
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

SCHEDULE 13E-3

**TRANSACTION STATEMENT UNDER SECTION 13(e) OF THE SECURITIES
EXCHANGE ACT OF 1934 AND RULE 13e-3 THEREUNDER**

**RULE 13e-3 TRANSACTION STATEMENT UNDER SECTION 13(e) OF THE
SECURITIES EXCHANGE ACT OF 1934**
(Amendment No. 2)

Forgent Networks, Inc.
(Name of the Issuer)

Forgent Networks, Inc.
(Names of Person(s) Filing Statement)

Common Stock, par value \$0.01 per share
(Title of Class of Securities)

34629U103
(CUSIP Number of Class of Securities)

Jay C. Peterson
Forgent Networks, Inc.
d/b/a Asure Software
108 Wild Basin Road
Austin, TX 78746
(512) 437-2700

(Name, Address, and Telephone Numbers of Person Authorized to Receive Notices
and Communications on Behalf of the Person(s) Filing Statement)

with a copy to:
Mark G. Johnson, Esq.
Winstead PC
5400 Renaissance Tower
1201 Elm Street
Dallas, TX 75270
(214) 745-5600

This statement is filed in connection with (check the appropriate box):

- a. The filing of solicitation materials or an information statement subject to Regulation 14A, Regulation 14C or Rule 13e-3(c) under the Securities Exchange Act of 1934.
- b. The filing of a registration statement under the Securities Act of 1933.
- c. A tender offer.
- d. None of the above.

Check the following box if the soliciting materials or information statement referred to in checking box (a) are preliminary copies:

Check the following box if the filing is a final amendment reporting the results of the transaction:

Calculation of Filing Fee

<u>Transaction Valuation*</u>	<u>Amount of Filing Fee**</u>
\$484,826.40	\$27.05

* Calculated solely for purposes of determining the filing fee. This amount assumes the acquisition of approximately 1,346,740 shares of Common Stock for \$0.36 per share in cash in lieu of issuing fractional shares to holders of less than one share of Common Stock immediately after the proposed Reverse Stock Split and immediately before the proposed Forward Stock Split.

** The amount of the filing fee is calculated in accordance with Fee Rate Advisory #2 for Fiscal Year 2009 issued by the SEC, effective October 1, 2008, by multiplying the Transaction Value by 0.00005580.

- Check the box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing with which the offsetting fee was previously paid. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.



INTRODUCTION

This Rule 13e-3 Transaction Statement (the "Transaction Statement") is being filed with the Securities and Exchange Commission (the "SEC") pursuant to Section 13(e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), by Forgent Networks, Inc. d/b/a Asure Software, a Delaware corporation ("Forgent" or the "Company").

The Company proposes to hold a special meeting of its stockholders to consider two separate proposals to amend the Company's Restated Certificate of Incorporation to effect a reverse/forward stock split (the "Reverse/Forward Stock Split") of the Company's common stock, par value \$.01 per share (the "Common Stock"). The Reverse/Forward Stock Split consists of a 1-to-750 reverse stock split (the "Reverse Stock Split") whereby stockholders owning less than 750 shares of Common Stock before the Reverse Stock Split would have such shares cancelled and converted into the right to receive the cash consideration set forth herein. After the Reverse Stock Split is completed, it will be followed immediately by a 750-to-1 forward stock split (the "Forward Stock Split") whereby stockholders owning 750 or more shares of Common Stock before the Reverse Stock Split would own the same number of shares of Common Stock after the Forward Stock Split.

This Transaction Statement is being filed with the SEC concurrently with a definitive proxy statement (the "Proxy Statement") filed by the Company pursuant to Regulation 14A of the Exchange Act. The information contained in the Proxy Statement, including all appendices attached thereto, is hereby expressly incorporated herein by reference. Capitalized terms used but not defined herein shall have the meanings given to them in the Proxy Statement.

ITEM 1. SUMMARY TERM SHEET.

The section of the Proxy Statement entitled "SUMMARY TERM SHEET" is incorporated herein by reference.

ITEM 2. SUBJECT COMPANY INFORMATION.

(a) *Name and Address.* The name of the subject company is Forgent Networks, Inc. d/b/a Asure Software, a Delaware corporation (the "Company"), and the address and phone number of its principal executive offices are 108 Wild Basin Road, Austin, Texas 78746, (512) 437-2700.

(b) *Securities.* As of the close of business on April 16, 2009 (the most recent practicable date prior to the date of the Proxy Statement), there were 31,106,298 shares of Common Stock issued and outstanding.

(c) *Trading Market and Price.* The Common Stock is traded on the Nasdaq Capital Market under the symbol "ASUR." The high and low bid prices for the Common Stock for each quarter during the past two years are set forth in the section of the Proxy Statement entitled "INFORMATION ABOUT THE COMPANY—Price Range of Common Stock."

(d) *Dividends.* The information set forth in the section of the Proxy Statement entitled "INFORMATION ABOUT THE COMPANY—Dividends" is incorporated herein by reference.

(e) *Prior Public Offerings.* Not applicable. The Company has not made an underwritten public offering of the Common Stock for cash during the three years preceding the filing of this Transaction Statement.

(f) *Prior Stock Purchases.* Not applicable. The Company has not purchased any Common Stock during the two years preceding the filing of this Transaction Statement.

ITEM 3. IDENTITY AND BACKGROUND OF FILING PERSON.

(a) *Name and Address.* The Company is the filing person and also the subject company. The Company's business address and business telephone number are set forth in Item 2(a) above. The name of each executive officer and director of the Company is as follows:

Executive Officers

Richard N. Snyder—Chairman of the Board and Chief Executive Officer
Nancy L. Harris—Senior Vice President of Operations and Chief Operating Officer
Jay C. Peterson—Vice President and Chief Financial Officer

Board of Directors

Richard N. Snyder
Richard J. Agnich
Kathleen A. Cote
Lou Mazzucchelli
Ray R. Miles
James H. Wells

The address of each executive officer and director of the Company is c/o Forgent Networks, Inc., 108 Wild Basin Road, Austin, Texas 78746.

(b) *Business and Background of Entities.* Not applicable.

(c) *Business and Background of Natural Persons.* All of the executive officers of the Company have been with the Company for over five years (Richard N. Synder and Nancy L. Harris joined in 2001, and Jay CC. Peterson joined in 1995). The name and business background of each director of the Company are incorporated herein by reference to the section of the Proxy Statement entitled "INFORMATION ABOUT THE COMPANY—Directors and Executive Officers." This information is also included in "Item 10. DIRECTORS AND EXECUTIVE OFFICERS OF THE REGISTRANT" of the Company's Annual Report on Form 10-K/A, filed with the SEC on January 27, 2009.

During the past five years, none of the natural persons covered under this Item 3(c) has been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) or has been a party to any judicial or administrative proceeding (except for matters that were dismissed without sanction or settlement) that resulted in a judgment, decree or final order enjoining such person from future violations of, or prohibiting activities subject to, federal or state securities laws, or a finding of any violation of federal or state securities laws.

Each of the natural persons covered under this Item 3(c) is a citizen of the United States of America.

ITEM 4. TERMS OF THE TRANSACTION.

(a) *Material Terms.* The information contained in the sections of the Proxy Statement entitled "SPECIAL FACTORS—Purposes of the Reverse/Forward Stock Split," "SPECIAL FACTORS—Reasons for the Reverse/Forward Stock Split," "SPECIAL FACTORS—Effects of the Reverse/Forward Stock Split," and "MEASURES 1 AND 2—APPROVAL OF THE PROPOSALS TO AMEND THE RESTATED CERTIFICATE OF INCORPORATION TO EFFECT THE REVERSE STOCK SPLIT AND THE FORWARD STOCK SPLIT" is incorporated herein by reference.

