized store, but brand names like those listed below:

24 Hour Fitness	Coldwater Creek	Jet Blue	Pro Flowers	Ace Hardware
Corneast	JoAnn	Reebok	Adidas	Cricket
Jos. A. Bank	Saks Fifth Avenue	Adobe	David's Bridal	Kmart
Sally Beauty Supply	Aeropostale	Dell	Kodak	Sam's Club
American Eagle Outfitters	Delta Airlines	LensCrafters	Sears	American Greetings
DirecTV	Life Lock	Sheraton	Apple iTunes	Discover Card
Lumber Liquidators	SIRIUS Satellite Radio	AT&T	Disk Doctors	MacMal1
Six Flags	Avis Car Rental	Disney Store	Macy's	Sketchers
Avon	DrugStore.com	Marriott	Skype	Babies R Us
eBay	Men's Wearhouse	Sony	Banana Republic	Eddie Bauer
Microsoft	Staples	Barnes & Noble	Elizabeth Arden	National Geographic
Starbucks	Bass Pro Shops	Epson	Nautica	Swarovski
Best Buy	Expedia.com	Netflix	T-Mobile	Best Western
Famous Footwear	Net Nanny	Target.com	Bloomingdale's	FedEx
New Egg	The Body Shop	Bowfex	Fiji Water	Nextel
The Home Depot	Britannica	Foot Locker	Nike	The North Face
Brooks Brothers	Fossil Nine West	Budget Car Rental	FTD	Things Remembered
Office Depot	TiVo	Buy.com	FYE	Office Max
Toys R Us	Callaway Golf	Game Stop	Old Navy	Travelocity
Canon	GoDaddy	Orbitz	Urban Outfitters	Carnival Cruise Lines
Hancock Fabrics	Overstock.com	Verizon	Champion	Hanes
Payless	WeightWatchers	CheapTickets.com	Holiday Inn	Pet Store.com
Western Union	Checker Auto Parts	Petsmart	Westin	Home Shopping Network
Chocolate.com	Hotwire	Philosophy.com	Wet Seal	

With Wake Up Now, members truly can save on almost everything they buy, automatically. The days of clipping coupons and tracking everything by hand are gone. Wake Up Now members save money just by using their debit card.

Over and above discounts and rebates on purchases, Wake Up Now members generate WUN rewards points for all the activity on their CurrentSee card.

### Savings through tax benefits (please rely on advice from your tax professional)

Membership in Wake Up Now means that members are in business for themselves, so they qualify for tax breaks available to businesses. Members gain access to a tax tracking program that helps them maximize the tax benefits of their membership. Some of the advantages include:

- membership dues may be tax deductible (check with your tax professional)
- The program will alert users to purchases that qualify as business expenses as they make them
- Users can login from users computer or smartphone to see an estimate or their tax refund any time
- The program prepares users tax returns on the fly and offers to e-file for them

Membership value doesn't stop there. New enhancements to the program are coming online all the time, so Wake Up Now membership constantly grows in value! In fact, we have a team dedicated to adding discounts and features to the Wake Up Now program constantly. Here are some of the product features that are not available right now, but which we expect to be incorporated into the product in the next twelve months.

#### Auto couponing

- Get all the discounts advertised by retailers in their national circulars automatically when you use your card. No clipping required!

#### Smartphone Apps

- Track and categorize your transactions on the go
- Get alerts for discounts available near you
- Receive coupon barcodes directly on your phone

#### Track the status of your investment portfolio online

#### Group services

- Identity protection
- Fraud alerts on your accounts
- identity theft insurance
- Credit monitoring
- Online bill pay
- AAA
- Prepaid legal services

#### Exchange your Wake Up Now rewards points for:

- Frequent Flyer miles
- Hotel stay rewards
- Beezld (or similar) Dutch Auctions

Compare with American Express rewards cards. Get high-roller treatment without the high cost to participate.

### Value

Wake Up Now membership gives users over \$200 per month in value, yet only costs \$85 a month.

#### (Network) Marketing and Distribution

Wake Up Now's product is delivered via the direct marketing distribution channel. Customers join the Wake Up Now organization as distributors and pay both a one-time setup fee as well as a monthly subscription fee. Ancillary products are also available for sale. A portion of the revenues generated from the sale of the product is given to distributors based on a patented Direct Marketing Compensation Plan. It is highly unusual in direct marketing companies for the compensation plan to be patented in this manner, but Wake Up Now has a stated goal of providing the highest payout to the largest number of people possible. This is an extremely competitive approach when competing for distributors already participating in other direct marketing companies.

Most direct marketing companies employ traditional compensation plans which are designed to funnel cash to the founders. In contrast, Wake Up Now's compensation plan incorporates a unique pool-based strategy, which keeps money going to the lower distributor levels of the company creating more motivation at the levels that fuel the most growth. Revenue into the company comes as customers pay a \$265 startup fee, plus a membership fee of \$85 per month thereafter.



Each member becomes a part of two organizational structures. The member's position in each determines the member's rank and qualification for commission and bonus payments.

1. MATRUGEN Commission Structure—used to determine MATRUGEN Commissions.
2. Personal Enrollment Structure—used to determine bonuses. Members who are recruited by an existing member of Wake Up Now are considered personally enrolled or personally sponsored by the existing member.

Members then receive monthly payments in four ways:

1. MATRUGEN Commissions—Pays \$3.00 for each individual below the member, ten generations deep. One generation is equal to one layer of the MATRUGEN structure with at least 2 Qualified Independence Representatives in it.
2. Ladder Bonus (paid weekly)—When each new member enrolls in Wake Up Now, a one-time \$5 bonus is paid to each member above him or her in the Personal Enrollment Structure, and to each member from that point upward in the structure of equivalent or greater rank for 12 generations.
3. Founder Pool Bonus—Each month the Founder Pool is divided by the total number of Founder members to determine the dollar value of one share of the Founder Pool. Founder members are paid between 5% and 100% of one share of the Founder Pool based on their rank. The Founder Pool compounds as unpaid portions of Founder Pool shares remain in the pool.
4. Ambassador Match Bonus—Members at the Ambassador rank are paid \$1,000 for every other Ambassador ranked member below them in the Personal Enrollment Structure.

Members qualify for commission and bonus payments based on their rank and position in the MATRUGEN and Personal Enrollment structures. Members rank as follows:

**Active Signer**—The basic membership level is that of a Signer. Members are signers simply by joining Wake Up Now and keeping their membership active by staying current on monthly membership fees. Signer-level members do not earn commissions.

**Qualified Independence Representative**—Members who are active and have personally enrolled two additional Signers who remain active are qualified to begin receiving Ladder Bonuses and MATRUGEN Commissions.

**Founder**—Members with at least three personally enrolled Qualified Independence Representatives are considered Founders. Founders are eligible to receive Founder Pool Bonuses in addition to Ladder Bonuses and MATRUGEN Commissions.

- Founder Level 3—Founder members with three personally enrolled Qualified Independence Representatives. Members of this rank receive 5% of one share of the Founder Pool.
- Founder Level 4— Founder members with four personally enrolled Qualified Independence Representatives. Members of this rank receive 15% of one share of the Founder Pool.
- Founder Level 5— Founder members with five personally enrolled Qualified Independence Representatives. Members of this rank receive 30% of one share of the Founder Pool.
- Founder Level 6— Founder members with six personally enrolled Qualified Independence Representatives. Members of this rank receive 60% of one share of the Founder Pool.
- Founder Level 7— Founder members with seven personally enrolled Qualified Independence Representatives. Members of this rank receive 100% of one share of the Founder Pool.

**Ambassador**—Members achieve this level when they are Founder Level 7 and their monthly MATRUGEN Commissions plus their Founder Pool Bonus reaches \$10,000. At \$10,000 monthly, the Founder Pool Bonus share is only paid sufficiently to bring the member's monthly total to \$10,000, the balance stays in the pool. Ambassadors also qualify for the Ambassador Match Bonus.

## Competition

There are four main sources of competition for wakeupnow:

### Free Products

There are many companies that are offering for free a small portion of the products and services that wakeupnow is offering. Examples including, but not limited to, Free banking software from the banks at which individuals have their bank accounts, Free internet software, Free financial calculators, etc. Such software does not even cover enough to merit true competition within the financial mastery industry.

### Direct Sales, Retail Sales

Software like Quicken, rudder, Mint, Microsoft Money, Primerica, World Financial Group, UFirst Financial, and Radio talk show host Dave Ramsey offer parts of what wakeupnow offers, for a charge. While some of these companies are truly trying to assist individuals to control and manage their finances, a large number of these companies offer products that may not be in the

best interest of the individuals who are purchasing them but rather benefit the bottom line profitability of the company. See chart below for comparison..

#### Network Marketing Companies offering similar products

There are very few network-marketing companies that are selling products that are comparable to wakeupnow. One such company is Tranont. These companies tend to focus solely on the financial software and do little in the way of helping to maximize their clients income by increasing their savings on the things they buy, nor do they offer financial education necessary to combat a lifetime of habits which have helped cause much of the financial problems that currently plague the world. See the Graph below to see comparison.

#### Network Marketing Companies not offering the same products.

Out of all of our competitors, these may be the most important to watch. While many people are drawn to a network marketing company initially because of a product, the main reason that they build their business is to achieve a certain goal that they have in mind. And the main reason they stay is due to the feeling of belonging to a team. While wakeupnow has an unparalleled compensation model, there are certain hype techniques that are used in the network marketing sales process where people are emotionally manipulated to change opportunities. Probably one of the greatest downfalls currently in this industry is something that is called the " Grass is Greener" mentality.

Many times during the sale process for many companies, individuals are told that it is easy to build, that their sponsor will build it for them. Giving the impression that one opportunity is greater than the others. There exist also other companies which actively approach major leaders of network marketing companies and offer them incentives, sometimes in the millions of dollars or in the form of stock offers and or percentage of overall company revenues, in order to entice them to move their entire organization from one company to another. These will probably be the biggest outside sources of risk to wakeupnow. Our ability to overcome these will be the greatest forces to shore up and secure the long-term longevity and competitiveness of wakeupnow. As it would be near impossible to make a comparison chart for every single competitor in the world of finances and debt reduction we have chosen the ones that are the closest related to the products and services that we offer. The tables below are filled out to the best knowledge of the management and the information presented herein is, to the best of our knowledge, both correct and current as of the latest printing of such materials.

#### Competition Debt Management Comparison

Product or Company	Make A Plan			Execute The Plan			Enhance The Plan		
	Build a Budget	Aggregate Accounts	Choose Debt Strategy	Track Expenses	Reconcile Budget	Implement Debt Plan	Financial IQ Tool	Engineer Extra Money	Restructure Debt
Wakeupnow	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Ufirst		Yes	Yes			Yes			
Primerica	Yes		Yes						Yes
World Financial Group	Yes		Yes						Yes
Bank Software				Yes					
Internet Software	Yes		Yes	Yes	Yes				
Financial Calculator	Yes		Yes	Yes	Yes				
Quicken	Yes	Yes		Yes	Yes				
Microsoft Money	Yes	Yes		Yes	Yes				
Rudder	Yes	Yes		Yes	Yes				
Tranont	Yes	Yes	Yes	Yes	Yes	Yes			

Mint	Yes	Yes		Yes	Yes			
Mvelopes	Yes	Yes		Yes	Yes			
Dave Ramsey			Yes			Yes		

## Competition TREC Comparison

Product or Company	Extra Tools				Rewards			Education			Compensation
	Bank Account	Unique Tracking Bank Card	Mobile Application	Automated Team Member Training & Tracking System	Coupon Savings	Discount Savings	Cash Back Savings	Business Building	Personal Development	Professional Development	Compensation
Wakeupnow	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Ufirst								Yes			Yes
Primerica								Yes			Yes
World Financial Group								Yes			Yes
Bank Software	Yes	Yes	Some								
Internet Software											
Financial Calculator											
Quicken											
Microsoft Money											
Rudder											
Tranont								Yes			Yes
Mint											
Mvelopes											
Dave Ramsey											

## Subsidiaries Wake Up Now, Inc. (Utah) and CurrentSee, Inc. (Nevada)

Our subsidiary Wake Up Now, Inc. was organized in the state of Utah as a corporation on July 16, 2009. Our subsidiary CurrentSee, Inc. was organized in the state of Nevada as a corporation on April 1, 2010. It is a wholly owned subsidiary of Wake Up Now, Inc.

## Government Regulation

We are subject to a variety of foreign, federal, state and local governmental laws and regulations related to the purchase, storage, use and disposal of hazardous materials. If we fail to comply with present or future environmental laws and regulations, we could be subject to fines, suspension of production or a cessation of operations. In addition, under some foreign, federal, state and local statutes and regulations, a governmental agency may seek recovery and response costs from operators of property where releases of hazardous substances have occurred or are ongoing, even if the operator was not responsible for the release or otherwise was not at fault.

### Debit Card and Financial Services Related Regulation

State and federal legislatures and regulatory authorities have become increasingly focused upon the regulation of the financial services industry, and continue to adopt new legislation which could result in significant changes in the regulatory landscape for financial institutions (such as our issuing bank) and other financial services companies (including our business). For example, changes in the way we or our issuing bank are regulated, such as the changes under the federal financial reform legislation enacted in July 2010 related to the consolidation of the OTS into the OCC and the establishment of a federal Consumer Financial Protection Bureau with oversight over us and our products and services, could expose us to increased regulatory oversight and more burdensome regulation of our business and therefore have an adverse impact on our revenue.

Please see the section entitled “Risk Factors” for a further discussion of government regulations related to debit card and financial services related regulation and its actual and potential impact on our business.

### Direct Marketing Regulation

A number of government agencies regulate direct sales practices. These laws and regulations are generally intended to prevent fraudulent or deceptive schemes, often referred to as “pyramid” schemes, that compensate participants for recruiting additional participants irrespective of product sales, use high pressure recruiting methods and/or do not involve legitimate products.

Complying with these widely varying and sometimes inconsistent rules and regulations can be difficult and may require the devotion of significant resources on our part. If we are unable to continue business in existing markets or commence operations in new markets because of these laws, our revenue and profitability may decline. In addition, states where we currently do business could change their laws or regulations to negatively affect our business.

Please see the section entitled “Risk Factors” for a further discussion of government regulations related to direct marketing regulation and its actual and potential impact on our business.

## Our Corporate History

The Company was organized under the laws of the State of California on March 1, 1967, under the name Teaching Technology Corporation. The Company was organized to engage in the business of acquiring and distributing educational equipment and acquiring, producing, distributing educational materials primarily for use in elementary and secondary schools. The following is a full corporate history of corporate changes.

### Amendment of Articles of Incorporation, August 1980

On August 7, 1980, the Company amended its articles of incorporation to change its name to Stewart Morgan Corporation and to increase authorized common and preferred stock to 10,000,000 shares at a par value of \$0.01, and 5,000,000 at no par value, respectively. The prior capitalization consisted of 1,000,000 shares of common stock at a \$0.10 par value and no preferred stock authorized.

### Amendment of Articles of Incorporation, January 1989

On January 4, 1989, the Company amended its articles of incorporation to change its name from Stewart Morgan Corporation to Axion System Science, Inc. The Company engaged in a variety of development stage enterprises during this period.

### Amendment of Articles of Incorporation, June 1994

On June 15, 1994, the Company amended its articles of incorporation to change its name from Axion System Science, Inc. to Wordcraft Systems, Inc. and to increase authorized common stock to 10,000,000 shares at a par value of \$0.05 from 1,000,000 at \$0.01 par value. At that time, the Company commenced a principal business in the manufacture, marketing and distribution in North America of a computer software program called HydraFax which allowed the networking of multiple personal computer users to interface with proprietary multi-function facsimile machines. At the time, HydraFax was the only software program known to the Company to provide such capability and operated compatibly with all major Local Area Network (LAN) programs and equipment of all major manufacturers of facsimile machines.

**Amendment of Articles of Incorporation, March 1999**

On March 11, 1999, the Company amended its articles of incorporation to increase its authorized common stock to 100,000,000 shares from 10,000,000.

**Change of Control December 2007**

On December 1, 2007, stockholders holding over 50% of the outstanding common shares of the Company elected David Hunt as a director of the Company. Mr. Hunt has served as the sole officer and director of the Company since that time.

**Corporate Conversion**

On November 10, 2010, the corporation converted from a California corporation to a Delaware corporation. In connection with the conversion, the corporation changed its name to Wake Up Now. The corporation's certificate of authority was amended several days later on November 18, 2010 to reflect the 1-for-250 reverse split.

**Acquisition of Subsidiaries and Change of Control December 2010**

On December 8, 2010, the then director and officer of the Company David Hunt appointed Troy Muhlstein to fill a vacancy on the board of directors. Mr. Muhlstein, in turn, appointed himself to serve as CEO. David Hunt subsequently resigned as both sole director and sole officer leaving Mr. Muhlstein as the sole officer and director of the Company. In addition, in connection with development of the Company's new business, several million shares of the Company's common stock were issued to Mr. Muhlstein in connection with the acquisition of our subsidiaries diluting Mr. Hunt out of majority stockholder control.

## INSURANCE

Wake Up Now does not presently maintain (i) commercial general liability insurance for the company or its assets, (ii) directors and officers liability coverage or (iii) worker's compensation coverage in and for its workers.

## LEGAL PROCEEDINGS

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We are currently not involved in any legal proceedings.

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## Properties

The Company occupies space owned by Jamestown Square Management. The Company utilizes approximately 3,500 square feet of office and administrative space, as well as use of, among other things, internet, postage, copy machines, electricity, furniture, fixtures etc. Our lease is fixed through September 2011.

## RISK FACTORS

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*An Investment In Our Securities Involves **A Very High Degree Of Risk.***

*An Investment In Our Securities Is **Highly Speculative.***

***Do Not Invest Money In Wake Up Now That You Cannot Afford To Lose.***

*You Are Strongly Advised To Consult With A Registered And Licensed  
Investment Professional Prior To Purchasing Any Of Our Shares.*



In addition to the other information in this Disclosure, you should carefully consider the following risk factors before investing in our securities. If any of the following risks were to actually occur, our business would likely suffer. Consequently, the price of our common stock could decline, and investors may lose all or part of their investment in our common stock and any other security discussed herein.

There are several categories of risks and risk factors disclosed herein. Do not place too much emphasis on any particular category of risk or risk factors because each risk and each risk factor within each category may be applicable to another or several risk factor categories. Moreover, each risk-in and of itself is sufficient to tremendously negatively impact the value of our common stock.

Our business is rapidly evolving and it is critical that any investor in Wake Up Now continue to read our press releases and other disclosures on [www.otcm Markets.com](http://www.otcm Markets.com).

**Compliance with Sarbanes-Oxley could be time consuming and costly, which could cause our independent registered public accounting firm to conclude that our internal control over financial reporting is not effective.**

We may become a publicly reporting company in the coming 12 months. As a publicly reporting company, we would be required to document and test our internal control procedures in order to satisfy the requirements of Section 404 of the Sarbanes-Oxley Act, which will require annual management assessments of the effectiveness of our internal control over financial Reporting and a Report by our independent registered public accounting firm that both addresses management's assessment of the effectiveness of internal control over financial reporting and the effectiveness of internal control over financial Reporting. During the course of our testing, we may identify deficiencies which we may not be able to remediate in time to meet our deadline for compliance with Section 404. Testing and maintaining internal controls can divert our management's attention from other matters that are important to our business. We also expect the new regulations to increase our legal and financial compliance cost, make it more difficult to attract and retain qualified officers and members of our Board of Directors (particularly to serve on an audit committee) and make some activities more difficult, time consuming and costly. We may not be able to conclude on an ongoing basis that we have effective internal control over financial Reporting in accordance with Section 404. Our independent registered public accounting firm may not be able or willing to issue an unqualified Report on the effectiveness of our internal control over financial Reporting. If we conclude that our internal control over financial Reporting is not effective, we cannot be certain as to the timing of completion of our evaluation, testing and remediation actions or their effect on our operations since there is presently no precedent available by which to measure compliance adequacy. If we are unable to conclude that we have effective internal control over financial reporting or our independent auditors are unable to provide us with an unqualified Report as required by Section 404, then we may be unable to have our common stock traded on the Over-the-Counter Bulletin Board and investors could lose confidence in our Reported financial information, which could have a negative effect on the trading price of our stock.

**Our stockholders could experience substantial dilution upon the issuance of additional shares of our common stock; the issuance of which may adversely affect our ability to raise capital.**

Issuance of additional shares of common stock, convertible preferred stock, or warrants, are likely to have a highly dilutive effect on our stock price.

Additionally, the issuance of additional shares of common stock, convertible preferred stock, or warrants may hinder our ability to raise capital at favorable prices if and as needed, or to make acquisitions. As a result, the owners of the shares (currently our officers and directors control the majority of those shares):

- control the composition of our board of directors; control our management and policies;
- determine the outcome of significant corporate transactions, including changes in control that may be beneficial to stockholders; and
- act in each of their own interests, which may conflict with, or be different from, the interests of each other or the interests of the other stockholders.

**Our principal stockholders have the ability to exert significant control in matters requiring stockholder vote and could delay, deter or prevent a change in control of our company.**

Our principal stockholders control a large number of shares and historic relationships. As a result, they have the ability to exert significant control in matters requiring stockholder vote and could delay, deter or prevent a change in control of our company. The result of which could be in contrast to the wishes of the minority holders, including investors in this disclosure.

**We do not anticipate paying cash dividends, which could reduce the value of our stock.**

We have never paid cash dividends on our common stock and do not anticipate paying cash dividends in the foreseeable future. The payment of dividends on our common stock will depend on earnings, financial condition and other business and economic factors affecting it at such time as our board of directors may consider relevant.

**Conflicts of interest between the stockholders and our company or our directors could arise because we do not comply with the listing standards of any exchange with regard to director independence.**

We are not listed on a stock exchange and our Board of Directors does not comply with the independence and committee requirements which would be imposed upon us if we were listed on an exchange. In the absence of a majority of independent directors, our directors could establish policies and enter into transactions without independent review and approval. This could present the potential for a conflict of interest between the stockholders and our company or our directors.

**There has been no independent “due diligence” review of our affairs or audit of financial condition.**

The statements contained in this document, or incorporated by reference, are solely those of our management. There has been no independent “due diligence” review of our affairs or financial condition, nor has any independent party verified the statements contained in this disclosure. Prospective purchasers are urged to carefully review our company and the industry and investment risks with a financial professional, such as a certified financial advisor or registered investment advisor.

**We may issue additional shares and dilute the ownership of our stockholders.**

We are authorized to issue millions more shares of common stock and preferred stock. We have the right to raise additional capital or incur borrowings from third parties to finance our business. Our board of directors has the authority, without the consent of any of the stockholders, to cause us to issue more shares of our common stock and shares of our preferred stock at such price and on such terms and conditions as are determined by the Board in our sole discretion. The issuance of additional shares of capital stock by us would dilute the stockholders’ ownership in us. The bylaws allow the board to issue common shares without stockholder approval. Currently, the board is authorized to issue a total of 100,000,000 common shares, of which less than 20% have been issued or reserved for issuance as of January 19, 2011. In addition, the board is authorized to issue up to 20,000,000 preferred shares. For instance, we may issue additional common stock shares subsequent to this disclosure, which could result in immediate further dilution to our stockholders. If additional funds are raised through the issuance of equity securities, the percentage of equity ownership of the existing stockholders will be reduced.

The procurement by prospective investors of an independent review of the investments merits of a proposed subscription for our stock would be costly and can normally be conducted only by those prospective investors whose subscriptions will be of sufficient magnitude that they, either alone or by a pooling of their resources with those of other prospective investors, could afford the expense of such independent analysis, including the retaining of independent consultants. Such a review might or might not prove favorable. Accordingly, purchase of our stock is suitable only for such proposed investors willing and able to accept the risks created by a failure to conduct an independent analysis of this investment.

**We need additional funds to develop our business; and if we fail to obtain additional funds, our plan of operations may have to be changed or our stockholder may lose their entire investment.**

Development of business as discussed in this disclosure require significant capital—AND WE HAVE VERY LITTLE CAPITAL. We must seek outside financing to design and develop our business. Such financing could take the form of co-production or joint venture arrangements or limited liability companies or partnerships in which we act as managing member or general partner, additional sales of our securities or an operating line of credit. Additional financing will be needed to develop our business. No assurance can be given that financing will be available to us, at all, or on favorable terms. Unless such additional financing is available to us, our design, development and production activities may be materially adversely affected and our stockholders may lose their entire investment.

**There is limited historical information available for investors to evaluate our performance or a potential investment in our shares.**

There is limited historical information available to help prospective investors evaluate our performance or an investment in our shares, and our historical financial statements are not necessarily a meaningful guide for evaluating our future performance because we have not fully implemented our business plan.

## Risks Relating To Our Common Stock

### **Our common stock does not trade in a mature market and therefore has limited liquidity.**

Our common stock trades on the over-the-counter market. The average daily trading volume of our common stock on the over-the-counter market has not been consistent. Our daily volume remains very limited and there is no assurance that increased volume, if any occurs, will continue. Holders of the our common stock may not be able to liquidate their investments in a short time period or at the market prices that currently exist at the time a holder decides to sell. Because of this limited liquidity, it is unlikely that shares of our common stock will be accepted by lenders as collateral for loans.

### **We will likely experience volatility in our stock price.**

Our common stock is currently quoted on the “pink sheets”/“otcmarts”, which is characterized by low trading volume relative to national exchanges. Because of this limited liquidity, stockholders may be unable to sell their shares. The trading price of our shares has from time to time fluctuated widely and wildly and may be subject to similar fluctuations in the future. The trading price of our common stock may be affected by a number of factors including events described in the Risk Factors set forth in this disclosure, as well as our operating results, financial condition, general conditions in the network marketing industry, and other events or factors. In recent years, broad stock market indices, in general, and smaller capitalization companies, in particular, have experienced substantial price fluctuations. In a volatile market, we may experience wide fluctuations in the market price of our common stock. These fluctuations may have a negative effect on the market price of our common stock.

### **The Company's shareholders may face significant restrictions on their stock.**

The Company's stock differs from many stocks in that it is a “penny stock.” The Commission has adopted a number of rules to regulate “penny stocks” including, but not limited to, those rules from the Securities Act as follows:

- 3a51-1 which defines penny stock as, generally speaking, those securities which are not listed on either NASDAQ or a national securities exchange and are priced under \$5, excluding securities of issuers that have net tangible assets greater than \$2 million if they have been in operation at least three years, greater than \$5 million if in operation less than three years, or average revenue of at least \$6 million for the last three years;
- 15g-1 which outlines transactions by broker/dealers which are exempt from 15g-2 through 15g-6 as those whose commissions from traders are lower than 5% total commissions;
- 15g-2 which details that brokers must disclose risks of penny stock on Schedule 15G;
- 15g-3 which details that broker/dealers must disclose quotes and other information relating to the penny stock market;
- 15g-4 which explains that compensation of broker/dealers must be disclosed;
- 15g-5 which explains that compensation of persons associated in connection with penny stock sales must be disclosed;
- 15g-6 which outlines that broker/dealers must send out monthly account statements; and
- 15g-9 which defines sales practice requirements.

Since the Company's securities constitute a “penny stock” within the meaning of the rules, the rules would apply to us and our securities. Because these rules provide regulatory burdens upon broker-dealers, they may affect the ability of shareholders to sell their securities in any market that may develop; the rules themselves may limit the market for penny stocks. Additionally, the market among dealers may not be active. Investors in penny stock often are unable to sell stock back to the dealer that sold them the stock. The mark-ups or commissions charged by the broker-dealers may be greater than any profit a seller may make. Because of large dealer spreads, investors may be unable to sell the stock immediately back to the dealer at the same price the dealer sold the stock to the investor. In some cases, the stock may fall quickly in value. Investors may be unable to reap any profit from any sale of the stock, if they can sell it at all. Shareholders should be aware that, according to Commission Release No. 34-29093 dated April 17, 1991, the market for penny stocks has suffered from patterns of fraud and abuse. These patterns include:

- control of the market for the security by one or a few broker-dealers that are often related to the promoter or issuer;
- manipulation of prices through prearranged matching of purchases and sales and false and misleading press releases;

- “boiler room” practices involving high pressure sales tactics and unrealistic price projections by inexperienced sales persons;
- excessive and undisclosed bid-ask differentials and markups by selling broker-dealers; and
- the wholesale dumping of the same securities by promoters and broker -dealers after prices have been manipulated to a desired level, along with the inevitable collapse of those prices with consequent investor losses.

**There is a limited public market for our common stock, which could prevent you from liquidating your investment.**

There is only a limited public market for the Company’s common stock, and no assurance can be given that a market will continue or that a stockholder ever will be able to liquidate his investment without considerable delay, if at all. If a market should continue, the price may be highly volatile. Factors such as those discussed in this “Risk Factors” section may have a significant impact upon the market price of our common stock. Due to the low price of the securities, many brokerage firms may not be willing to effect transactions in our common stock. Even if a purchaser finds a broker willing to effect a transaction in our common stock, the combination of brokerage commissions, state transfer taxes, if any, and any other selling costs may exceed the selling price. Further, many lending institutions will not permit the use of our common stock as collateral for any loans.

**The market for our stock is limited and our stock price may be volatile.**

The market for our common stock has been limited due to low trading volume and the small number of brokerage firms acting as market makers. Because of the limitations of our market and volatility of the market price of our stock, investors may face difficulties in selling shares at attractive prices when they want to. The average daily trading volume for our stock has varied significantly from week to week and from month to month, and the trading volume often varies widely from day to day.