(c) *Different Terms.* The information contained in the sections of the Proxy Statement entitled "SPECIAL FACTORS—Effects of the Reverse/Forward Stock Split" and "ADDITIONAL INFORMATION REGARDING THE REVERSE/FORWARD STOCK SPLIT—Material Federal Income Tax Consequences" is incorporated herein by reference.

(d) *Appraisal Rights.* Not applicable. Dissenting security holders are not entitled to appraisal rights in connection with the Reverse/Forward Stock Split, even if they vote against either of the two proposed amendments to the Company's Restated Certificate of Incorporation that would effect the Reverse/Forward Stock Split. The information contained in the section of the Proxy Statement entitled "ADDITIONAL INFORMATION REGARDING THE REVERSE/FORWARD STOCK SPLIT—Appraisal Rights" is incorporated herein by reference.

(e) *Provisions for Unaffiliated Security Holders.* Not applicable. No provision has been made, except as required by Delaware law, to grant unaffiliated security holders access to the Company's corporate files or to obtain counsel or appraisal services at the Company's expense.

(f) *Eligibility for Listing or Trading.* Not applicable.

ITEM 5. PAST CONTRACTS, TRANSACTIONS, NEGOTIATIONS AND AGREEMENTS.

(a) *Transactions.* Not applicable.

(b) *Significant Corporate Events.* On October 5, 2007, Forgent acquired all of the outstanding capital stock of iSarla Inc., a Delaware corporation and application service provider. In consideration for the acquisition, Forgent paid approximately \$12,661,000, including \$6,602,000 in cash, 5,095 shares of its Common Stock, and transaction costs of approximately \$1,072,000. A copy of the underlying Agreement and Plan of Merger, dated as of September 11, 2007, by and among Forgent Networks, Inc.,

Cheetah Acquisition Company, Inc., iSarla, Inc. and the Principal Stockholders signatory thereto is attached as Exhibit 2.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended October 31, 2007, filed with the SEC on December 17, 2007.

(c) *Negotiations or Contacts.* Not applicable.

(e) *Agreements Involving the Subject Company's Securities.* On December 15, 2005, the Board of Directors of the Company approved the execution of a Rights Agreement (the "Rights Agreement") between the Company and American Stock Transfer & Trust Company, as Rights Agent. The Rights Agreement is attached as Exhibit 4.1 to the Company's Form 8-K filed with the SEC on December 19, 2005. The information contained in the section of the Proxy Statement entitled "INFORMATION ABOUT THE COMPANY—Rights Agreement" is incorporated herein by reference.

ITEM 6. PURPOSES OF THE TRANSACTION AND PLANS OR PROPOSALS.

(b) *Use of Securities Acquired.* Not applicable. The shares of Common Stock being cashed out in connection with the Reverse/Forward Stock Split will be cancelled.

(c) *Plans.*

(1) None.

(2) None.

(3) None.

(4) None.

(5) None.

(6) The information contained in the sections of the Proxy Statement entitled "SPECIAL FACTORS—Purposes of the Reverse/Forward Stock Split" and "SPECIAL FACTORS—Effects of the Reverse/Forward Stock Split—Effects on the Company" is incorporated herein by reference.

(7) The information contained in the sections of the Proxy Statement entitled "SPECIAL FACTORS—Purposes of the Reverse/Forward Stock Split" and "SPECIAL FACTORS—Effects of the Reverse/Forward Stock Split—Effects on the Company" is incorporated herein by reference.

(8) The information contained in the sections of the Proxy Statement entitled "SPECIAL FACTORS—Purposes of the Reverse/Forward Stock Split" and "SPECIAL FACTORS—Effects of the Reverse/Forward Stock Split—Effects on the Company" is incorporated herein by reference.

ITEM 7. PURPOSES, ALTERNATIVES, REASONS AND EFFECTS.

(a) *Purposes.* The information contained in the section of the Proxy Statement entitled "SPECIAL FACTORS—Purposes of the Reverse/Forward Stock Split" is incorporated herein by reference.

(b) *Alternatives.* The information contained in the section of the Proxy Statement entitled "SPECIAL FACTORS—Alternatives Considered by the Board of Directors" is incorporated herein by reference.

(c) *Reasons.* The information contained in the section of the Proxy Statement entitled "SPECIAL FACTORS—Reasons for the Reverse/Forward Stock Split" is incorporated herein by reference.

(d) *Effects.* The information contained in the sections of the Proxy Statement entitled "SPECIAL FACTORS—Effects of the Reverse/Forward Stock Split" and "ADDITIONAL

INFORMATION REGARDING THE REVERSE/FORWARD STOCK SPLIT—Material Federal Income Tax Consequences" is incorporated herein by reference.

ITEM 8. FAIRNESS OF THE TRANSACTION.

(a) *Fairness.* None of the Company's directors dissented or abstained from voting on the Reverse/Forward Stock Split. The information contained in the sections of the Proxy Statement entitled "SPECIAL FACTORS—Fairness of the Reverse/Forward Stock Split—In General" and "SPECIAL FACTORS—Fairness of the Reverse/Forward Stock Split—Procedural Fairness" is incorporated herein by reference.

(b) *Factors Considered in Determining Fairness.* The information contained in the section of the Proxy Statement entitled "SPECIAL FACTORS—Fairness of the Reverse/Forward Stock Split" is incorporated herein by reference.

(c) *Approval of Security Holders.* The information contained in the section of the Proxy Statement entitled "SPECIAL FACTORS—Fairness of the Reverse/Forward Stock Split—Approval of Unaffiliated Stockholders" is incorporated herein by reference.

(d) *Unaffiliated Representative.* The information contained in the section of the Proxy Statement entitled "SPECIAL FACTORS—Fairness of the Reverse/Forward Stock Split—Unaffiliated Representative" is incorporated herein by reference.

(e) *Approval of Directors.* The information contained in the sections of the Proxy Statement entitled "SPECIAL FACTORS—Fairness of the Reverse/Forward Stock Split—Factors Considered To Be in Support of Substantive Fairness" and "SPECIAL FACTORS—Fairness of the Reverse/Forward Stock Split—Procedural Fairness" is incorporated herein by reference.

(f) *Other Offers.* Not applicable.

ITEM 9. REPORTS, OPINIONS, APPRAISALS AND NEGOTIATIONS.

(a) *Report, Opinion or Appraisal.* The information contained in the section of the Proxy Statement entitled "SPECIAL FACTORS—Fairness Opinion of Southwest Securities" and in the Fairness Opinion attached as Appendix 4 to the Proxy Statement is incorporated herein by reference. In addition, Southwest Securities, Inc.'s ("Southwest Securities") Presentation to the Board of Directors, dated December 10, 2008 (the "Presentation"), is attached to this Transaction Statement as Exhibit (c)(1).

(b) *Preparer and Summary of the Report, Opinion or Appraisal.* The information contained in the section of the Proxy Statement entitled "SPECIAL FACTORS—Fairness Opinion of Southwest Securities" is incorporated herein by reference.

(c) *Availability of Documents.* The full text of the Fairness Opinion is attached as Appendix 4 to the Proxy Statement, and the full text of the Presentation is attached as Exhibit (c)(1) to this Transaction Statement. Copies of the Fairness Opinion and the Presentation will be made available for inspection and copying, during ordinary business hours at the Company's executive offices located at 108 Wild Basin Road, Austin, Texas 78746, by any interested stockholder of the Company or any representative of the stockholder designated by the stockholder in writing. Upon written request, the Company will also furnish a copy of the Fairness Opinion and the Presentation to any interested stockholder of the Company or any representative designated by the stockholder in writing, at the expense of the requesting stockholder.

ITEM 10. SOURCE AND AMOUNTS OF FUNDS OR OTHER CONSIDERATION.

(a) *Source of Funds.* The information contained in the section of the Proxy Statement entitled "ADDITIONAL INFORMATION REGARDING THE REVERSE/FORWARD STOCK SPLIT—Sources of Funds and Expenses" is incorporated herein by reference.

(b) *Conditions.* Not applicable.

(c) *Expenses.* The information contained in the section of the Proxy Statement entitled "ADDITIONAL INFORMATION REGARDING THE REVERSE/FORWARD STOCK SPLIT—Sources of Funds and Expenses" is incorporated herein by reference.

(d) *Borrowed Funds.* Not applicable.

ITEM 11. INTEREST IN SECURITIES OF THE SUBJECT COMPANY.

(a) *Securities Ownership.* The information contained in the section of the Proxy Statement entitled "INFORMATION ABOUT THE COMPANY—Interests of Certain Persons in Matters To Be Acted Upon" is incorporated herein by reference.

(b) *Securities Transactions.* Neither the Company nor any of its directors or officers has effected any transaction in the Common Stock during the 60 days preceding the date of filing this Transaction Statement.

ITEM 12. THE SOLICITATION OR RECOMMENDATION.

(d) *Intent to Tender or Vote in a Going-Private Transaction.* The information contained in the sections of the Proxy Statement entitled "INFORMATION ABOUT THE COMPANY—Interests of Certain Persons in Matters to be Acted Upon" and "MEASURES 1 AND 2—APPROVAL OF THE PROPOSALS TO AMEND THE RESTATED CERTIFICATE OF INCORPORATION TO EFFECT THE REVERSE STOCK SPLIT AND THE FORWARD STOCK SPLIT—Summary and Structure of the Reverse/Forward Stock Split" is incorporated herein by reference.

(e) *Recommendations of Others.* The information contained in the sections of the Proxy Statement entitled "SPECIAL FACTORS—Fairness of the Reverse/Forward Stock Split—In General" and "SPECIAL FACTORS—Fairness of the Reverse/Forward Stock Split—Factors Considered To Be in Support of Substantive Fairness" is incorporated herein by reference.

ITEM 13. FINANCIAL STATEMENTS.

(a) *Financial Information.* The information contained in the section of the Proxy Statement entitled "ADDITIONAL INFORMATION REGARDING THE REVERSE/FORWARD STOCK SPLIT—Financial Information" and the financial statements included in Part IV, Item 15 of the Company's Annual Report on Form 10-K/A for the year ended July 31, 2008 and in Part I, Item 1 of the Company's Quarterly Report on Form 10-Q for the quarter ended January 31, 2009, filed with the SEC on January 27, 2009 and March 13, 2009, respectively, are incorporated herein by reference. These financial statements are also attached as Appendix 5 to the Proxy Statement.

(b) *Pro Forma Information.* Not applicable.

ITEM 14. PERSONS/ASSETS, RETAINED, EMPLOYED, COMPENSATED OR USED.

(a) *Solicitations or Recommendations.* The information contained in the section of the Proxy Statement entitled "ADDITIONAL INFORMATION REGARDING THE REVERSE/FORWARD STOCK SPLIT—Persons Retained to Make Solicitations" is incorporated herein by reference.

(b) *Employees and Corporate Assets.* The information contained in the section of the Proxy Statement entitled "ADDITIONAL INFORMATION REGARDING THE REVERSE/FORWARD STOCK SPLIT—Sources of Funds and Expenses" is incorporated herein by reference.

ITEM 15. ADDITIONAL INFORMATION.

(b) *Other Material Information.* The information contained in the Proxy Statement and all appendices attached thereto is incorporated herein by reference.

ITEM 16. EXHIBITS.

(a) Preliminary Proxy Statement including all appendices attached thereto (incorporated herein by reference to the Company's Preliminary Proxy Statement on Schedule 14A filed with the SEC on April 21, 2009).

(b) None.

(c)(1) Southwest Securities' Presentation to the Board of Directors, dated December 10, 2008.

(c)(2) Fairness Opinion of Southwest Securities, dated January 29, 2009 (incorporated herein by reference to Appendix 4 of the Company's Preliminary Proxy Statement filed with the SEC on April 21, 2009).

(d) Rights Agreement between Forgent Networks, Inc. and American Stock Transfer & Trust Company, as agent, dated December 19, 2005 (incorporated herein by reference as Exhibit 4.1 to the Company's Form 8-K, filed with the SEC on December 19, 2005).

(e) None.

(f) The information contained in the section of the Proxy Statement entitled "ADDITIONAL INFORMATION REGARDING THE REVERSE/FORWARD STOCK SPLIT—Appraisal Rights" is incorporated herein by reference.

(g) None.

(h) None.

SIGNATURE

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Date: April 21, 2009

FORGENT NETWORKS, INC.

By: /s/ JAY C. PETERSON

Jay C. Peterson
Chief Financial Officer

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Exhibit (c)(1)

Presentation to the Board of Directors

Project Travis

December 10, 2008



Preface

The information herein has been prepared by Southwest Securities, Inc. ("SWS") as part of a presentation being made in support of our opinion as to the fairness of the terms of the proposed transaction from a financial point of view. The material in this presentation and our analyses contained herein are confidential and are for the use of the Board of Directors of Travis and its advisors only. Any publication or use of this material or the analyses contained herein without the express written consent of SWS is strictly prohibited.

Among the activities conducted in the course of our engagement as financial advisor, SWS received and reviewed business and financial information of Travis and held discussions with the management of Travis regarding this information. In connection with the analyses contained herein, we have not independently verified any such information and have relied on all such information as being complete and accurate in all material respects. In addition, we have not obtained any independent appraisal of the assets of either entity. With regard to financial forecasts, we have assumed that they have been reasonably prepared on bases reflecting the best currently available estimates and judgments of management of Travis as to the future financial performance of Travis. We assume no responsibility for and express no view as to such forecasts or the assumptions on which they are based. SWS is not an expert on, and does not render opinions regarding, legal, accounting, regulatory or tax matters. You should consult with your advisors concerning these matters before undertaking the proposed transaction.

Several analytical methodologies have been employed herein and no one method of analysis should be regarded as critical to the overall conclusion we have reached. Each analytical technique has inherent strengths and weaknesses, and the nature of the available information may further affect the value of particular techniques. The conclusions we have reached are based on all the analyses and factors presented herein taken as a whole and also on application of our own experience and judgment. Such conclusions may involve significant elements of subjective judgment or qualitative analysis. We therefore give no opinion as to the value or merit standing alone of any one or more parts of the material that follows. Our only opinion is the formal written opinion we express as to the fairness from a financial point of view. The opinion, the analyses contained herein and all conclusions drawn from such analyses are necessarily based upon market, economic and other conditions that exist and can be evaluated as of the date of this book.

SWS will receive a fee for our services, no portion of which is contingent on Travis completing the transaction. In the ordinary course of our business, SWS may actively trade shares of the common stock and/or other securities of Travis for our own account and the accounts of our customers and, accordingly, may at any time hold a long or short position in such securities.