**A substantial number of our issued shares are, or are being made available for sale on the open market. The resale of these securities might adversely affect our stock price.**

The sale of a substantial number of shares of our common stock via registration exemption and/or being registered under a subsequent registration statement, or the market’s anticipation of such sales, could make it more difficult for us to sell equity or equity-related securities in the future at a time and at a price that we might otherwise wish to effect sales.

Sales of shares pursuant to exercisable warrants could also lead to subsequent sales of the shares in the public market. These sales, together with sales by other existing stockholders, could depress the market price of our stock by creating an excess in supply of shares for sale. Availability of these shares for sale in the public market could also impair our ability to raise capital by selling equity securities.

## Risks Relating to Our Business of Debit and Rewards Card Issuance And Support and the Industry as a Whole

**Our previous businesses activities related to facsimile related networking software ended several years ago and we do not intend to pursue them again. Our Wake Up Now operations consist of development and startup company activities and have not generated any significant operating revenues and may never achieve profitability.**

We sold and disposed of the assets relating to our business of manufacturing, marketing and distribution of a computer software program called HydraFax which allowed the networking of multiple personal computer users to interface with proprietary multi-function facsimile machines. Therefore, we do not have any revenues or assets from our prior businesses.

Our recently acquired business which facilitates the issuance of debit cards and provides back-end personal consumer spending tracking are risky and unproven. We are a new development stage company and, to date, have not generated significant revenues from sales. We cannot assure you that we will generate revenues or that we can achieve or sustain profitability in the future. Our operations are subject to the risks and competition inherent in the establishment of a business enterprise. There can be no assurance that future operations will be profitable. Revenues and profits, if any, will depend upon various factors, including whether our product development can be completed, and if we can achieve market acceptance. We may not achieve our business objectives and the failure to achieve such goals would have an adverse impact on us.

**We may experience difficulties that may delay or prevent our development, introduction or marketing of new or enhanced products.**

We intend to continue to invest in product and technology development. The development of new or enhanced products is a complex and uncertain process. We may experience research and development, manufacturing, installation, marketing and other

difficulties that could delay or prevent our development, introduction or marketing of new products or enhancements. We cannot be certain that:

- any of the products under development will prove to be effective in generating sales demand;
- we will be able to obtain, in a timely manner or at all, regulatory approval, if required, to market any of our products that are in development or contemplated;
- the products we develop can be manufactured at acceptable cost and with appropriate quality; or these products, if and when approved, can be successfully marketed.

The factors listed above, as well as manufacturing or distribution problems, or other factors beyond our control, could delay new product launches. In addition, we cannot assure you that the market will accept these products. Accordingly, there is no assurance that our overall revenue will increase if and when new products are launched.

**Intense competition could limit our ability to secure market share which could impair our ability to sell our products and harm our financial performance.**

The debit card issuance and back-end personal consumer spending tracking software markets, along with nearly every market we seek to penetrate, are established markets, but are rapidly evolving, and developments are expected to continue at a rapid pace. Competition in this industry, which includes competition from large banks and software providers, among others, is intense and expected to increase as new products and technologies become available and new competitors enter the market. Our competitors in the United States and abroad are numerous and include the world's largest banks and influential software providers.

**Many of our current and potential competitors have longer operating histories, larger customer or user bases, greater brand recognition, greater access to brand name suppliers, and significantly greater financial, marketing and other resources than we do.**

Many of these current and potential competitors can devote substantially more resources to the development of their business operations than we can at present. Currently, we do not have a marketing or manufacturing infrastructure in place. In addition, larger, well established and well-financed entities may acquire, invest in or form joint ventures with other established competitors or with specific product manufacturers, which will allow them pricing advantages due to economies of scale or pursuant to distribution agreements with suppliers.

**The market for prepaid debit cards and alternative financial services is highly competitive, and competition is increasing as more companies, many that are larger and have greater resources than we do, endeavor to address the needs of underbanked consumers.**

The market for prepaid debit cards and related alternative financial services is highly competitive. We directly compete with a number of companies that market and serve as program managers for open-loop prepaid debit cards through retail and online distribution, such as Green Dot Corporation, AccountNow, Inc. and Blackhawk Network Inc. Open-loop prepaid debit cards are those that can be used for transactions at any merchant participating in the relevant card association, such as MasterCard or Visa, as opposed to a single merchant. We also compete with traditional providers of financial services, such as banks that offer demand deposit accounts and card issuers. Similarly, we anticipate increased competition from large retailers seeking to integrate more profitable financial services into their product offerings.

**We are subject to extensive and complex federal and state regulation and new regulations and/or changes to existing regulations could adversely affect our business.**

As an agent of, and third-party service provider to, our issuing bank, we are subject to indirect regulation and direct audit and examination by the Office of Thrift Supervision, or the OTS, the Office of the Comptroller of the Currency, or the OCC, the Board of Governors of the Federal Reserve System, or the FRB, the Georgia Department of Banking and Finance, or the GDBF, and the Federal Deposit Insurance Corporation, or the FDIC. We are also subject to direct regulation by those states in which we are licensed as a money transmitter. Common to most of the money transmitter laws is a requirement that the money transmitter maintain a state license, post a surety bond (ranging from \$25,000 to upwards of \$1 million), and maintain a specified level of net worth (ranging from \$5,000 to \$100,000 and usually a function of the number of offices or agents of the licensee). Less common is a requirement that a money transmitter maintain permissible investments with an aggregate market value not less than the aggregate amount of all its outstanding payment instruments.

We believe that state money transmitter statutes do not apply to our business. In the event that a state regulatory authority were to argue that we are required to be licensed in states in which we are not licensed, it is possible that we, our distributors or our issuing bank could become subject to regulatory enforcement or other proceedings, which could in turn have a significant adverse impact on our business, even if we were to ultimately prevail in such proceedings. In such event, we may have additional arguments available to us that we should not be subject to the licensing requirements under the relevant state money transmitter statutes, and may utilize one or more of these arguments at such time. However, it is possible that we could be unsuccessful in making a persuasive argument that we should not be subject to such licensing requirements, and could be deemed to be in violation of one or more of the state money transmitter statutes. Such failure to comply could result in the imposition of fines, the suspension of our ability to offer some or all of our prepaid debit cards in the relevant jurisdiction, civil liability and criminal liability, each of which would likely have material adverse impact on our revenues.



As the laws applicable to our business, and those of our distributors and issuing banks, change frequently, are often unclear and may differ or conflict between jurisdictions, ensuring compliance has become more difficult and costly. Any failure, or perceived failure, by us, our issuing bank or our distributors to comply with all applicable statutes and regulations could result in fines, penalties, regulatory enforcement actions, civil liability, criminal liability, and/or limitations on our ability to operate our business, each of which could significantly harm our reputation and have a material adverse impact on our business, results of operations and financial condition.

**Our distributors are subject to extensive and complex federal and state regulations and new regulations and/or changes to existing regulations could adversely affect our ability to offer our cards through their efforts which in turn could have an adverse impact on our business.**

We do not believe that our distributors would be required to become licensed as money transmitters in order to engage in their network marketing activities. However, there is a risk that a federal or state regulator will take a contrary position and initiate enforcement or other proceedings against a distributor, us or our issuing bank, which in turn could have an adverse impact on our business, even if the relevant party were to ultimately prevail in such proceedings. In such event, the relevant party may have additional arguments available to it that the distributor should not be subject to the licensing requirements under the relevant state money transmitter statutes, and may utilize one or more of these arguments at such time. However, it is possible that the relevant party could be unsuccessful in making a persuasive argument that the distributor should not be subject to such licensing requirements, and therefore could be deemed to be in violation of one or more of the state money transmitter statutes. Such failure to comply could result in the imposition of fines, the suspension of the distributor's ability to offer some or all of our debit cards and related services in the relevant jurisdiction, civil liability and criminal liability, each of which would likely have a material adverse impact on our revenues.

**Limitations on the amount of interchange fees that may be charged to merchants which are fixed by the card associations and network organizations could decrease our revenues and negatively impact our business and financial performance.**

A material portion of our target operating revenues is to be derived from our share of the fees charged to merchants for services provided in settling transactions routed through the networks of the card associations and network organizations, commonly known as "interchange fees." The amounts of these interchange fees are currently fixed by the card associations and network organizations in their sole discretion. In July 2010, the U.S. Congress adopted legislation which requires the amount of interchange fees charged to merchants in connection with transactions utilizing traditional debit cards and certain prepaid cards issued by financial institutions that, together with their affiliates, have assets of \$10 billion or more, to be reasonable and proportionate to the costs of the underlying transactions. The new legislation also generally gives the FRB the power to regulate the amount of such interchange fees and require FRB to promulgate regulations establishing standards for determining when interchange fees are reasonable and proportionate to the costs of the underlying transactions. While general use prepaid debit cards are expressly covered by the legislation, general purpose reloadable prepaid cards are expressly exempted using a definition that we believe applies to our cards. While we believe that the law's exemption of GPR cards and small issuing banks will apply to our card programs, it remains possible that if the FRB exercises its powers and sets the limits below the current rates of interchange fees, the interchange rates applicable to transactions conducted by our cardholders could be impacted through action of the card associations, network organizations and banks that set interchange rates, which would decrease our revenues and profit and could have a material adverse effect on our financial condition and results of operations. In addition, the exemption of GPR cards from the legislation is not available if, after the one year anniversary of the law's effective date, the GPR card can be charged an overdraft fee or a fee for the first ATM withdrawal per month at a designated ATM network. Depending on the manner in which these limitations are clarified in the implementing regulations, and whether we elect after the effectiveness of such rules to charge such fees, these limitations may in the future limit our ability to benefit from interchange regulation exemptions for GPR cards, or decrease the opportunity to earn additional revenue from overdraft or ATM fees we might otherwise elect to charge. Additionally, even if some or all of our GPR cards were exempt from any such interchange fee restrictions, it is possible that such an exemption may be difficult to preserve if the relevant card associations or network organizations do not provide any mechanism that enables the recognition of the exemption in processing transactions, which could result in a material adverse impact on our revenues.

**Changes in applicable laws and regulations may increase our costs of operation, decrease our operating revenues and constrain the terms and conditions of our products and services.**

State and federal legislatures and regulatory authorities have become increasingly focused upon the regulation of the financial services industry, and continue to adopt new legislation which could result in significant changes in the regulatory landscape for financial institutions (such as our issuing bank) and other financial services companies (including our business). For example, changes in the way we or our issuing bank are regulated, such as the changes under the federal financial reform legislation enacted in July 2010 related to the consolidation of the OTS into the OCC and the establishment of a federal Consumer Financial Protection Bureau with oversight over us and our products and services, could expose us to increased regulatory oversight and more burdensome regulation of our business and therefore have an adverse impact on our revenue. Additionally, changes to the disclosures which must be provided with our products and services, or limitations placed on the fees that may be applied to our products and services or the interchange rates charged in connection with the use of our prepaid debit cards, could negatively impact our financial position by increasing our costs and reducing our revenue. Furthermore, states may adopt statutes which could limit the application of certain fees or otherwise increase the costs incurred, or negatively impact the revenue received, by our issuing bank in connection with the provision of our prepaid debit cards, which would have an indirect adverse impact on our revenue. Finally, if the federal or a state government imposes additional legislative or regulatory requirements on us, our issuing bank or our distributors, or prohibits or limits our activities as currently conducted, we may be required to modify or terminate some

or all of our products and services offered in the relevant jurisdiction or certain of our issuing bank may terminate their relationship with us, which in turn could adversely affect our business.

**Our card programs are subject to strict regulation under federal law regarding anti-money laundering and anti-terrorist financing. Failure to comply with such laws, or abuse of our card programs for purposes of money laundering or terrorist financing, could have a material adverse impact on our business.**

Provisions of the USA PATRIOT Act, the Bank Secrecy Act and other federal law impose substantial regulation of financial institutions designed to prevent use of financial services for purposes of money laundering or terrorist financing. Increasing regulatory scrutiny of our industry with respect to money laundering and terrorist financing matters could result in more aggressive enforcement of such laws or more onerous regulation, which could have a material adverse impact on our business. In addition, abuse of our prepaid card programs for purposes of money laundering or terrorist financing, notwithstanding our efforts to prevent such abuse through our regulatory compliance and risk management programs, could cause reputational or other harm that would have a material adverse impact on our business.

On June 21, 2010, the Financial Crimes Enforcement Network of the U.S. Department of the Treasury, or FinCEN, issued a notice of proposed rulemaking regarding the applicability of the Bank Secrecy Act's anti-money laundering provisions to prepaid products and other matters related to the regulation of money services businesses. This rulemaking would create additional obligations for entities, including our distributors, engaged in the provision and sale of certain prepaid products, including our prepaid debit cards, such as the obligation for sellers of prepaid debit cards to obtain identification information from the purchaser at the point-of-sale. Compliance with these obligations may result in increased compliance costs for us, our issuing bank and our distributors, and may therefore have a negative impact on the profitability of our business. Additionally, the imposition of such obligations upon sellers of prepaid debit cards may cause some of our distributors to determine that they do not wish to continue offering our prepaid debit cards for sale or reload, which could also have a significant negative impact on our business. However, as the proposed rulemaking is subject to further comment and revision, it is difficult to determine with any certainty what obligations the final rulemaking might impose or what impact they might have on our business or that of our issuing bank or distributors.

At certain times in our history we have been registered with FinCEN as a "money services business," and therefore have been subject to certain anti-money laundering compliance obligations arising under the Bank Secrecy Act and its implementing regulations. However, we subsequently concluded that we were not required to be registered as a money services business, did not renew our registration and have requested, but not yet received, a formal written opinion from FinCEN to confirm our conclusion. Accordingly, while we do have certain anti-money laundering compliance obligations, these obligations arise contractually under the agreements that we have with each of our issuing bank. It is possible that we may at some future date be required to re-register as a money services business, whether due to a notification from FinCEN that we are required to register under the current requirements or new regulatory requirements such as those contained in the proposed rulemaking described above. In the event that we are required to become registered as a money services business, we may become subject to additional compliance obligations not currently undertaken, which could result in increased costs and a corresponding decrease in our revenue.

**The loss of, or changes to, our relationships with our issuing bank could adversely affect our business, results of operations and financial position.**

We rely on the arrangements we have with our issuing bank to provide us with critical products and services, including the FDIC-insured depository accounts tied to our GPR cards, access to the ATM networks, membership in the card associations and network organizations and other banking services. Our cards are issued through only one bank. If our relationship with our sole bank deteriorates, it could hinder our ability to grow our business and have an adverse impact on our operating results. If any material adverse event were to affect our issuing bank, including a significant decline in their financial condition, a decline in the quality of their services, loss of deposits, their inability to comply with applicable banking and financial service regulatory requirements, systems failure or their inability to pay us fees, or if we were to lose our bank's services as an issuing bank, we would be forced to find an alternative provider of these critical banking services. We may not be able to find a replacement bank on terms that are acceptable to us or at all. Any change in our issuing bank could disrupt our business or result in arrangements with new banks that are less favorable to us than those we have with our existing issuing banks, either of which could have a material adverse impact on our results of operations and our financial condition. In addition, under our arrangements with our issuing bank, we have agreed upon sharing of certain revenues, costs and expenses. Changes in these arrangements could have a material adverse impact on our results of operations.