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Section 1

Executive Summary

Executive Summary

Proposed Transaction

- The management of Travis has proposed a reverse and forward stock split resulting in a going private transaction.
- If recommended by the Special Committee and approved by the Board of Directors, Travis may propose a reverse and forward stock split to shareholders.
- It is currently contemplated that such a transaction may be effected by a reverse split ratio of 1-for-750*, followed immediately by a forward 750-for-1 split of the common stock.
- The Company will provide for the payment of cash to those stockholders holding less than one share as a result of the reverse split.
- It is estimated that 941 of the approximately 1,130 stockholders of record hold less than 750 shares and that after the transaction, with fractional share repurchases, there will be approximately 189 stockholders of record.
- No commissions will be charged to stockholders who receive cash in lieu of fractional shares.
- Once the Company has fewer than 300 stockholders of record, it can terminate its public company reporting status.

* The ratio of 1-for-750 is used for illustrative purposes. The actual ratio has yet to be determined.

Executive Summary

- Public company costs are high and increasing:
 - The costs related to the Sarbanes-Oxley Act, increased D&O insurance expenses, audit costs and implementation of related corporate governance reforms have become prohibitive for small companies.
 - The costs associated with retaining public status, serving stockholders and continuing public communication remain high.
- The time demands on management and employees associated with public company status are significant:
 - Preparing public reports, filings, press releases and Regulation FD compliance.
 - Since the Company has relatively few executive personnel, these indirect costs can be material.
 - Investor relations and communication with stockholders takes significant management time.
- Stockholders are unable to benefit fully from public company status due to limited liquidity and the Company's micro-cap classification.
 - Stockholders are not able to move into and out of stock positions without materially impacting the market price.
 - The Company is not able to raise capital conventionally in public markets.
 - The Company is not an attractive investment for institutional investors due to its size, current lack of profitability and earnings history.
 - The Company is not able to effectively use shares for acquisitions.
 - The Company has no meaningful investment research analyst coverage.

Executive Summary

- The Company is not currently in a profitable or positive cash flow status.
- Other strategic alternatives have been examined by management and the Board and determined to be either unattractive or not viable:
 - Status quo as a public company
 - Strategic acquisitions (e.g. iSaria Inc. d/b/a iEmployee)
 - Sale or merger with a strategic partner
 - Merger of Travis with a newly formed company owned by a control group
 - Self-tender or significant share repurchase by the Company
- A reverse split provides multiple benefits:
 - Reduces direct and indirect costs.
 - Saves management and employee time that can be devoted directly to the business operations.
 - Stockholders can exit the investment at a premium to current prices or retain a position in a private company.
 - Small stockholders (with less than 750 shares) can retain ownership by acquiring additional shares at a modest cost.
 - Small stockholders are able to sell without a commission.
 - The cash demands on the Company to accomplish the reverse split are moderate and predictable.

Executive Summary

Cost Analysis

Project Travis Analysis of the Cost of Purchasing Fractional Shares

	Record Shareholder Count (2)	Fractional Shares (3)	Price Per Share for Fractional Shares and Premium to Market (1)								
			\$0.21 0.8%	\$0.25 19.0%	\$0.30 42.9%	\$0.35 66.7%	\$0.40 90.5%	\$0.45 114.3%	\$0.50 138.1%	\$0.55 161.9%	
No Split	1,130	31,106,839	\$ 6,532,856	\$ 7,777,210	\$ 9,332,652	\$ 10,888,094	\$ 12,443,536	\$ 13,998,978	\$ 15,554,420	\$ 17,109,861	
Split Ratio	1 -for- 50	847	30,894	\$ 6,488	\$ 7,723	\$ 9,268	\$ 10,813	\$ 12,357	\$ 13,902	\$ 15,447	\$ 16,992
	1 -for- 100	721	80,050	16,810	20,012	24,015	28,017	32,020	36,022	40,025	44,027
	1 -for- 250	301	432,660	90,859	108,165	129,798	151,431	173,064	194,697	216,330	237,963
	1 -for- 500	228	822,536	172,733	205,634	246,761	287,888	329,015	370,141	411,268	452,395
	1 -for- 750	189	1,346,740	282,815	336,685	404,022	471,359	538,696	606,033	673,370	740,707
	1 -for- 1000	175	1,590,167	333,935	397,542	477,050	556,558	636,067	715,575	795,083	874,592
	1 -for- 2000	149	3,260,371	684,678	815,093	978,111	1,141,130	1,304,148	1,467,167	1,630,185	1,793,204

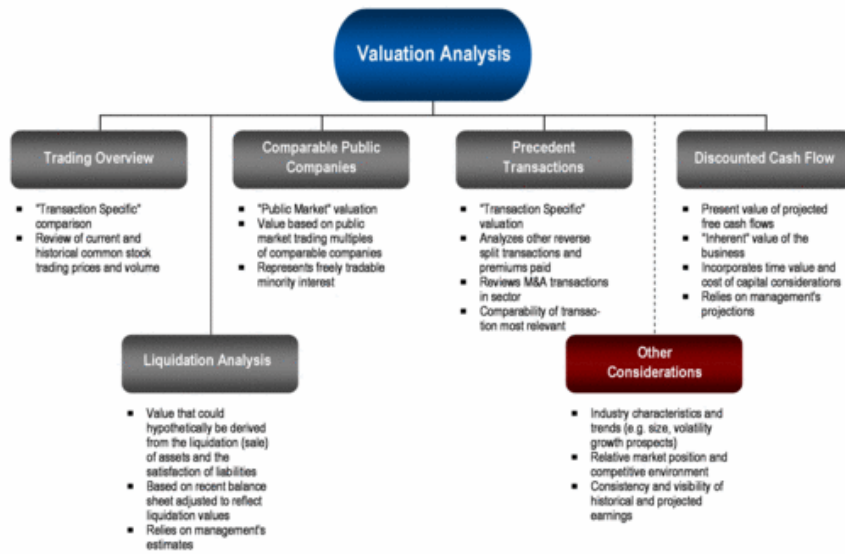
(1) Percentage premium to current market price of \$0.21 per share on 12/5/08

(2) Estimated shareholders of record remaining after reverse split. Assumed approximately 50 nominee record holders in CEDE (DTC)

(3) Total shares required to be purchased at various split ratios. Source: Travis Form 10-K as of October 31, 2008.

Executive Summary

Valuation Approaches



Section 2

Overview of Travis

Summary Market Capitalization (1)

(Amounts in thousands, except per share amounts)

Recent price per share (12/05/08).....	\$	0.21
Common shares outstanding		31,109
Options outstanding (2)		-
Equity market capitalization Travis	\$	<u>6,533</u>
<i>Plus:</i>		
Debt		-
Preferred stock		-
<i>Less:</i>		
Cash		<u>13,844</u>
Enterprise value of Travis	\$	<u>(7,311)</u>

(1) Balance Sheet data as of October 31, 2008.

(2) None of Travis' outstanding options are in the money at this time.

Overview of Travis

Historical Financial Results

Travis Historical Reported Financials

(Dollar amounts in thousands, except per share amounts)

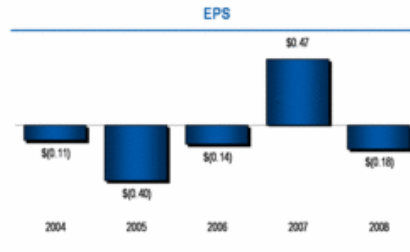
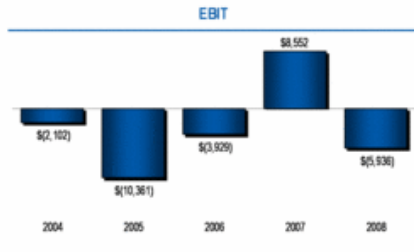
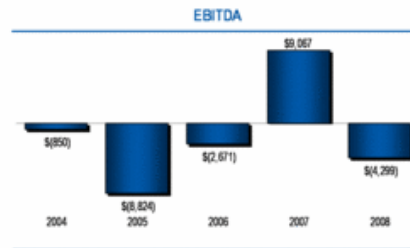
	Year ended July 31,				
	2004	2005	2006	2007	2008(1)
Revenues	\$ 15,847	\$ 9,906	\$ 14,896	\$ 40,407	\$ 10,182
Gross profit	7,984	2,865	6,988	21,175	7,944
EBITDA	(850)	(8,824)	(2,671)	9,067	(4,299)
EBIT	(2,102)	(10,361)	(3,929)	8,552	(5,936)
Net income	(2,646)	(10,011)	(3,555)	12,248	(5,317)
Diluted EPS	(0.11)	(0.40)	(0.14)	0.47	(0.18)
Growth rates and margins:					
Revenues growth	-	-37.5%	50.4%	171.3%	-74.8%
Gross margin	50.4%	28.9%	46.9%	52.4%	78.0%
EBITDA margin	-5.4%	-89.1%	-17.9%	22.4%	-42.2%
EBIT margin	-13.3%	-104.6%	-26.4%	21.2%	-58.3%
Other data:					
Capital expenditures	\$ 654	\$ 63	\$ 62	\$ 490	\$ 311
Depreciation and amort.	1,211	1,487	1,230	511	1,147
Tax rate	-0.8%	-0.2%	-1.3%	-0.8%	0.4%

(1) Excludes \$7.4 million asset impairment charge.

Overview of Travis

Historical Financial Results (cont.)

(Dollar amounts in thousands, except per share amounts)



Overview of Travis

Management's Financial Projections

Travis
Management's Financial Plan
(Dollar amounts in thousands, except per share amounts)

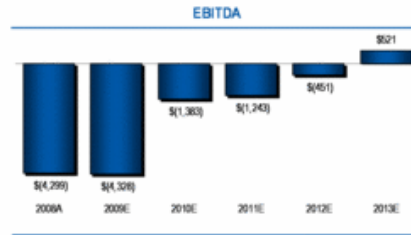
	Year ended July 31,					
	2008A(1)	2009E	2010E	2011E	2012E	2013E
Revenues	\$ 10,182	\$ 11,621	\$ 13,286	\$ 15,196	\$ 17,385	\$ 19,893
Gross profit	7,944	9,380	11,027	11,853	13,560	15,516
EBITDA	(4,299)	(4,328)	(1,383)	(1,243)	(451)	521
EBIT	(5,936)	(5,605)	(2,660)	(2,520)	(1,728)	(756)
Net income	(5,317)	(4,983)	(2,360)	(2,220)	(1,428)	(456)
Diluted EPS	(0.18)	(0.17)	(0.08)	(0.07)	(0.05)	(0.02)
Growth rates and margins:						
Revenues growth	-	14.1%	14.3%	14.4%	14.4%	14.4%
Gross margin	78.0%	80.7%	83.0%	78.0%	78.0%	78.0%
EBITDA margin	-42.2%	-37.2%	-10.4%	-8.2%	-2.6%	2.6%
EBIT margin	-58.3%	-48.2%	-20.0%	-16.6%	-9.9%	-3.8%
Other data:						
Capital expenditures	\$ 311	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200
Depreciation and amort.	1,147	1,277	1,277	1,277	1,277	1,277
Tax rate	0.4%	0.0%	0.0%	0.0%	0.0%	0.0%

(1) Excludes \$7.4 million asset impairment charge.

Overview of Travis

Management's Financial Projections (cont.)

(Dollar amounts in thousands, except per share amounts)



Overview of Travis

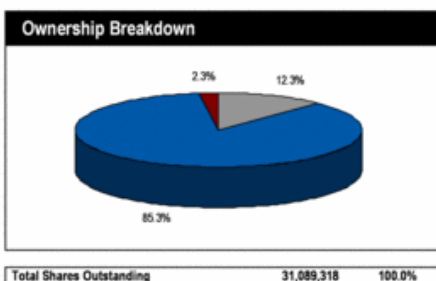
Ownership Analysis

Institutional Holdings		
Institution Name	Shares	% of Shares Outstanding
Renaissance Technologies Corp.	1,578,500	5.1%
Dimensional Fund Advisors LP	1,150,201	3.7%
Sirius Advisors LLC	274,654	0.9%
Barclays Global Investors, National Association	246,859	0.8%
California Public Employees' Retirement System	223,700	0.7%
Wedbush Morgan Securities Inc	135,874	0.4%
Bard Associates Inc.	77,200	0.2%
Northern Trust Investments, National Association	51,737	0.2%
Northern Trust Investments, N.A.	26,692	0.1%
Quantitative Management Associates LLC	21,726	0.1%
State Street Global Advisors, Inc.	12,271	0.0%
National City Corporation Savings	11,500	0.0%
UBS Securities, Asset Management Arm	10,569	0.0%
Citadel Investment Group, L.L.C.	10,254	0.0%
The Glenmede Trust Company, N.A.	4,000	0.0%
UBS Global Asset Management	1,380	0.0%
Barclays Global Investors Limited	1,000	0.0%
Deutsche Investment Management Americas Inc	700	0.0%
Merrill Lynch & Co. Inc., Asset Management Arm	69	0.0%
Total Institutional Holdings	3,838,876	12.3%

Other Holdings		
Description	Shares	% of Shares Outstanding
Total Other Holdings	26,526,316	85.3%

Source: Capital IQ

Insider Holdings		
Insider Name	Shares	% of Shares Outstanding
Snyder, Richard N.	442,933	1.4%
Harris, Nancy L.	115,512	0.4%
Wells, James H.	50,672	0.2%
Peterson, Jay C.	48,921	0.2%
Cole, Kathleen A.	23,772	0.1%
Miles, Raymond Rajko	16,772	0.1%
Mazzucchelli, Lou	12,772	0.0%
Agrieh, Richard J.	12,772	0.0%
Total Insider Holdings	724,126	2.3%



Section 3

Trading Overview

Trading Overview

Summary Stock Trading History

Stock Trading History	
Closing stock price (12/5/08).....	\$ 0.21
Market capitalization (In thousands)	6,533
52-Week high	1.33
52-week low	0.17
Average stock price:	
30-day	\$ 0.20
60-day	0.23
90-day	0.27
Six months	0.31
Nine months	0.38
One year	0.49
Volume weighted average stock price:	
30-day	\$ 0.20
60-day	0.22
90-day	0.25
Six months	0.29
Nine months	0.38
One year	0.59
Average daily trading volume:	
30-day	56,081
60-day	66,561
90-day	58,380
Six months	54,739
Nine months	57,853
One year	74,267

Trading Overview

Three Year Stock Price / Volume History



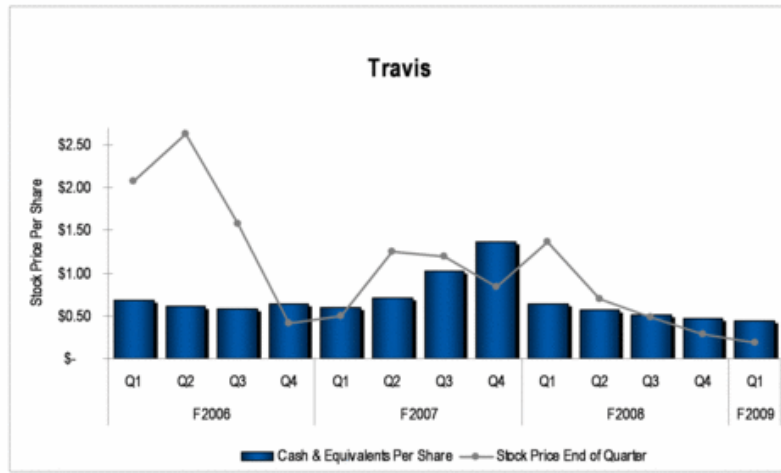
Trading Overview

Five Year Stock Price Relative Performance



Trading Overview

Cash Position vs. Stock Price



Trading Overview

Price and Trading Volume Analysis



Section 4

Selected Comparable Public Companies

Selected Comparable Public Companies

Fundamentals

Fiscal Year End of Each Company

(Dollar amounts in thousands, except per share amounts)