**Our business is dependent on our continued participation in the card associations and network organizations, and the termination of our participation in the card associations or network organizations or changes in the card association or network organization rules could materially adversely affect our business.**

Because we are not a bank, we are not eligible for membership in the card associations or network organizations. The rules and regulations of the card associations and network organizations require us to be sponsored by a bank in order to process prepaid debit card transactions and serve as a program manager or member service provider of our issuing bank's prepaid debit card programs. We currently participate in the card associations and network organizations as a program manager and third-party processor of our card programs through sponsorship by our issuing bank. If we or one of our issuing bank fails to comply with the rules and regulations of the card associations or network organizations, or we fail to comply with the applicable program requirements of our issuing bank, the card associations and network organizations could limit, suspend or terminate our participation in the card associations and network organizations or levy fines against us. The card associations and network organizations frequently amend their rules and regulations. If we were unable to comply with any such amended rules or regulations, or our



issuing bank were unable to comply with such rules or regulations, the card associations or network organizations could limit, suspend or terminate our participation.

We pay sponsorship, licensing and processing fees to card associations and network organizations for services they provide in processing transactions routed through their networks. The amounts of these fees are currently fixed by the card associations and network organizations in their sole discretion, and are subject to increase at any time. We may pass through to our cardholders increases in these fees, but competitive pressures might prevent us from passing all or some of such increases through to our cardholders in the future. To the extent that we are unable to do so, our cost of revenues would increase and our net income would decrease, assuming no change in transaction volumes. Any such decrease in net income could have a material adverse effect on our financial condition and operating results.

The termination of our participation in the card associations and network organizations, or any changes in their rules and regulations or our issuing bank's program requirements that would impair our participation in the card associations and network organizations, could require us to alter or suspend processing services that we provide to the issuing bank with respect to our debit cards, which would adversely affect our business. Further, if our issuing bank loses its sponsorship in the card associations and network organizations, and we are unable to secure another bank to sponsor us as a program manager and third-party processor with such card association or network organization, we will not be able to process transactions with respect to our prepaid debit cards and our business would be adversely affected.

**Unauthorized disclosure of cardholder data, whether through breach of our computer systems or otherwise, could expose us to liability and protracted and costly litigation.**

We collect and store personally identifiable information about our cardholders, including names, addresses, social security numbers, driver's license numbers and account numbers, and maintain a database of cardholder data relating to specific transactions, including account numbers, in order to process transactions and prevent fraud. As a result, we are required to comply with the privacy provisions of the Gramm-Leach-Bliley Act, various other federal and state privacy statutes and regulations, and the Payment Card Industry Data Security Standard, each of which is subject to change at any time. Compliance with these requirements is often difficult and costly, and our failure, or our distributors' failure, to comply may result in significant fines or civil penalties, regulatory enforcement action, liability to our issuing bank and termination of our agreements with one or more of our issuing bank, each of which could have a material adverse effect on our financial position and/or operations. In addition, a significant breach could result in our being prohibited from processing transactions for any of the relevant card associations or network organizations, including Visa, MasterCard or PULSE, which would also have a significant material adverse impact on our financial position and/or operations.

Furthermore, if our computer systems are breached by unauthorized users, we may be subject to liability, including claims for unauthorized purchases with misappropriated bank card information, impersonation or similar fraud claims. We could also be subject to liability for claims relating to misuse of personal information, such as unauthorized marketing purposes, or failure to comply with laws governing notification of such breaches. These claims also could result in protracted and costly litigation. In addition, we could be subject to penalties or sanctions from the relevant card associations or network organizations.

Finally, any data breach or failure to comply with any applicable privacy requirements could result in damage to our reputation, which could reduce the use and acceptance of our prepaid cards, cause our issuing bank or distributors to cease doing business with us, or lead to greater regulation, each of which could have a significant material adverse impact on our business, results of operations, financial position or potential for growth.

**The information technology systems and networks maintained by us and the third parties on whom we rely could fail due to factors, including those beyond our control, which could negatively impact our existing customer relationships and our business reputation.**

We depend on the efficient and uninterrupted operation of our end-to-end operational and technology platform, which is comprised of a complex system of computers, software, data centers and networks, as well as the systems of a wide variety of third parties, including our issuing bank, distributors, card associations, network organizations and processors, in which we have limited control. These systems may be prone to periodic failure and outages. Our end-to-end operational and technology platform, and the third party networks and systems on which it relies, could be exposed to damage or interruption from, among other things, fire, natural disaster, power loss, telecommunications failure, unauthorized entry and computer viruses. Our property and business interruption insurance may not be adequate to compensate for all losses or failures that may occur. These failures could negatively impact our existing customer relationships and our business reputation.

**We and our distributors may be subject to claims of infringement.**

The technologies used in the payments industry are protected by a wide array of patents and other intellectual property rights. As a result, third parties may assert infringement and misappropriation claims against us from time to time based on our general business operations or the equipment, software or services we use or provide. Whether or not an infringement or misappropriation claim is valid or successful, it could adversely affect our business by diverting management's attention and involving us in costly and time-consuming litigation. In the event a claim of infringement against us is successful, we may be required to pay past and future royalties to use technology or other intellectual property rights then in use, we may be required to enter into a license agreement and pay license fees or we may be required to stop using the technology or other intellectual property rights then in use. We may be unable to obtain necessary licenses from third parties at a reasonable cost or within a reasonable time. In addition, our distributors

may be subject to infringement or misappropriation claims that if successful could preclude the distributor from distributing our products and services or cause the distributor to increase the fees they charge us. In addition, if claims made against our distributors arise out of their distribution of our products and services, we are required to indemnify them against any losses. We may not be fully protected against all losses associated with an infringement or misappropriation claim involving our licensors and suppliers who provide us with the software and technology that we use in our business. In addition, any such suppliers may refuse to, or may be unable to, pay any damages or honor their defense and indemnification obligations to us, which may result in us having to bear such losses.

**We are subject to risks and write-offs resulting from fraudulent activities and losses from overdrawn cardholder accounts, which could adversely impact our financial performance and results of operations.**

Our prepaid cards expose us to counterfeit threats through the misuse of such cards, collusion, fraud, identity theft and systemic attacks on our systems. An additional threat is the theft of cards in a retail environment. Although these stolen cards are not active and thus not able to be used, theft or attempted misuse of our prepaid debit cards could nonetheless cause reputational harm. While a large portion of fraudulent activity is addressed through the chargeback systems and procedures maintained by the card associations and network organizations, we are often responsible for losses that result from transactions in small amounts that are fraudulently forced by merchants through the settlement systems maintained by the card associations and network organizations without prior authorization for which it is not economically feasible to pursue chargebacks. The systems and procedures we have established to detect and reduce the impact of fraud may not be entirely effective and, as a result, incidents of fraud could increase in the future. Failure to effectively manage risk and prevent fraud would increase our write-off liability and could harm our reputation, which could have an adverse effect on our operating results and financial condition.

In addition, from time to time, certain of our cardholders may attempt to utilize their prepaid debit cards for purchase transactions which exceed the amount of funds available in their card accounts. While we generally decline authorization attempts for such transactions in accordance with the policies and procedures established by our issuing bank, card accounts may become overdrawn through the application of card association and network organization rules and regulations, the timing of the settlement of card transactions and the assessment of subscription, maintenance or other fees charged by our issuing bank. We also provide certain cardholders with a "cushion" which allows them to overdraw their card accounts. In any such event, we may be liable to our issuing bank for the resulting overdrawn account balance.

Finally, eligible cardholders may enroll in overdraft programs offered by certain of our issuing bank, pursuant to which the issuing bank, in its sole discretion, funds certain prepaid debit card transactions that exceed the available balance in the relevant card account. While this is a discretionary service offered by the issuing bank to eligible cardholders, we are responsible to our issuing bank for any losses associated with these overdrawn account balances.

We do not maintain reserves to cover the risk that we may not recover losses resulting from fraudulent activities and from our cardholders' overdrawn account balances. Accordingly, our business, results of operations and financial condition could be materially and adversely affected to the extent that we incur losses resulting from overdrawn cardholder accounts and fraudulent activity which exceed our designated reserves, or we determine that it is necessary to increase our reserves substantially in order to address any increased recovery risk.

**If we lose key personnel or are unable to attract additional qualified personnel as we grow, our business could be adversely affected.**

We depend on the ability and experience of a number of our key personnel who have substantial experience with our operations, the rapidly changing payment processing industry, other public companies and the selected markets in which we offer our products and services. It is possible that the loss of the services of one or a combination of our senior executives or key managers would have an adverse effect on our operations. Our success also depends on our ability to continue to attract, manage and retain other qualified management and technical personnel as we grow, and we may be unable to attract, manage or retain such personnel. Due to the competitive nature of our industry, we may also be vulnerable to successful attempts by our competitors to hire our employees.

**If we are unable to adequately protect our intellectual property and other proprietary rights, we may lose a valuable competitive advantage or be forced to incur costly litigation to protect our rights.**

Our success depends in part on developing and protecting our intellectual property and other proprietary rights. We rely on a combination of patent, trade secret, copyright and trademark laws, as well as licenses of intellectual property from third parties, to protect our intellectual property and conduct our business in a manner that does not infringe or misappropriate the intellectual property of third parties. We also rely on other confidentiality and contractual agreements and arrangements with our employees, affiliates, business partners and customers to establish and protect our intellectual property and similar proprietary rights. We have patent applications pending with the United States Patent and Trademark Office, including applications related to our distributor compensation methods. These patent applications may not become issued patents. If they do not become issued patents, our competitors would not be prevented from using these inventions.

Existing laws afford only limited protection for our intellectual property rights. Intellectual property rights or registrations granted to us may provide an inadequate competitive advantage to us or be too narrow to protect our products and services. The protections outlined above may not be sufficient to prevent unauthorized use, misappropriation or disclosure of our intellectual property or technology and may not prevent our competitors from copying, infringing, or misappropriating our products and services. It is

possible that others will independently develop, design around or otherwise acquire equivalent or superior technology or intellectual property rights. If we are unable to adequately protect our intellectual property rights, our business and growth prospects could be materially and adversely affected.

**Our failure to anticipate rapid changes in technology may negatively affect demand for our services in the marketplace.**

The electronic payments industry is subject to rapid and significant technological changes. We expect that new services and technologies applicable to our industry will continue to emerge, and these new services and technologies may be superior to, or render obsolete, the technologies we currently utilize in our products and services. Additionally, we may make future investments in, or enter into strategic alliances to develop, new technologies and services or to implement changes to our operating platform to further our growth prospects, strengthen our existing businesses and remain competitive. However, our ability to transition to new services and technologies that we develop may be inhibited by a lack of industry-wide standards, by resistance from our distributors, network acceptance members, third-party network processors or consumers to these changes, or by the intellectual property rights of third parties. Our future success will depend, in part, on our ability to develop new technologies and adapt to technological changes and evolving industry standards. These initiatives are inherently risky, and they may not be successful or may have an adverse effect on our business, financial condition and results of operations.

**We and some of our third-party suppliers are susceptible to the occurrence of catastrophic events, which could impair our ability to operate our business.**

We and some of the third-party services providers on which we rely are vulnerable to damage from catastrophic events, such as power loss, natural disasters, terrorism and similar events beyond our control. Some of the third-party providers we rely on to provide customer service and related support functions to our customers are located in developing nations such as Mexico and the Philippines, which may make our products and services more susceptible to certain events, including political upheavals, war, terrorist attacks, strikes, natural disasters and pandemics. If we or our suppliers experience any of these events, our systems and networks may not function properly, we may lose customers and revenues, and we may have difficulty attracting new customers, any of which could have a material adverse impact on our business, financial condition and results of operations. In addition, the business interruption insurance we carry may not cover any or all of the losses we may experience as a result of such events. Any significant losses that are not covered by insurance could negatively affect our financial condition and results of operations.

## Risks Relating to Our Direct/Network Marketing Methods

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**If we are unable to retain our existing distributors and recruit additional distributors, our revenue will not increase and may even decline.**

We primarily distribute our products through our direct selling distributors and we depend on them to generate almost all of our revenue. Our distributors may terminate their services at any time, and, like most network marketing or direct selling companies, we experience high turnover among distributors from year to year. Distributors who join for short-term income goals may only stay with us for a short time. Other distributors who have committed time and effort to build a sales organization may generally stay for longer periods. Distributors have highly variable levels of training, skills and capabilities. As a result, in order to maintain sales and increase sales in the future, we need to continue to retain existing distributors and recruit additional distributors. To increase our revenue, we must increase the number of and/or the productivity of our distributors.

The number of our active and executive distributors may not increase and could decline again in the future. While we take many steps to help train, motivate, and retain distributors, we cannot accurately predict how the number and productivity of distributors may fluctuate because we rely primarily upon our distributor leaders to recruit, train, and motivate new distributors. Our operating results could be harmed if we and our distributor leaders do not generate sufficient interest in our business to retain existing distributors and attract new distributors.

The number and productivity of our distributors could be harmed by several additional factors, including:

- any adverse publicity regarding us, our products, our distribution channel, or our competitors;
- lack of interest in, or the technical failure of, existing or new products;
- lack of a sponsoring story that generates interest for potential new distributors and effectively draws them into the business;
- any negative public perception of our products;
- any negative public perception of our distributors and direct selling businesses in general;

- our actions to enforce our policies and procedures;
- any regulatory actions or charges against us or others in our industry; and
- general economic and business conditions.

**Although our distributors are independent contractors, improper distributor actions that violate laws or regulations could harm our business.**

Distributor activities that violate applicable laws or regulations could result in government or third party actions against us, which could harm our business. Our distributors are not employees and act independently of us. We have implemented policies and procedures to ensure our distributors will comply with legal requirements. However, given the growing size of our distributor force, we may experience problems with distributors from time to time, including the use of sales aids and promotional material produced by distributors and distributor groups which could place an increased burden on us to monitor compliance of such materials and increases the risk of materials that violate our policies and applicable regulations. If we are unable to address this issue, we could face fines or other legal action.

**Laws and regulations may prohibit or severely restrict our direct sales efforts and cause our revenue and profitability to decline, and regulators could adopt new regulations that harm our business.**

A number of government agencies regulate direct sales practices. These laws and regulations are generally intended to prevent fraudulent or deceptive schemes, often referred to as “pyramid” schemes, that compensate participants for recruiting additional participants irrespective of product sales, use high pressure recruiting methods and/or do not involve legitimate products. The laws and regulations in our current markets often:

- impose order cancellations, product returns, inventory buy-backs and cooling-off rights for consumers and distributors;
- require us or our distributors to register with government agencies;
- impose caps on the amount of commissions we can pay; and/or
- require us to ensure that distributors are not being compensated based upon the recruitment of new distributors.

Complying with these widely varying and sometimes inconsistent rules and regulations can be difficult and may require the devotion of significant resources on our part. If we are unable to continue business in existing markets or commence operations in new markets because of these laws, our revenue and profitability may decline. In addition, states where we currently do business could change their laws or regulations to negatively affect our business.