Symbol	Company	Revenues	EBITDA	EBIT	Pretax Income	Net Income	Diluted EPS	Tangible Book Value
CNQR	Concur Technologies, Inc.	\$ 215,491	\$ 47,450	\$ 26,174	\$ 26,477	\$ 17,184	\$ 0.35	\$ 329,959
PROJ	Delltek, Inc.	278,246	65,435	56,194	37,996	22,519	0.54	(149,402)
EPIC	Epicor Software Corp.	429,832	68,272	44,364	42,534	41,277	0.71	47,134
SFSF	SuccessFactors, Inc.	63,350	(70,219)	(72,392)	(75,029)	(75,454)	(8.35)	14,943
TLEO	Taleo Corp.	127,941	10,616	3,682	6,590	3,883	0.13	90,919
UCNN	UCN Inc.	79,482	(613)	(6,826)	(7,532)	(7,537)	(0.26)	9,060
ULTI	Ultimate Software Group Inc.	151,464	20,675	13,607	13,393	33,129	1.24	56,915
VCSY	Vertical Computer Systems	5,896	(501)	(563)	(2,154)	(2,154)	(0.00)	(15,208)
XXXX	Travis	\$ 10,182	\$ (4,299)	\$ (5,936)	\$ (5,296)	\$ (5,317)	\$ (0.18)	\$ 10,191

Latest 12 Months for Each Company

(Dollar amounts in thousands, except per share amounts)

Symbol	Company	Revenues	EBITDA	EBIT	Pretax Income	Net Income	Diluted EPS	Tangible Book Value
CNQR	Concur Technologies, Inc.	\$ 215,491	\$ 47,450	\$ 26,174	\$ 26,477	\$ 17,184	\$ 0.35	\$ 329,959
PROJ	Delltek, Inc.	294,688	60,175	50,750	38,535	24,594	0.56	(138,193)
EPIC	Epicor Software Corp.	485,628	57,738	20,822	8,961	20,646	0.36	(225,233)
SFSF	SuccessFactors, Inc.	98,098	(81,984)	(85,457)	(84,403)	(85,264)	(1.52)	(2,930)
TLEO	Taleo Corp.	144,313	12,671	3,838	6,636	7,403	0.26	101,950
UCNN	UCN Inc.	79,029	(3,747)	(9,721)	(10,202)	(10,202)	(0.33)	4,207
ULTI	Ultimate Software Group Inc.	171,022	17,185	(1,540)	(1,766)	19,594	0.74	48,581
VCSY	Vertical Computer Systems	8,645	1,064	1,002	(621)	(621)	(0.00)	(15,031)
XXXX	Travis	\$ 10,182	\$ (4,299)	\$ (5,936)	\$ (5,296)	\$ (5,317)	\$ (0.18)	\$ 10,191

Selected Comparable Public Companies

Stock Market Information

(Dollar amounts in thousands, except share and per share amounts)

Symbol	Company	Recent Price	52 Week Range		% of 52 Week	Common Shares	Business Enterprise	Market
		12/05/08	High	Low	High	Outstanding	Value	Capitalization
CNQR	Concur Technologies, Inc.	\$ 29.32	\$ 50.00	\$ 19.52	58.6%	48,822	\$ 1,166,569	\$ 1,431,461
PROJ	Deltek, Inc.	4.70	17.95	3.06	26.2%	43,175	368,076	202,923
EPIC	Epicor Software Corp.	4.00	12.65	2.91	31.6%	59,911	483,717	239,642
SFSF	SuccessFactors, Inc.	6.22	15.27	4.61	40.7%	56,109	248,081	349,559
TLEO	Taleo Corp.	6.67	34.20	5.37	19.5%	30,147	96,377	201,083
UCNN	UCN Inc.	1.10	4.95	0.75	22.2%	31,065	35,309	34,172
ULTI	Ultimate Software Group Inc.	15.43	41.68	13.69	37.0%	24,439	357,980	377,091
VCSY	Vertical Computer Systems	0.02	0.13	0.01	17.7%	999,735	28,833	22,994
	High				58.6%	999,735	\$ 1,166,569	\$ 1,431,461
	Low				17.7%	24,439	28,833	22,994
	Mean				31.7%	161,675	348,118	357,366
	Median				28.9%	45,999	303,030	221,282
XXXX	Travis	\$ 0.21	\$ 1.35	\$ 0.15	15.6%	31,109	\$ (7,311)	\$ 6,533

Selected Comparable Public Companies

Market Multiples (1)
Latest 12 Months for Each Company

Symbol	Company	Business Enterprise Value/			Market Capitalization/ Pretax Income	P/E Multiples		Market Capitalization/ Tan. Book Value
		Revenues	EBITDA	EBIT		LTM EPS	2009E	
CNQR	Concur Technologies, Inc.	nm	24.6 x	nm	nm	nm	41.9 x	4.3 x
PROJ	Delltek, Inc.	1.2 x	6.1 x	7.3 x	5.3 x	8.4 x	5.9 x	nm
EPIC	Epicor Software Corp.	1.0 x	8.4 x	23.2 x	26.7 x	11.1 x	5.6 x	nm
SFSF	SuccessFactors, Inc.	2.5 x	nm	nm	nm	nm	nm	nm
TLEO	Taleo Corp.	0.7 x	7.6 x	25.1 x	30.3 x	25.7 x	8.2 x	2.0 x
UCNN	UCN Inc.	0.4 x	nm	nm	nm	nm	nm	8.1 x
ULTI	Ultimate Software Group Inc.	2.1 x	20.8 x	nm	nm	20.9 x	27.6 x	7.8 x
VCSY	Vertical Computer Systems	3.3 x	nm	28.8 x	nm	nm	na	nm
	High	3.3 x	24.6 x	28.8 x	30.3 x	25.7 x	41.9 x	8.1 x
	Low	0.4 x	6.1 x	7.3 x	5.3 x	8.4 x	5.6 x	2.0 x
	Mean	1.6 x	13.5 x	21.1 x	20.8 x	16.5 x	17.9 x	5.5 x
	Median	1.2 x	8.4 x	24.2 x	26.7 x	16.0 x	8.2 x	6.1 x
XXXX	Travis	nm	nm	nm	nm	nm	nm	0.6 x

(1) Multiples based on latest 12 months results except for 2009E P/E that is based on First Call consensus estimates, if available. Excludes all multiples less than zero and the following multiples: Revenues > 5.0x, EBITDA > 25.0x, EBIT > 30.0x, Pretax Income > 50.0x, Earnings > 75.0x and Tangible Book Value > 10.0x.

Selected Comparable Public Companies

Implied Equity Value Based on Comparable Companies (1)

(Dollar amounts in thousands, except share and per share amounts)

Approach	Travis LTM Amount (2)	Comparable Company Median Multiple	Implied Values	Net Debt (3)	Implied Equity Value	Implied Equity Value Per Share (4)
Multiple of:						
Revenues	\$ 10,182	1.2 x	\$ 12,718	\$ (13,844)	\$ 26,561	\$ 0.85
EBITDA	(4,299)	8.4 x	nm	(13,844)	nm	nm
EBIT	(5,936)	24.2 x	nm	(13,844)	nm	nm
Pretax Income	(5,296)	26.7 x				nm
LTM EPS	(0.18)	16.0 x				nm
2009E EPS	-	8.2 x				nm
Tangible Book Value	10,191	6.1 x				1.98
High						\$ 1.98
Low						0.85
Mean						1.42
Median						1.42

(1) This Approach did not yield highly relevant comparable data because, due to the Company's significant operating losses, the only multiple comparisons that could be generated were based on revenues and tangible book value, which do not reflect the associated profitability of the comparable companies or recognize the significant losses incurred by Travis.

(2) Excludes \$7.4 million asset impairment charge.

(3) Net debt defined as total debt and preferred stock outstanding minus cash and equivalents.

(4) Assumes 31,109,000 common shares outstanding.

Section 5

Selected Precedent Transactions

Selected Precedent Transactions

Reverse Split Going Private Transactions

**Implied Equity Values
Based on Precedent Reverse Split Transactions (1)**

	Recent Prices	Median Premium (2)	Implied Price
Travis Average Price Per Share:			
Price at 12/05/08	\$ 0.21	25.0%	\$ 0.26
30-Day Average	0.20	22.8%	0.25
60-Day Average	0.23	20.9%	0.28
90-Day Average	0.27	19.4%	0.32
120-Day Average	0.30	24.4%	0.37
High			\$ 0.37
Low			0.25
Mean			0.30
Median			0.28

(1) Reverse split transaction details provided in Exhibit B.

(2) Premiums paid in reverse split transactions - One day, 30-days, 60-days, 90-days, and 120-days prior to announcement

Selected Precedent Transactions

Merger and Acquisition Transactions

Selected Precedent Merger and Acquisition Transactions (1)

(Dollar amounts in millions)

Date Closed	Acquirer	Target	Enterprise Value			LTM			Enterprise Value ¹			Equity Purchase Price			Tangible Net Worth	
			Value	Revenue	EBITDA	EBT	Revenue	EBITDA	EBT	Price	Net Earnings	Tangible BV	Net Earnings	Tangible BV		
10/15/08	NextGen Healthcare Information Systems, Inc.	Practice Management Partners, Inc.	\$ 22.0	\$ 16.0	na	na	1.4x	na	na	\$ 18.0	na	na	na	na	na	na
07/01/08	Talco Corp.	Vuvu Technology Inc.	130.5	51.2	(0.7)	(4.1)	2.6x	nm	nm	105.4	26.5	(79.5)	4.1x	nm	nm	nm
10/01/07	Concur Technologies, Inc.	H.G. Holdings	179.2	81.9	10.7	4.3	2.9x	16.7x	nm	143.5	(6.4)	28.8	nm	5.6x	nm	nm
09/11/07	Aurea Software, Inc.	iEmployee	10.6	5.0	1.6	0.6	2.1x	6.8x	18.9x	11.6	0.7	3.0	15.9x	3.9x	nm	nm
09/11/07	Helman & Friedman Capital Partners	Kronos, Inc.	1,777.6	999.0	99.8	96.6	3.0x	17.8x	nm	1,767.1	40.9	390.7	43.2x	4.5x	nm	nm
03/01/07	Infor Global Solutions, Inc.	Workbrain Corporation	157.2	96.9	9.3	(2.9)	1.8x	nm	nm	193.9	(2.0)	95.2	nm	3.5x	nm	nm
03/05/07	Talco Corp.	JailTech, Inc.	11.8	1.5	(2.0)	(2.1)	nm	nm	nm	2.6	(0.3)	(7.6)	nm	nm	nm	nm
01/11/07	BPO Management Services, Inc.	Human Resource Microsystems, Inc.	2.2	1.2	(0.2)	(0.2)	1.9x	nm	nm	2.0	(0.2)	(0.4)	nm	nm	nm	nm
01/23/06	Concur Technologies, Inc.	Outtask, Inc.	79.5	14.4	(7.7)	(8.1)	nm	nm	nm	44.4	(8.3)	3.0	nm	nm	nm	nm
	High							3.0x	17.8x	18.9x				43.2x	5.6x	nm
	Low							1.4x	6.8x	18.9x				4.1x	3.5x	nm
	Mean							2.2x	13.8x	18.9x				21.1x	4.4x	nm
	Median							2.1x	16.7x	18.9x				15.9x	4.2x	nm

(1) Excludes all multiples less than one and the following multiples: Revenue = 6.0x, EBITDA = 25.0x, EBIT = 36.0x, Net Income = 75.0x and Tangible Book Value = 10.0x.

Selected Precedent Transactions

Merger and Acquisition Transactions (cont.)

Implied Equity Value Based on Selected Precedent Merger and Acquisition Transactions (1)

(Dollar amounts in thousands, except share and per share amounts)

Approach	Travis LTM Amount (2)	Precedent Transaction Median Multiple	Implied Values	Net Debt (3)	Implied Equity Value	Implied Equity Value Per Share (4)(5)
Multiple of:						
Revenues	\$ 10,182	2.1 x	\$ 21,421	\$ (13,844)	\$ 35,264	\$ 1.13
EBITDA	(4,299)	16.7 x	nm	(13,844)	nm	nm
EBIT	(5,936)	18.9 x	nm	(13,844)	nm	nm
Net Income	(5,317)	15.9 x				nm
Tangible Book Value	10,191	4.2 x				1.38
High						\$ 1.38
Low						1.13
Mean						1.25
Median						1.25

(1) This Approach did not yield highly relevant comparable data because, due to the Company's significant operating losses, the only multiple comparisons that could be generated were based on revenues and tangible book value, which do not reflect the associated profitability of the comparable companies or recognize the significant losses incurred by Travis.

(2) Excludes \$7.4 million asset impairment charge.

(3) Net debt defined as total debt and preferred stock outstanding minus cash and equivalents.

(4) Assumes 31,100,000 common shares outstanding.

(5) Implied equity values from the merger and acquisition transactions include a control premium in the valuation.

Section 6

Discounted Cash Flow Analysis

Discounted Cash Flow Analysis

Travis (1)

(Dollar amounts in thousands)

	Year ended July 31,							
	2006A	2007A	2008A(2)	2009E	2010E	2011E	2012E	2013E
Revenues	\$ 14,896	\$ 40,407	\$ 10,182	\$ 11,621	\$ 13,286	\$ 15,196	\$ 17,385	\$ 19,893
EBITDA	(2,671)	9,067	(4,299)	(4,326)	(1,383)	(1,243)	(451)	521
EBIT	(3,929)	8,552	(5,936)	(5,605)	(2,660)	(2,520)	(1,726)	(756)
Plus: Non tax-deductible amortization	-	-	-	-	-	-	-	-
EBITA	(3,929)	8,552	(5,936)	(5,605)	(2,660)	(2,520)	(1,726)	(756)
Less: Provision for taxes	49	(65)	(23)	-	-	-	-	-
EBIAT	(3,978)	8,617	(5,913)	(5,605)	(2,660)	(2,520)	(1,726)	(756)
Plus: Depreciation	1,230	511	1,147	1,277	1,277	1,277	1,277	1,277
Plus: Tax-deductible amortization	28	4	490	-	-	-	-	-
Plus: Other non-cash items	(370)	(252)	(273)	-	-	-	-	-
Less: Capital expenditures	(62)	(490)	(311)	(200)	(200)	(200)	(200)	(200)
Less: Change in net working capital	1,345	7,427	(7,608)	(3,922)	(525)	(71)	(185)	(222)
Unlevered free cash flow	\$ (1,807)	\$ 15,817	\$ (12,468)	\$ (6,450)	\$ (2,108)	\$ (1,514)	\$ (836)	\$ 99
Key Assumptions and Relationships (as % of Net Sales)								
Revenues growth	50.4%	171.3%	-74.8%	14.1%	14.3%	14.4%	14.4%	14.4%
EBITDA margin	-17.9%	22.4%	-42.2%	-37.2%	-10.4%	-8.2%	-2.6%	2.6%
EBIT margin	-26.4%	21.2%	-58.3%	-48.2%	-20.0%	-16.6%	-9.9%	-3.8%
Depreciation and amortization	8.3%	1.3%	11.3%	11.0%	9.6%	8.4%	7.3%	6.4%
Capital expenditures	-0.4%	-1.2%	-3.1%	-1.7%	-1.5%	-1.3%	-1.2%	-1.0%
Marginal tax rate	-1.3%	-0.8%	0.4%	0.0%	0.0%	0.0%	0.0%	0.0%