**Challenges to the form of our network marketing system or other regulatory compliance issues could harm our business.**

We may be subject to challenges by government entities or private parties, including our distributors, to the form of our network marketing system or elements of our business. We have what we believe to be a fairly novel and unproven compensation model. Any regulatory or other challenges regarding us or others in our industry in general could harm our business if they create adverse publicity, increase scrutiny of our industry, detrimentally affect our efforts to recruit or motivate distributors and attract customers, or interpret laws in a manner inconsistent with our current business practices.

Actions by the FTC or other comparable state or federal regulatory agencies could have a negative impact on us in the future. Because legal and regulatory requirements concerning our industry involve a high level of subjectivity and are inherently fact-based and subject to judicial interpretation, we can provide no assurance that we would not be harmed by the application or interpretation of statutes or regulations governing network marketing, particularly in any civil challenge by a current or former distributor.

## Risks Relating to Our Operations in General

**We are currently in a growth stage and may experience setbacks in both business and product development.**

We are subject to all of the risks inherent in both the creation of a new business and the development of new and existing products. As a growth-stage company, our cash flows may be insufficient to meet expenses relating to our operations and the growth of our business, and may be insufficient to allow us to develop projects. We currently do not manufacture or market any product and we cannot be certain that we will ever be able to develop any business.

**We need substantial additional capital to continue our development activities and begin commercialization plans. We do not have any capital commitments at this time.**

Wake Up Now is currently a development stage company only. Accordingly, the Corporation will be dependent on obtaining additional external sources of capital in order to fund its operations or even continue as a going concern. A future capital raise could involve a private or public sales of equity securities or the incurrence of additional indebtedness. Additional funding may not be available on favorable terms, or at all. If we borrow additional funds, we likely will be obligated to make periodic interest or other debt service payments and may be subject to additional restrictive covenants. If we fail to obtain sufficient additional capital in the future, we could be forced to curtail our growth strategy by reducing or delaying capital expenditures, selling assets or downsizing or restructuring our operations. If we raise additional funds through public or private sales of equity securities, the sales may be at prices below the market price of our stock, and our shareholders may suffer significant dilution as a result of such sale.

**Our weak balance sheet may prevent us from extracting the best commercial terms from parties we do business with, and this may affect the value of your common stock.**

Wake Up Now is poorly capitalized in terms of the cash available on its balance sheet. As a result, when it comes to negotiating credit terms with vendors or even a lease with a landlord, we will likely be a less attractive customer to these parties. Additionally, when we seek joint venture agreements or other strategic agreements with commercial parties, we will be seen as a weaker company and this may cause the party we are negotiating with to offer less favorable terms to us than they otherwise would offer to a more financially sound company.

**We currently do not have adequate insurance coverage for claims against us.**

We face the risk of loss resulting from product liability, securities, fiduciary liability, intellectual property, antitrust, contractual, warranty, environmental, fraud and other lawsuits, whether or not such claims are valid. In addition, we do not have adequate or in some cases, any product liability, fiduciary, directors and officers, property, natural catastrophe and comprehensive general liability insurance. To the extent we secure adequate insurance it may not be adequate to cover such claims or may not be available to the extent we expect. If we are able to secure adequate insurance our costs could be volatile and, at any time, can increase given changes in market supply and demand. We may not be able to obtain adequate insurance coverage in the future at acceptable costs. A successful claim that exceeds or is not covered by our policies could require us to pay substantial sums. Even to the extent we are able to acquire adequate insurance, we may not be able to afford to continue coverage through a policy period or in multiple and successive policy periods.

**Presently, we have limited management operating the company who may also focus on other interests.**

The present management team may not be experienced enough and sufficient in number to maximize or even realize the potential of Wake Up Now. It is very likely that more qualified additional managers, with significantly more specific experience in the businesses we seek to engage in, will need to be hired. The sooner we can hire these people the better. These persons will likely require substantial salaries and compensation packages that the company cannot presently afford. Additionally, to the extent we use a service to assist the company in finding qualified managers, there may be substantial fees associated with recruiting new additional or replacement managers. To the extent that we are unable to ultimately bring managers into the company who are more qualified than our present team, the company and its shareholders will be negatively impacted. In addition, our management may not devote full time to Wake Up Now and may pursue other interests.

## **ITEM IX THE NATURE OF PRODUCTS OR SERVICES OFFERED**

Please refer to the preceding section entitled "ITEM VIII THE NATURE OF THE ISSUER'S BUSINESS" for a discussion of the nature of products or services offered.

## **ITEM X THE NATURE AND EXTENT OF THE ISSUER'S FACILITIES**

Please refer to the preceding section entitled "ITEM VIII THE NATURE OF THE ISSUER'S BUSINESS" for a discussion of the nature and extent of the issuer's facilities.

## PART D MANAGEMENT STRUCTURE AND FINANCIAL INFORMATION

## ITEM XI THE NAME OF THE CHIEF EXECUTIVE OFFICER, MEMBERS OF THE BOARD OF DIRECTORS, AS WELL AS CONTROL PERSONS

## DIRECTORS AND EXECUTIVE OFFICERS

The directors and executive officers of Wake Up Now, Inc., as of January 19, 2011, include the following persons. Brief biographies of our directors and officers may be found in the Description of Business Section of this disclosure under the heading “Our Team” herein.

Name	Age	Position
Troy Muhlestein <sup>(1)</sup>	44	Chairman & Chief Executive Officer
Jon Holbrook	49	President & Chief Financial Officer, Director
Dale Gibson	58	Chief Operation Officer
Matthew Schneck	40	Chief Products Officer
Vance Winn	54	Secretary & Treasurer

(1) On December 8, 2010, David Hunt resigned as a director and officer of the Company. On that same date and pursuant to the terms of the Wake Up Now Acquisition, Mr. Troy Muhlestein was appointed as Chief Executive Officer and director of the Company.

## COMMITTEES OF THE BOARD OF DIRECTORS

None.

## SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

We currently do not report to the SEC. Once we become reporting again, Section 16(a) of the Exchange Act will require that our directors, executive officers, and persons who own more than ten percent of our outstanding common stock file with the SEC initial Reports of beneficial ownership and Reports of changes to their stock ownership. Persons who are required to make these filings are also required to provide us with a copy of all Section 16(a) Reports.

## DIRECTOR INDEPENDENCE

As a result of the ownership of the Company by each of our directors that render effective voting control over the Company to them collectively, we do not have anyone who can be deemed as an independent director at this time. Our directors do not receive a salary. The Corporation intends to not enter into transactions with directors, to the extent avoidable, and, if it is required to do so, at terms that it believes are no less favorable to the Corporation as would otherwise be available for the same services with third parties.

## EXECUTIVE BIOGRAPHIES

**Troy Muhlestein, Chairman of the Board & Chief Executive Officer**, age 44, has comprehensive and well respected experience level resulting from 21 years of working from the bottom to the top of corporate America. Prior to founding Wake Up Now, Mr. Muhlstein was a member of the management team at Longview Fibre, a subsidiary of Brookfield Asset Management Inc. (TSX: BAM)(NYSE: BAM). Acquired by Brookfield Asset Management Inc. in 2007 for \$2.15 billion, Longview Fibre is the operator of one of the highest-capacity and most diverse paper mills in North America with a network of well-equipped corrugated container plants in four Western states. Mr. Muhlstein left Longview Fibre in 2009 and founded Wake Up Now several months later. At that defining moment in his life, Mr. Muhlstein understood what he had felt for years, that his next and perhaps final phase of life was destined to be spent applying his leadership principles to attempt to inspire and elevate the lives of others to their greatest good.

**Jon Holbrook, President & Chief Financial Officer and Director**, age 49, was the Co-Founder and Managing Partner of National Capital; a real estate operating company (REOC), SEC Registered Investment Advisor, and Broker Dealer specializing in the advisory, management and operations of real estate assets for family offices, fund-of-funds, high-net worth individuals, affluent internationals, investment advisors, wealth planning firms, corporate pensions, sovereign nations, various trusts and other separate accounts. The firm emphasized on an opportunistic, value-oriented and risk control approach to investments in distressed debt, high yield and valued added real estate, specialized private equity real estate and mezzanine finance. National Capital is recognized as a national expert in real estate finance, research and valuation analytics. Additionally Mr. Holbrook was a founding member of Nation West, a bridge capital firm and correspondent mortgage bank focused mainly on the acquisition, development lending side of



commercial, residential, mixed-use and bridge capital projects. Prior to this experience Mr. Holbrook worked for National City Bank and Wells Fargo Private Client Services. Over his career, Mr. Holbrook was President of Arch Management, Inc., wherein he operated a chain of McDonald's restaurants, which included retail and commercial real estate. Mr. Holbrook has experience in deal structure, cost analysis, finance management, due-diligence, research, distribution, accounting, credit analysis, underwriting, private equity, capital raising and senior executive management.

**Dale Gibson, Chief Operation Officer**, age 58, grew up in suburban Los Angeles, California in the fifties and sixties where he began a job as a french-fry cook at a fledgling hamburger stand named McDonald's in Sherman Oaks, CA in mid-1968. A career as a shift management person was on the horizon and through high school and into the first two years of college, Dale honed his skills with McDonald's.

In 1971 he was notified that his services were required in the military and soon found himself in the Army and serving in Southeast Asia during Viet Nam. After serving, Dale returned to Southern California for a brief period and rejoined McDonald's in their management program. In 1977 he moved to Eugene, Oregon to attend school and manage more McDonald's facilities. Eventually he became a supervisor and director of operations for a fourteen-store franchisee with several mid-level management reports and several hundred team members in his charge. He moved his family to Central Utah in 1988 and purchased his first McDonald's Restaurant in Richfield. Two years later he built and opened a restaurant in Beaver, Utah. During this period Dale was instrumental in moving McDonalds to computerization to better manage the flow of products and enhance cost containment to all USA-based restaurants. After a total of thirty-five years in the McDonald's System, he sold his restaurants and made the transition to financial management, working with three nationwide banking institutions in mortgage and other banking instruments.

In 2006 he accepted a position as the Chief Operating Officer of a Utah based nationwide restaurant consulting firm. In 2008 he moved into an instructor position with a nationwide insurance firm specializing in Medicare and transitioning thousands of retirees from established retiree medical group plans to individual ones. Mr. Gibson lives in Lehi, Utah and has three grown children and one grandson.

**Matthew F. Schneck, Chief Products Officer**, age 40, is the Co-Founder, President and Chief Operating Officer of Simplicity Group, LLC. Simplicity Group, founded in 2000 was honored as the 12th fastest growing business service company in the United States by Inc Magazine and as one of the fastest growing companies honored in both Utah Business Magazine and Utah Valley Business Quarterly Magazine. Specializing in web application development and online affiliate aggregation, Simplicity Group currently represents over 3,000 online merchants and millions of dollars in online buying power. Prior to Simplicity Group, Mr. Schneck was integral in the start-up of two successful companies specializing in online reward management and commerce. Mr. Schneck earned his undergraduate degree from Brigham Young University in Provo, Utah and his graduate degree from The George Washington University in Washington D.C. Mr. Schneck was also recently honored in both Utah Business Magazine and Utah Valley Business Quarterly Magazine as one of Utah's leading business minds in their "40 under 40" editions. Mr. Schneck specializes in end-user buying experiences, merchant acquisition, web application development, high performance team development, public speaking, internet marketing training, corporate operations and executive management.

**Vance Winn, Secretary & Treasurer**, age 54, was the Senior Partner of McKell Beeton & Winn, Inc. a local CPA firm. This firm specializes in tax preparation and consulting for small businesses and individuals. Additionally, Mr. Winn has also served on various boards, the most recent is the board of executives of the American Red Cross. He was the president of the Utah Valley Management Society and also served as adjunct faculty for Provo College and Stevens Henager College where he taught accounting and business law courses.

Prior to this experience, Mr. Winn worked for Hawkins Cloward & Simister after graduating from BYU where he was elected president of the student council. Mr. Winn served our country in the Idaho National Guard from 1974 to 1983 where he excelled in marksmanship and was a national champion with the M-16 rifle. Mr. Winn has worked as a CPA for more than 20 years in Utah.

## INTEREST OF MANAGEMENT AND OTHERS IN CERTAIN TRANSACTIONS

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A variety of conflicts of interest exist, and may continue to exist, from time to time, primarily as a result of our principal owners maintaining control of the Company, and our continued sublease and agreements with a principal shareholder and director, Troy



Muhlstein. Troy Muhlstein, chairman of our board of directors, is the largest single holder of our common stock which gives him near voting control over the company.

We may enter into contracts, agreements or arrangements, from time to time, with such persons, other members of our Board and/or significant shareholders. The Board endeavors to require that all interested party transactions be approved by a majority of the disinterested directors. In addition, the Board, in good faith, negotiates or intends to negotiate transactions with affiliates at terms that are no less favorable to the Company than would otherwise be available from bonafide third party sources.

As a result of high level of control by Mr. Muhlstein as a result of the outstanding common stock that he controls, he has, will continue to have and shall be able to exert, substantial control over Wake Up Now's day to day operations, contracts, and long term prospects.

We remain extremely dependent on our current directors, and without their continued support we would likely have extreme difficulty keeping Wake Up Now operational and thus financially solvent.

Our executive officers or directors may pursue acquisitions of assets and businesses in connection with their existing businesses or a new line of business without first offering such opportunities to us. In addition, our executive officers or directors are involved in a variety of business and professional activities outside of managing our operations.

## SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

On January 19, 2011 there were 19,096,950 shares of our common stock outstanding; and no shares of our Series A Preferred Stock outstanding. The following table sets forth the number of shares of common stock of the Company, beneficially owned as of the foregoing date, by (ii) each person who, as of such date, was known by us to own beneficially more than ten percent (10%) of our issued and outstanding common stock; (iii) each of the named Executive Officers; (iv) the individual Directors; and (v) the Officers and Directors as a group. In general, a person is deemed to be a

"beneficial owner" of a security if that person has or shares the power to vote or direct the voting of such security, or the power to dispose or to direct the disposition of such security. A person is also deemed to be a beneficial owner of any securities of which the person has the right to acquire beneficial ownership within 60 days. To the best of our knowledge, subject to community and marital property laws, all persons named have sole voting and investment power with respect to such shares, except as otherwise noted.

NAME AND ADDRESS OF OFFICER/DIRECTOR	AMOUNT AND NATURE OF BENEFICIAL OWNERSHIP	PERCENTAGE OF VOTING SECURITIES
Troy Muhlstein <sup>(1)</sup>	17,100,000	89.5%
Jon Holbrook	--	--
Dale Gibson	--	--
Matthew Schneck	--	--
Vance Winn	--	--
<b>Officers and Directors As A Group (5 Persons)</b> <sup>(2)</sup>	<b>17,100,000</b>	<b>89.5%</b>

(1) The address for Mr. Muhlstein is 2366 Canyon Road, Springville, Utah 84663.

(2) The table excludes the stock of Mr. David Hunt and his affiliates. Mr. Hunt resigned as an officer and director of the

Corporation on December 8, 2010. As of the date of this disclosure, he directly or indirectly owned 1,900,044. The address for Mr. David Hunt is 66 Exchange Place, Salt Lake City, Utah 84111.

## EXECUTIVE COMPENSATION

The following table sets forth the compensation paid to the Chief Executive Officer and to all other executive officers earning in excess of \$100,000 for services rendered in 2009, and rendered for 2010. The information includes compensation to Mr. Hunt, who resigned effective December 8, 2010.

NAME AND PRINCIPAL POSITION	YEAR	SALARY	BONUS	STOCK AWARDS	OPTION AWARDS	NON-EQUITY INCENTIVE PLAN COMP.	NONQUALIFIED DEFERRED COMPENSATION EARNINGS	ALL OTHER COMP.	TOTAL
David Hunt (1)	2010	\$--	\$--	\$--	\$--	\$--	\$--	\$--	\$--
	2009	\$--	\$--	\$--	\$--	\$--	\$--	\$--	\$--
Troy Muhlstein(2)	2010	\$5,000(3)	\$--	\$--	\$--	\$--	\$--	\$--	\$5,000(3)
	2009	\$--	\$--	\$--	\$--	\$--	\$--	\$--	\$--

(1) Mr. David Hunt was appointed to the positions of President, Chief Executive Officer, Chief Financial Officer and Secretary in August 2007. On December 8, 2010, Mr. Hunt resigned from all positions with the Corporation.

(2) Mr. Muhlstein became a director of the Company in December 2010.

(3) Mr. Muhlstein received less than \$5,000 in 2010 from the Company's subsidiary Wake Up Now. The Company estimates that it will pay Mr. Muhlstein a salary in excess of \$100,000 in 2011.

### Aggregated Option Exercise In Last Fiscal Year And Fiscal Year End Option Values

Our executive officers were not issued any options which could have been exercised during the fiscal year ended December 31, 2010.

### Directors' Compensation

All directors receive reimbursement for reasonable out-of-pocket expenses in attending Board meetings and for promoting our business. From time to time we may engage certain members of the Board to perform services on our behalf. In such cases, we compensate the members for their services at rates no more favorable than could be obtained from unaffiliated parties.

## INDEMNIFICATION OF DIRECTORS AND OFFICERS

Our bylaws, as amended, provide that any of our executive officers or directors shall be indemnified to the fullest extent permitted by law and as provided therein. Our bylaws provide that we will indemnify any executive officers and directors from any liability incurred by it in connection with any proceeding by a third party if the executive officer or director conducted him or herself in good faith, reasonably believed that his or her conduct was in or at least not opposed to our best interest, and, in the case of a criminal proceeding, had no reasonable cause to believe our conduct was unlawful. Such indemnity as to actions by us applies against all liability of the proceeding and is subject to the same good conduct standards of third party claims but is not applicable to liability resulting from the gross negligence or misconduct of such parties unless the court determines that the party is fairly and reasonably entitled to indemnification.

We also have the power to indemnify other parties acting in various capacities.

Under the Delaware General Corporations Law, we may indemnify any of our officers or directors in any action other than actions by or in the right of our company, whether civil, criminal, administrative or investigative, if such director or officer acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of our company, and, with respect to any criminal action or proceedings if such director or officer has no reasonable cause to believe his conduct was unlawful. Under the Delaware General Corporations Law, we may indemnify any of our officers or directors in any action by or in the right of our company against expenses actually and reasonably incurred by him in the defense or settlement of such action if

such officer or director acted in good faith and in a manner he reasonably believed to be in or not opposed to our best interest, except where such director or officer shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to us, unless, on application, the Court of Chancery or the court in which such action or suit was brought shall determine that, despite the adjudication of liability, such person in view of all the circumstances is fairly and reasonably entitled to indemnity for such expenses as the court shall deem proper. the Delaware General Corporations Law provides for mandatory indemnification of officers or directors who have been successful on the merits or otherwise in the defense of any action, suit or proceeding referred to above. the Delaware General Corporations Law also authorizes indemnification in specific cases if approved by our board of directors or stockholders upon a finding that the officer or director in question has met the requisite statutory standards of conduct. the Delaware General Corporations Law also empowers us to purchase insurance coverage for any director, officer, employee or agent against any liability incurred by him in his capacity as such, whether or not we would have the power to indemnify him under the provisions of the Delaware General Corporations Law. The foregoing is only a summary of the described Sections of the Delaware General Corporations Law and is qualified in its entirety by reference to such sections.

#### DISCLOSURE OF COMMISSION POSITION OF INDEMNIFICATION FOR SECURITIES ACT LIABILITIES

Our directors and officers are indemnified by our bylaws against amounts actually and necessarily incurred by them

in connection with the defense of any action, suit or proceeding in which they are a party by reason of being or having been directors or officers of the Company or of our subsidiary. Our articles of incorporation provide that none of our directors or officers shall be personally liable for damages for breach of any fiduciary duty as a director or officer involving any act or omission of any such director or officer. Insofar as indemnification for liabilities arising under the Securities Act of 1933, as amended, may be permitted to such directors, officers and controlling persons pursuant to the foregoing provisions, or otherwise, we have been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable.

In the event that a claim for indemnification against such liabilities, other than the payment by the Company or its subsidiary of expenses incurred or paid by such director, officer or controlling person in the successful defense of any action, suit or proceeding, is asserted by such director, officer or controlling person in connection with the securities being registered, we will, unless in the opinion of counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

#### ITEM XII FINANCIAL INFORMATION FOR THE ISSUER'S MOST RECENT FISCAL PERIOD

The most recent fiscal period is the year and quarter ended ended December 31, 2010.

#### ITEM XIII SIMILAR FINANCIAL INFORMATION FOR SUCH PART OF THE TWO PRECEDING FISCAL YEARS AS THE ISSUER OR ITS PREDECESSOR HAS BEEN IN EXISTENCE

##### Balance Sheet

	<u>December 31, 2010</u>	<u>December 31, 2009</u>
<b>Total assets</b>	<b><u>294,036</u></b>	<b><u>26,703</u></b>
<b>Liabilities &amp; Shareholders' Equity</b>		
Current liabilities	221,482	-
Long-term debt	<u>185,000</u>	<u>-</u>
Total liabilities	<u>406,482</u>	<u>-</u>
Paid-in capital	See totals below	84,300
Retained deficit	<u>See totals below</u>	<u>(57,597)</u>
Total shareholder's equity	<u>(112,446)</u>	<u>26,703</u>

<b>Total liabilities &amp; equity</b>	<b>294,035</b>	<b>26,703</b>
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### Statement of Operations

	<u>January 1, 2010 - December 31, 2010</u>	<u>July 1, 2009 - December 31, 2009</u>
Revenues	1,135,464	787,428
Cost of sales	<u>26,132</u>	<u>87,055</u>
<b>Gross margin</b>	<b><u>1,109,332</u></b>	<b><u>700,372</u></b>
Administrative expenses	See totals below	417,770
Distributor expenses	See totals below	339,914
Total expenses	<u>1,488,861</u>	<u>757,969</u>
<b>Net loss</b>	<b><u>(379,529)</u></b>	<b><u>(57,597)</u></b>

### ITEM XIV BENEFICIAL OWNERS

NAME AND ADDRESS OF 10% HOLDER (NON-EXECUTIVE)	AMOUNT AND NATURE OF BENEFICIAL OWNERSHIP	PERCENTAGE OF VOTING SECURITIES
DP Holdings RE, L.L.C. <sup>(1)</sup>	1,605,000	8.4%
David Hunt	295,044	1.5%
<b>Total</b>	<b>1,900,044</b>	<b>9.9%</b>

(1) David Hunt has sole dispositive control, and should be deemed beneficial owner, over all of the shares owned by DP Holdings RE, L.L.C.

**ITEM XV THE NAME, ADDRESS, TELEPHONE NUMBER, AND EMAIL ADDRESS OF EACH OF THE FOLLOWING OUTSIDE PROVIDERS THAT ADVISE THE ISSUER ON MATTERS RELATING TO THE OPERATIONS, BUSINESS DEVELOPMENT AND DISCLOSURE**

## LIST OF OUTSIDE PROVIDERS

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### Audit

Chisholm, Bierwolf, Nilson & Morrill, CPA,  
563 West 500 South, Suite #425  
Bountiful, Utah 84010  
Phone: (801) 292-8756

### Legal, Contracts, Disclosure and/or Consulting

The Hunt Law Corporation, P.C.  
66 Exchange Place  
Salt Lake City, Utah 84111  
Phone: (801) 355-7878

### ITEM XVI MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION

## FINANCIAL INFORMATION

### Management's Discussion and Analysis of Financial Condition or Plan of Operation.

#### Plan of Operation

The following discussion and analysis of financial condition and results of operations relates to the operations and financial condition reported in the financial statements of Wake Up Now, Inc. for the fiscal year ended December 31, 2009 and for the nine month period ended September 30, 2010, and should be read in conjunction with such financial statements and related notes included in this report.

## Twelve months Ended December 31, 2010

### Revenues

Through our subsidiary Wake Up Now, we had revenues of \$1,135,464 revenues from operating activities for the twelve months ended December 31, 2010 compared to \$787,428 for the same period in 2009. Our previous business ceased any revenues many years ago and the 2009 revenues are attributable to our newly acquired subsidiaries.

### Operating Expenses

We incurred net losses for both 2009 and 2010. We had total operating expenses of \$1,459,729 for the twelve months ended December 31, 2010 and \$757,969 in operating expenses for all of 2009. Our distributor expenses exceed 60% of our gross revenues, the remainder of our expenses come substantially from general and administrative expenses. We Management believes that while distributor expenses will generally rise in proportion to revenues, general and administrative expenses will flatten allowing for potential profits.

### Net Profits (Loss) From Operations

For the twelve months ended December 31, 2010, we had a net loss of (\$448,397) from operations as compared to a net loss of (\$57,597) from operations for the period ended December 31, 2009. Management attributes the increase in net loss to general development of the Wake Up Now related business. We anticipate continued losses relating to investment into development activities relating to our Wake Up Now business, and to our capital raising activities.

### Liquidity and Capital Resources

We had no cash on hand at December 31, 2010 as compared to \$21,781 on hand December 31, 2009. Our expectations are based on certain assumptions concerning the anticipated costs associated with any new projects. These assumptions concern future events and circumstances that our officers believe to be significant to our operations and upon which our working capital requirements will depend. Some assumptions will invariably not materialize and some unanticipated events and circumstances occurring subsequent to the date of this annual report. We will continue to seek to fund our capital requirements over the next 12 months from the additional sale of our securities; however, it is possible that we will be unable to obtain sufficient additional capital through the sale of our securities as needed.

The amount and timing of our future capital requirements will depend upon many factors, including the level of funding received by us anticipated private placements of our common stock and the level of funding obtained through other financing sources, and the timing of such funding.

We intend to retain any future earnings to retire any existing debt, finance the expansion of our business and any necessary capital expenditures, and for general corporate purposes.

The Company estimates that it will cost approximately \$2,000,000 in deficit cash flows until sustained potential profitability, and that substantial additional costs will be incurred in order to develop our business.

### Off Balance Sheet Arrangements

We do not have any off balance sheet arrangements that are reasonably likely to have a current or future effect on our financial condition, revenues, and results of operations, liquidity or capital expenditures.

### Contractual Obligations

The Company utilizes approximately 3,500 square feet of office and administrative space, as well as use of, among other things, internet, postage, copy machines, electricity, furniture, fixtures etc. The monthly cost of the lease is \$5,600.

The Company entered into a warrant cancellation agreement with DP Holdings RE, L.L.C., wherein we agreed to pay DP Holdings 185,000 in connection with the cancellation of equity securities held by DP in the form of non-dilutive, cashless warrants.

### Recent Accounting Pronouncements

As of January 19, 2011, we are not aware of any additional pronouncements that materially affect our financial position or results of operations.

## Critical Accounting Policies and Estimates

### Accounting Method

The Company's policy is to use the accrual method of accounting to prepare and present financial statements, which conform to generally accepted accounting principles ("GAAP"). The company has elected a December 31, year-end.

### Revenues

Service revenue was recognized on a straight-line basis, over the contractual term of the arrangement. Revenues related to contracts paid with restricted stock were booked at fair market value. Revenue on services described above is recognized when the four revenue recognition requirements of SAB 104 have been met. The company's revenue Recognition policy is consistent with the requirements of Statement of Position (SOP) 97-2, Software Revenue Recognition and Staff Accounting Bulletin 104 (SAB 104). In general, the company records revenue when it is realized, or realizable and earned. The company considers revenue to be realized or realizable and earned when the following revenue recognition requirements are met: persuasive evidence of an arrangement exists, which is a customer contract; the products or services have been provided to the customer; the sales price is fixed or determinable within the contract; and collectability is probable. Recognition of revenues that do not meet the four criteria mentioned above is deferred to future periods.



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## Summary

Our ability to continue as a going concern depends in large part on our ability to raise substantial funds for use in our planned development activities, and upon the success of our fundraising activities.

We intend to obtain the funds for our planned development activities by various methods, which might include the issuance of equity or debt securities or obtaining joint venture partners. No assurance can be given that we will be able to obtain any additional financing on favorable terms, if at all.

Raising additional funds by issuing common or preferred stock will further dilute our existing stockholders.

### PART E ISSUANCE HISTORY

#### ITEM XVII LIST OF SECURITIES OFFERINGS AND SHARES ISSUED FOR SERVICES IN THE PAST TWO YEARS

## RECENT SALES OF UNREGISTERED STOCK

In connection with the acquisition of our subsidiaries Wake Up Now, Inc. (Utah) and CurrentSee, Inc. (Nevada), and our continued reorganizational efforts, we issued an aggregate of 17,100,000 shares of the Company's common stock to Mr. Muhlstein. This stock was issued for control over the subsidiaries.

In addition, in the fourth quarter of 2010, a stockholder exercised warrants issued in 2007 to purchase 1,605,000 shares of our common stock. The warrants were non-dilutive and had an exercise price of \$0.15 cents per share. The warrants also had a cashless exercise provision. Per the terms of the warrant agreement, all or any portion of the exercise price was payable by surrendering warrants. The warrant surrender was deemed a waiver of the Holder's obligation to pay all or any portion of the aggregate cash exercise price. This cashless exercise price was determined by the holder exchanging a portion of its warrant for that number of shares of our common stock determined by multiplying the number of warrant shares for which the Holder desired to exercise the warrant by a fraction, the numerator of which was the difference between the then current market price per share of the Common Stock and the warrant share price, and the denominator of which shall be the then current market price per share of common stock. As a result, 229,286 warrant shares were exchanged as consideration for 1,605,000 shares of our common stock.

We believe that no issuance of securities involved any public offering and were otherwise exempt transactions pursuant to Section 4(2) of the Securities Act of 1933. Our basis for this is the fact that the securities were offered and sold to a limited number of accredited investors, in a limited number of offers, with a limited number of shares offered. In the case of our non-accredited consultants and employees, our management believes that each of the service providers were sophisticated and able to fend for themselves and obtain the information they needed to make the decision to accept stock in lieu of cash. This is based on the fact that the service providers had access to our officers and operations and were in a position that enabled them to command access to information that would otherwise be contained in a registration statement. An appropriate legend was placed on the common stock issued to each shareholder.

In the fourth quarter of 2010, the company has sold some stock shares at below \$3.00 per share for a total of proceeds of less than \$10,000. We believe the transactions to be exempt under Section 4(2) of the Securities Act of 1933, as amended, because they did not involve a public offering. We believe that this sale of securities did not involve a public offering on the basis that each investor is an accredited investor as defined in Rule 501 of Regulation D and because we provided each of our investors with a private placement memorandum disclosing items set out in Rule 501 and 506 of Regulation D.

The shares sold were restricted securities as defined in Rule 144 (a) (3). Further, each common stock certificate issued in connection with this private offering bears a legend providing, in substance, that the securities have been acquired for investment only and may not be sold, transferred or assigned in the absence of an effective registration statement or opinion of the Company's counsel that registration is not required under the Securities Act of 1933.

All the unregistered securities issued pursuant to Rule 506 promulgated as part of Regulation D under section 4(2) of the Securities Act of 1933 were offered and sold to a select group of investors who at the time of investment represented themselves to us to be “accredited investors” as defined in Regulation D under the Securities Act of 1933, and knowledgeable and sophisticated investors. In addition, each investor was believed to have had such knowledge and experience in financial and business matters that such investor was capable of evaluating the merits and risks of their investment into us, and able at the time of investment to bear the economic risks of an investment in us. We believe the investors to be accredited because we received written confirmation from the investor in our subscription agreements and we have no reason to doubt the validity of the subscription documents. An appropriate legend was placed on the common stock issued to each shareholder.

## **PART F EXHIBITS**

### **ITEM XVIII MATERIAL CONTRACTS**

None.

### **ITEM XIX ARTICLES OF INCORPORATION AND BYLAWS**

State of Delaware  
Secretary of State  
Division of Corporations  
Delivered 06:47 PM 11/09/2010  
FILED 06:39 PM 11/09/2010  
SRV 101073131 - 4896277 FILE

STATE of DELAWARE  
CERTIFICATE of INCORPORATION  
A STOCK CORPORATION

• **First:** The name of this Corporation is Wake Up Now, Inc.

• **Second:** Its registered office in the State of Delaware is to be located at  
2711 Centerville #400 Street, in the City of Wilmington  
County of New Castle Zip Code 19808.

The registered agent in charge thereof is Corporation Service Company

**Third:** The purpose of the corporation is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law of Delaware.

• **Fourth:** The amount of the total stock of this corporation is authorized to issue is  
120,000,000 shares (number of authorized shares) with a par value of  
0.0001 per share.

• **Fifth:** The name and mailing address of the incorporator are as follows:  
Name David Hunt  
Mailing Address 66 Exchange Place  
Salt Lake City, UT Zip Code Salt Lake 84111

• **I, The Undersigned,** for the purpose of forming a corporation under the laws of the State of Delaware, do make, file and record this Certificate, and do certify that the facts herein stated are true, and I have accordingly hereunto set my hand this  
9th day of November, A.D. 2010.

BY:   
(Incorporator)

NAME: David Hunt  
(type or print)

**STATE OF DELAWARE  
CERTIFICATE OF AMENDMENT  
OF CERTIFICATE OF INCORPORATION**

The corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware does hereby certify:

**FIRST:** That at a meeting of the Board of Directors of  
Wake Up Now, Inc.

resolutions were duly adopted setting forth a proposed amendment of the Certificate of Incorporation of said corporation, declaring said amendment to be advisable and calling a meeting of the stockholders of said corporation for consideration thereof. The resolution setting forth the proposed amendment is as follows:

**RESOLVED**, that the Certificate of Incorporation of this corporation be amended by changing the Article thereof numbered "Fourth" so that, as amended, said Article shall be and read as follows:

**\*\*See attached\*\***

**SECOND:** That thereafter, pursuant to resolution of its Board of Directors, a special meeting of the stockholders of said corporation was duly called and held upon notice in accordance with Section 222 of the General Corporation Law of the State of Delaware at which meeting the necessary number of shares as required by statute were voted in favor of the amendment.

**THIRD:** That said amendment was duly adopted in accordance with the provisions of Section 242 of the General Corporation Law of the State of Delaware.

**IN WITNESS WHEREOF**, said corporation has caused this certificate to be signed this 18th day of November, 2010.

By: /s/ David Hunt  
Authorized Officer  
Title: President

Name: David Hunt  
Print or Type

- FOURTH: The total number of shares of all classes of stock which the Corporation shall have authority to issue is 120,000,000 shares, divided into two classes consisting of 100,000,000 shares of Common Stock, par value \$.0001 per share ("Common Stock"), and 20,000,000 shares of Preferred Stock, par value \$.0001 per share ("Preferred Stock"). The Board of Directors shall have authority by resolution to issue the shares of Preferred Stock from time to time on such terms as it may determine and to divide the Preferred Stock into one or more series and, in connection with the creation of any such series, to determine and fix by the resolution or resolutions providing for the issuance of shares thereof:

A. the distinctive designation of such series, the number of shares which shall constitute such series, which number may be increased or decreased (but not below the number of shares then outstanding) from time to time by action of the Board of Directors, and the stated value thereof, if different from the par value thereof;

B. the dividend rate, the times of payment of dividends on the shares of such series, whether dividends shall be cumulative, and, if so, from what date or dates, and the preference or relation which such dividends will bear to the dividends payable on any shares of stock of any other class or any other series of this class;

C. the price or prices at which, and the terms and conditions on which, the shares of such series may be redeemed;

D. whether or not the shares of such series shall be entitled to the benefit of a retirement or sinking fund to be applied to the purchase or redemption of such shares and, if so entitled, the amount of such fund and the terms and provisions related to the operation thereof;

E. whether or not the shares of such series shall be convertible into, or exchangeable for, any other shares of stock of the Corporation or any other securities and, if so convertible or exchangeable, the conversion price or prices, or the rates of exchange, and any adjustments thereof, at which such conversion or exchange may be made, and any other terms and conditions of such conversion or exchange;

F. the rights of the shares of such series in the event of voluntary or involuntary liquidation, dissolution or winding up or upon any distribution of the assets, of the Corporation;

G. whether or not the shares of such series shall have priority over or parity with or be junior to the shares of any other class or series in any respect, or shall be entitled to the benefit of limitations restricting (i) the creation of indebtedness of the Corporation, (ii) the issuance of shares of any other class or series having priority over or being on a parity with the shares of such series in any respect, or (iii) the payment of dividends on, the making of other distributions in respect of, or the purchase or redemption of shares of any other class or series on parity with or ranking junior to the shares of such series as to dividends or assets, and the terms of any such restrictions, or any other restriction with respect to shares of any other class or series on parity with or ranking junior to the shares of such series in any respect;

H. whether such series shall have the voting rights, in addition to any voting rights provided by law and, if so, the terms of such voting rights, which may be general or limited; and

I. any other powers, preferences, privileges, and relative participating, optional, or other special rights of such series, and the qualifications, limitations or restrictions thereof, to the full extent now or hereafter permitted by law.

The powers, preferences and relative participating, optional and other special rights of each series of Preferred Stock, and the qualifications, limitations or restrictions thereof, if any, may differ from those of any and all other series at any time outstanding. All shares of any one series of Preferred Stock shall be identical in all respects with all other shares of such series, except that shares of any one series issued at different times may differ as to the dates from which dividends thereon shall be cumulative.

Upon the filing and effectiveness (the "Effective Time") of this Certificate of Amendment to Certificate of Incorporation of the Corporation pursuant to the General Corporation Law of the State of Delaware, each 250 shares of the Corporation's Common Stock, par value \$.0001 per share, issued and outstanding immediately prior to the Effective Time shall automatically be combined into one (1) validly issued, fully paid and non-assessable share of Common Stock without any further action by the Corporation or the holder thereof, subject to the treatment of fractional share interests as described below (such combination, the "Reverse Stock Split"). No fractional shares of Common Stock shall be issued in connection with the Reverse Stock Split. Stockholders who otherwise would be entitled to receive fractional shares of Common Stock shall be entitled to receive cash (without interest) from the Corporation's transfer agent in lieu of such fractional shares in an amount equal to the proceeds attributable to the sale of such fractional shares following the aggregation and sale by the Corporation's transfer agent of all fractional shares otherwise issuable.

Stockholders who hold certificates that immediately prior to the Effective Time represented shares of Common Stock ("Old Certificates") shall be entitled to receive such cash payment in lieu of fractional shares upon receipt by the Corporation's transfer agent of the stockholder's properly completed and duly executed transmittal letter and the surrender of the stockholder's Old Certificates. After the Effective Time, each Old Certificate that has not been surrendered shall represent that number of shares of Common Stock into which the shares of Common Stock represented by the Old Certificate shall have been combined, subject to the elimination of fractional share interests as described above.



**BYLAWS  
OF  
WAKE UP NOW, INC.  
(A Delaware Corporation)**

**ARTICLE I  
STOCKHOLDERS**

**Section 1. Certificates Representing Stock.** (a) Certificates representing stock in the corporation shall be signed by, or in the name of, the corporation by the Chairman or by the President or by the CEO and by the Treasurer or the Secretary of the corporation. Any or all the signatures on any such certificate may be a facsimile. In case any officer, transfer agent, or registrar who has signed or whose facsimile signature has been placed upon a certificate shall have ceased to be such officer, transfer agent, or registrar before such certificate is issued, it may be issued by the corporation with the same effect as if he were such officer, transfer agent, or registrar at the date of issue.

(b) Whenever the corporation shall be authorized to issue more than one class of stock or more than one series of any class of stock, and whenever the corporation shall issue any shares of its stock as partly paid stock, the certificates representing shares of any such class or series or of any such partly paid stock shall set forth thereon the statements prescribed by the Delaware General Corporation Law. Any restrictions on the transfer or registration of transfer of any shares of stock of any class or series shall be noted conspicuously on the certificate representing such shares.

(c) The corporation may issue a new certificate of stock or uncertificated shares in place of any certificate theretofore issued by it, alleged to have been lost, stolen or destroyed, and the Board of Directors may require the owner of the lost, stolen or destroyed certificate, or his legal representative, to give the Corporation a bond sufficient to indemnify the corporation against any claim that may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of any such new certificate or uncertificated shares.

**Section 2. Uncertificated Shares.** Subject to any conditions imposed by the Delaware General Corporation Law, the Board of Directors of the corporation may provide by resolution or resolutions that some or all of any or all classes or series of the stock of the corporation shall be uncertificated shares. Within a reasonable time after the issuance or transfer of any uncertificated shares, the corporation shall send to the registered owner thereof any written notice prescribed by the Delaware General Corporation Law.

**Section 3. Fractional Share Interests.** The corporation will not issue fractions of a share. Instead, it shall (1) arrange for the disposition of fractional interests by those entitled thereto, or (2) pay in cash the fair value of fractions of a share as of the time when those entitled to receive such fractions are determined.

**Section 4. Stock Transfers.** Upon compliance with provisions restricting the transfer or registration of transfer of shares of stock, if any, transfers or registration of transfers of shares of stock of the corporation shall be made only on the stock ledger of the corporation by the registered holder thereof, or by his attorney thereunto authorized by power of attorney duly executed and filed with the Secretary of the corporation or with a transfer agent or a registrar, if any, and, in the case of shares represented by certificates, on surrender of the certificate or certificates for such shares of stock properly endorsed and the payment of all taxes due thereon.

**Section 5. Record Date For Stockholders.** In order that the corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date shall not be more than sixty nor less than ten days before the date of such meeting. If no record date is fixed by the Board of Directors, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting. In order that the corporation may determine the stockholders entitled to consent to corporate action in writing without a meeting, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which date shall not be more than ten days after the date upon which the resolution fixing the record date is adopted by the Board of Directors. If no record date has been fixed by the Board of Directors, the record date for determining the stockholders entitled to consent to corporate action in writing without a meeting, when no prior action by the Board of Directors is required by the Delaware General Corporation Law, shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the corporation by delivery to its registered office in the State of Delaware, its principal place of business, or an officer or agent of the corporation having custody of the book in which proceedings of meeting of stockholders are recorded. Delivery made to the corporation's registered office shall be by hand or by certified or registered mail, return receipt requested. If no record date has been fixed by the Board of Directors and prior action by the Board of Directors is required by the Delaware General Corporation Law, the record date for determining stockholders entitled to consent to corporate action in writing without a meeting shall be at the close of business on the day on which the Board of Directors adopts the resolution taking such prior action. In order that the corporation may determine the stockholders entitled to receive payment of any dividend or other distribution or allotment of any rights or the stockholders entitled to exercise any rights in respect of any change, conversion, or exchange of stock, or for the purpose of any other lawful action, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted, and which record date shall be not more than sixty days prior to such action. If no record date is fixed, the record date for

determining stockholders for any such purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

**Section 6. Meaning of Certain Terms.** As used herein in respect of the right to notice of a meeting of stockholders or a waiver thereof or to participate or vote thereat or to consent or dissent in writing in lieu of meeting, as the case may be, the term "share" or "shares" or "share of stock" or "shares of stock" or "stockholder" or "stockholders" refers to an outstanding share or shares of stock and to a holder or holders of record of outstanding shares of stock when the corporation is authorized to issue only one class of shares of stock, and said reference is also intended to include any outstanding share or shares of stock and any holder or holders of record of outstanding shares of stock of any class upon which or upon whom the Articles of Incorporation confers such rights where there are two or more classes or series of shares of stock or upon which or upon whom the Delaware General Corporation Law confers such rights notwithstanding that the Articles of Incorporation may provide for more than one class or series of shares of stock, one or more of which are limited or denied such rights thereunder.

### **Section 7. Stockholder Meetings.**

Time. The annual meeting shall be held each year or at such date and at the time fixed, from time to time, by the directors, provided that the first annual meeting shall be held on a date within thirteen months after the organization of the corporation, and each successive annual meeting shall be held on a date within thirteen months after the date of the preceding annual meeting. A special meeting shall be held on the date and at the time fixed by the directors.

Place. Annual meetings and special meetings shall be held at such place, within or without the State of Delaware, as the directors may, from time to time, fix. Whenever the directors shall fail to fix such place, the meeting shall be held at the registered office of the corporation in the State of Delaware.

Call. Annual meetings and special meetings may be called by the directors or by any officer instructed by the directors to call the meeting.

Notice or Waiver of Notice. Written notice of all meetings shall be given, stating the place, date, hour of the meeting and stating the place within the city or other municipality or community at which the list of stockholders of the corporation may be examined. The notice of an annual meeting shall state that the meeting is called for the election of directors and for the transaction of other business which may properly come before the meeting, and shall (if any other action which could be taken at a special meeting is to be taken at such annual meeting) state the purpose or purposes. The notice of a special meeting shall in all instances state the purpose or purposes for which the meeting is called. The notice of any meeting shall also include, or be accompanied by, any additional statements, information, or documents prescribed by the Delaware General Corporation Law. Except as otherwise provided by the Delaware General Corporation Law, a copy of the notice of any meeting shall be given, personally or by mail, not less than ten days nor

more than sixty days before the date of the meeting, unless the lapse of the prescribed period of time shall have been waived, and directed to each stockholder at his record address or at such other address which he may have furnished by request in writing to the Secretary of the corporation. Notice by mail shall be deemed to be given when deposited, with postage thereon prepaid, in the United States Mail. If a meeting is adjourned to another time, not more than thirty days hence, and/or place is made at the meeting, it shall not be necessary to give notice of the adjourned meeting unless the directors, after adjournment, fix a new record date for the adjourned meeting. Notice need not be given to any stockholder who submits a written waiver of notice signed by him before or after the time stated therein. Attendance of a stockholder at a meeting of stockholders shall constitute a waiver of notice of such meeting, except when the stockholder attends the meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the stockholders need be specified in any written waiver of notice.

Stockholder List. The officer who has charge of the stock ledger of the corporation shall prepare and make, at least ten days before every meeting of stockholders, a complete list of the stockholders, arranged in alphabetical order, and showing the address of each stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours, for a period of at least ten days prior to the meeting, either at a place within the city or other municipality or community where the meeting is to be held, which place shall be specified in the notice of the meeting, or if not so specified, at the place where the meeting is to be held. The list shall also be produced and kept at the time and place of the meeting during the whole time thereof, and may be inspected by any stockholder who is present. The stock ledger shall be the only evidence as to who are the stockholders entitled to examine the stock ledger, the list required by this section or the books of the corporation, or to vote at any meeting of stockholders.

Conduct of Meeting. Meetings of the stockholders shall be presided over by one of the following officers in the order of seniority and if present and acting—the Chairman of the Board, if any, the CEO, the President, or, if none of the foregoing is in office and present and acting, by a chairman to be chosen by the stockholders. The Secretary of the corporation shall act as secretary of every meeting, but if the Secretary is not present, the Chairman of the meeting shall appoint a secretary of the meeting.

Proxy Representation. Every stockholder may authorize another person or persons to act for him by proxy in all matters in which a stockholder is entitled to participate, whether by waiving notice of any meeting, voting or participating at a meeting, or expressing consent or dissent without a meeting. Every proxy must be signed by the stockholder or by his attorney-in-fact. No proxy shall be voted or acted upon after three years from its date unless such proxy provides for a longer period. A duly executed proxy shall be irrevocable if it states that it is irrevocable and, if, and only as long as it is coupled with an interest sufficient in law to support an irrevocable power. A proxy may be made

irrevocable regardless of whether the interest with which it is coupled is an interest in the stock itself or an interest in the corporation generally.

Inspectors. The directors, in advance of any meeting, may, but need not, appoint one or more inspectors of election to act at the meeting or any adjournment thereof. If any inspector or inspectors are not appointed, the person presiding at the meeting may, but need not appoint one or more inspectors. In case any person who may be appointed as an inspector fails to appear or act, the vacancy may be filled by appointment made by the directors in advance of the meeting or at the meeting by the person presiding thereat. Each inspector, if any, before entering upon the discharge of his duties, shall take and sign an oath faithfully to execute the duties of inspectors at such meeting with strict impartiality and according to the best of his ability. The inspectors, if any, shall determine the number of shares of stock outstanding and the voting power of each, the shares of stock represented at the meeting, the existence of a quorum, the validity and effect of proxies, and shall receive votes, ballots, or consents, hear and determine all challenges and questions arising in connection with the right to vote, count and tabulate all votes, ballots, or consents, determine the result, and do such acts as are proper to conduct the election or vote with fairness to all stockholders. On request of the person presiding at the meeting, the inspector or inspectors, if any, shall make a report in writing of any challenge, question, or matter determined by him or them and execute a certificate of any fact found by him or them. Except as otherwise required by the Delaware General Corporation Law, the provisions of that Section shall not apply to the corporation.

Quorum. The holders of a majority of the outstanding shares of stock entitled to vote shall constitute a quorum at a meeting of stockholders for the transaction if any business. The stockholders presents may adjourn the meeting despite the absence of a quorum.

Voting. Each share of stock shall be entitled to the vote specified for that share in the Articles of Incorporation. Unless otherwise specified in the Articles of Incorporation, directors shall be elected by a plurality of the votes of the shares present in person or represented by proxy at the meeting and entitled to vote on the election of directors. Any other action shall be authorized by a majority of the votes cast except where the Delaware General Corporation Law prescribes a different percentage of votes and/or a different exercise of voting power, and except as may be otherwise prescribed by the provisions of the Articles of Incorporation and these Bylaws. In the election of directors, and for any other action, voting need not be by ballot.

**Section 8. Stockholder Action Without Meetings.** Any action required by the Delaware General Corporation Law to be taken at any annual or special meeting of stockholders, or any action which may be taken at any annual or special meeting of stockholders, may be taken without a meeting, without prior notice and without a vote, if a consent in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted. Prompt notice of the taking of the corporate action without

a meeting by less than unanimous written consent shall be given to those stockholders who have not consented in writing. Action taken pursuant to this paragraph shall be subject to the provisions of Delaware General Corporation Law.

## **ARTICLE II DIRECTORS**

**Section 1. Functions and Definition.** The business and affairs of the corporation shall be managed by or under the direction of the Board of Directors of the corporation. The Board of Directors shall have the authority to fix the compensation of the members thereof. The use of the phrase "whole board" herein refers to the total number of directors which the corporation would have if there were no vacancies.

**Section 2. Number.** The Board of Directors shall consist of up to seven members. The initial directors shall be:

Troy Muhlestein  
Jon Holbrook

**Section 3. Term.** Persons elected as Directors shall be elected for a term of one year to succeed those whose terms expire. Despite the expiration of his or her term, a Director continues to serve until his or her successor is elected and qualified. A member of the Board of Directors shall be eligible to run for a new term on the Board of Directors immediately after the expiration of his or her previous term.

### **Section 4. Meetings.**

Time. Meetings shall be held at such time as the Board shall fix, except that the first meeting of a newly elected Board shall be held as soon after its election as the directors may conveniently assemble.

Place. Meetings shall be held at such place within or without the State of Delaware as shall be fixed by the Board.

Call. No call shall be required for regular meetings for which the time and place have been fixed. Special meetings may be called by or at the direction of the Chairman of the Board, if any, the Vice-Chairman of the Board, if any, or the Chief Executive Officer, or of a majority of the directors in office.

Notice or Actual or Constructive Waiver. No notice shall be required for regular meetings for which the time and place have been fixed. Written, oral, or any other mode of notice of the time and place shall be given 24 hours in advance of a special meeting. Notice need not be given to any director or to any member of a committee of directors who submits a written waiver of notice signed by him before or after the time stated therein. Attendance of any such person at a meeting shall constitute a waiver of notice of such meeting, except when he attends a meeting for the express purpose of objecting, at the

beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the directors need be specified in any notice of the meeting.

Quorum and Action. A majority of the whole Board shall constitute a quorum except when a vacancy or vacancies prevents such majority, whereupon a majority of the directors in office shall constitute a quorum, provided, that such majority shall constitute at least one-third of the whole Board. A majority of the directors present, whether or not a quorum is present, may adjourn a meeting to another time and place. Except as herein otherwise provided, and except as otherwise provided by the Delaware General Corporation Law, the vote of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board. The quorum and voting provisions herein stated shall not be construed as conflicting with any provisions of the Delaware General Corporation Law which govern a meeting of the directors held to fill vacancies and newly created directorships in the Board or any action of disinterested directors.

Any member or members of the Board of Directors or of any committee designated by the Board, may participate in a meeting of the Board, or any such committee, as the case may be, by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other.

Chairman of the Meeting. The Chairman of the Board, if any and if present and acting, shall preside at all meetings. Otherwise, the Vice-Chairman of the Board, if any and if present and acting, or the President, if present and acting, or any other director chosen by the Board, shall preside.

**Section 6. Removal of Directors.** Directors may only be removed in accordance with the provisions of the Articles of Incorporation.

**Section 7. Committees.** The Board of Directors may, by resolution passed by a majority of the whole Board, designate one or more committees, each committee to consist of one or more of the directors of the corporation. The Board may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of any member of any such committee or committees, the member or members thereof present at any meeting and not disqualified from voting, whether or not he or they constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member. Any such committee, to the extent provided in the resolution of the Board, shall have and may exercise the powers and authority of the Board of Directors in the management of the business and affairs of the corporation with the exception of any authority the delegation of which is prohibited by the Delaware General Corporation Law, and may authorize the seal of the corporation to be affixed to all papers which may require it.



**Section 8. Written Action.** Any action required or permitted to be taken at any meeting of the Board of Directors or any committee thereof may be taken without a meeting if all members of the Board or committee, as the case may be, consent thereto in writing, and the writing or writings are filed with the minutes of proceedings of the Board or committee.

**Section 9. Qualifications.** No person shall be eligible to serve as a director of the Corporation if he or she has been involved in any legal proceedings during the past ten years of the kind described in Item 401(f) of Regulation S-K, promulgated under the Securities Exchange Act of 1934, as amended. This restriction shall apply regardless of whether the Corporation is a private or public company.

**Section 10. Board of Advisors.** The Board of Directors, in its discretion, may establish a Board of Advisors, consisting of individuals who may or may not be stockholders or directors of the Corporation. The purpose of the Board of Advisors would be to advise the officers and directors of the Corporation with respect to such matters as such officers and directors shall choose, and any other matters which the members of such Board of Advisors deem appropriate in furtherance of the best interest of the Corporation. The Board of Advisors shall meet on such basis as the members thereof may determine. The Board of Directors may eliminate the Board of Advisors at any time. No member of the Board of Advisors, nor the Board of Advisors itself, shall have any authority of the Board of Directors or any decision-making power and shall be merely advisory in nature. Unless the Board of Directors determines another method of appointment, the President shall recommend possible members of the Board of Advisors to the Board of Directors, who shall approve such appointments or reject them.

### **ARTICLE III OFFICERS**

**Section 1. Titles.** The officers of the corporation shall consist of a Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, a President, a Secretary and a Treasurer. Any number of offices may be held by the same person, as the directors may determine. The Chairman of the Board shall not be an officer of the corporation.

**Section 2. Term.** Unless otherwise provided in the resolution choosing him, each officer shall be chosen for a term which shall continue until the meeting of the Board of Directors following the next annual meeting of stockholders and until his successor shall have been chosen and qualified. The initial officers shall be:

<b>Name</b>	<b>Title</b>
Troy Muhlstein	Chairman & Chief Executive Officer
Jon Holbrook	President & Chief Financial Officer
Dave Gibson	Chief Operation Officer
Matthew Schneck	Chief Products Officer
Vance Winn	Secretary & Treasurer

**Section 3. Authority and Duties.** All officers of the corporation shall have such authority and perform such duties in the management and operation of the corporation as shall be prescribed in the resolutions of the Board of Directors designating and choosing such officers and prescribing their authority and duties, and shall have such additional authority and duties as are incident to their office except to the extent that such resolutions may be inconsistent therewith. The Secretary of the corporation shall record all of the proceedings of all meetings and actions in writing of stockholders, directors, and committees of directors, and shall exercise such additional authority and perform such additional duties as the Board shall assign to him. Any officer may be removed, with or without cause, by the Board of Directors. Any vacancy in any office may be filled by the Board of Directors.

**ARTICLE IV  
CORPORATE SEAL**

The corporate seal shall be in such form as the Board of Directors shall prescribe.

**ARTICLE V  
FISCAL YEAR**

The fiscal year of the corporation shall be fixed, and shall be subject to change, by the Board of Directors.

**ARTICLE VI  
AMENDMENT**

These Bylaws may be adopted, amended or repealed at any time by the requisite vote of the Board of Directors or by the requisite vote of the stockholders.

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**ITEM XX PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS**

None.

**ITEM XXI ISSUER'S CERTIFICATIONS.**

I, Troy Muhlstein, certify that:

1. I have reviewed this initial disclosure statement of Wake Up Now, 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.

Date January 19, 2011

/s/ Troy Muhlstein \_\_\_\_\_  
Troy Muhlstein  
Chief Executive Officer

I, Jon Holbrook, certify that:

1. I have reviewed this initial disclosure statement of Wake Up Now, 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.

Date January 19, 2011

/s/ Jon Holbrook \_\_\_\_\_  
Jon Holbrook  
Chief Financial Officer

## ADDITIONAL INFORMATION

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We filed a Form 15 with the SEC in 2007. As a result, we are no longer required to file annual, quarterly, or current reports or other information with the SEC. You may read and copy any documents previously filed by us at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the Public Reference Room. The SEC maintains an internet site that contains prior reports, proxy, and information statements, and other information regarding us.

The SEC's web site is at <http://www.sec.gov>. In the future, we also make available free of charge on our internet website at <http://www.wakeupnow.com> all of the documents that we intend to file (possibly during the term of this disclosure) with the [www.pinksheets.com](http://www.pinksheets.com) or later, the SEC, as soon as reasonably practicable after we electronically file such material with them. Information contained on our website, or materials provided and oral statements made by any officer or agent of the Company is not incorporated by reference into this disclosure and you should not consider information contained on our website as part of this disclosure. We "incorporate by reference" information into this disclosure, which means that we disclose important information to you by referring you to another document filed separately with the SEC or [www.pinksheets.com](http://www.pinksheets.com). The information incorporated by reference is deemed to be part of this disclosure, except for any information superseded by information contained expressly in this disclosure, and the information we file later with the SEC and/or [www.pinksheets.com](http://www.pinksheets.com) will automatically supersede this information. You should not assume that the information in this disclosure is current as of any date other than the date on the front page of this disclosure. Neither the Company nor any Placement Agent shall have any obligation to update this disclosure for events or circumstances arising after the date set forth on the cover page and Investors are required to monitor all subsequently filed Reports with SEC and/or [www.pinksheets.com/www.otcmarkets.com](http://www.pinksheets.com/www.otcmarkets.com).

Investors should not to construe the contents of this Disclosure as legal or investment advice. Each prospective Investor must consult with his own legal counsel, accountant, financial advisor and investment representative as to legal, tax, financial and related matters concerning the Company or an investment therein. For more information about finding a qualified financial advisor, contact FINRA by visiting [www.finra.org](http://www.finra.org).

No significant public market exists for our Common Stock and any trading price of our Common Stock shall not be relied upon as indicative of the value of our Common Stock offered herein. No assurance can be given that an active trading market will grow or that the stock price will not experience volatility.

wakeupnow™



[www.wakeupnow.com](http://www.wakeupnow.com)