(1) Based on Management's Financial Plan.

(2) Excludes \$7.4 million asset impairment charge.

Discounted Cash Flow Analysis

Implied Equity Values Per Share (1)(2)(3)

Discount Rate	Terminal Multiples of 2013E EBITDA			
	10.0x	11.0x	12.0x	13.0x
18.0%	\$ 0.26	\$ 0.27	\$ 0.28	\$ 0.29
19.0%	0.26	0.27	0.28	0.29
20.0%	0.26	0.27	0.28	0.29
21.0%	0.26	0.27	0.28	0.28
Matrix Summary:				
High				\$ 0.29
Low				0.26
Mean				0.27
Median				0.27

(1) Based on Management's Financial Plan.

(2) Assumes net debt of -\$13,844,000.

(3) Assumes 31,109,000 common shares outstanding.

Section 7

Liquidation Analysis

Liquidation Analysis

Implied Equity Value Based on Liquidation Analysis (1)

(Amounts in thousands, except per share amount)

	Travis At 10/31/2008	Liquidation Probability Range (2)		Liquidation Value Range	
		High	Low	High	Low
Current assets					
Cash and equivalents	\$ 13,844	100.0%	100.0%	\$ 13,844	\$ 13,844
Accounts receivables, net	1,333	98.0%	90.0%	1,306	1,200
Inventory	58	50.0%	25.0%	29	14
Prepaid expenses and other current assets	217	50.0%	25.0%	108	54
Property and equipment, net	775	25.0%	10.0%	194	77
Intangible assets, net	4,534	0.0%	0.0%	-	-
Current liabilities					
Accounts payable	4,054	100.0%	100.0%	(4,054)	(4,054)
Accrued compensation and benefits	192	100.0%	100.0%	(192)	(192)
Lease impairment and advance	355	0.0%	0.0%	-	-
Other accrued liabilities	335	100.0%	100.0%	(335)	(335)
Deferred revenue	1,874	75.0%	100.0%	(1,426)	(1,874)
Long term liabilities					
Long term portion of deferred revenue	35	75.0%	100.0%	(28)	(35)
Lease impairment and advance	455	0.0%	0.0%	-	-
Other long term liabilities	199	100.0%	100.0%	(199)	(199)
Other estimated costs, reserve amounts and unrealized value in liquidation:					
Rental obligations (3)				(7,027)	(15,277)
Employee severance (4)				(269)	(538)
Litigation exposure (contingent matter) (5)				-	(1,000)
Wind down cost estimate				-	(100)
Software (6)				1,000	500
Real estate (7)				4,000	-
VTEL Products Corporation (8)				500	-
Other intellectual property (9)				-	-
Implied liquidation value range to the common stockholder				\$ 7,474	\$ (7,914)
Common shares outstanding				31,159	31,159
Implied liquidation value range to the common stockholder per share				\$ 0.24	\$ (0.25)

(1) The determination of liquidation value is, by necessity, subjective. The valuation of certain items on the balance sheet is relatively easy since they are liquid (for example, cash), but other items, such as furniture, software and equipment and deferred revenue is more difficult.

(2) Based on Management's estimates.

(3) Estimated based on minimum future lease payments estimated at October 31, 2008 for highest obligation less an estimate of anticipated sub-lease payments for the leased obligation.

(4) Estimated at less than four weeks of total current compensation which is approximately \$7.0 million on an annualized basis.

(5) Estimated in the range of fully reserved to the maximum claim less existing reserve. The Company intends to vigorously defend this litigation.

(6) Estimated value of software in liquidation.

(7) Estimated value of equity interest in headquarters building, net of losses on gain.

(8) Estimate of the value of the equity investment in VTEL Products Corporation, net of losses on gain.

(9) The Company owns other miscellaneous intellectual property. This intellectual property may have value, but it is not determinable at this time.

Section 8

Summary Valuation and Rationale

Summary Valuation and Rationale

Summary Valuation

Implied Equity Values by Approach

Approach	Implied Equity Value Per Share (1)			
	High	Low	Mean	Median
Comparable Public Company Approach (2)	\$ 1.98	\$ 0.85	\$ 1.42	\$ 1.42
Selected Precedent Transaction Approach:				
Reverse Split Going Private Transactions (3)	\$ 0.37	\$ 0.25	\$ 0.30	\$ 0.28
Merger and Acquisition Transactions (2)(4)	1.38	1.13	1.25	1.25
Discounted Cash Flow Approach	\$ 0.29	\$ 0.26	\$ 0.27	\$ 0.27
Liquidation Value Approach	\$ 0.24	\$ (0.25)	\$ (0.01)	\$ (0.01)

(1) Assumes 31,108,000 common shares outstanding.

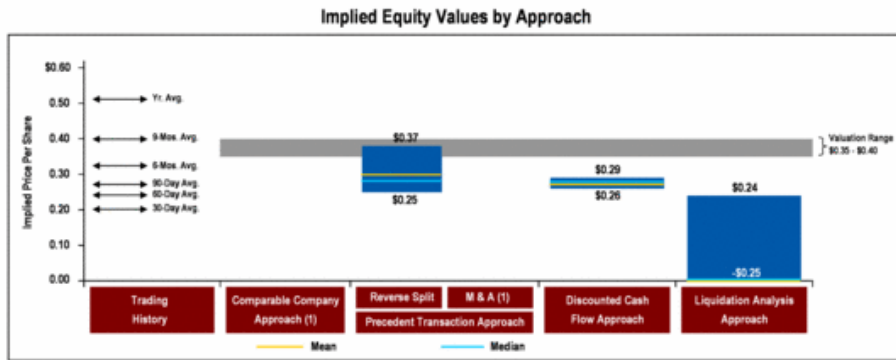
(2) This Approach did not yield highly relevant comparable data because, due to the Company's significant operating losses, the only multiple comparisons that could be generated were based on revenues and tangible book value, which do not reflect the associated profitability of the comparable companies or recognize the significant losses incurred by Travis.

(3) Implied equity values per share based on the median payment premiums offered in completed reverse split going private transactions.

(4) Implied equity values from the merger and acquisition transactions include a control premium.

Summary Valuation and Rationale

Summary Valuation (cont.)



(1) This Approach did not yield highly relevant comparable data because, due to the Company's significant operating losses, the only multiple comparisons that could be generated were based on revenues and tangible book value, which do not reflect the associated profitability of the comparable companies or recognize the significant losses incurred by Trans.

Summary Valuation and Rationale

Rationale

- The primary purpose of a reverse and forward stock split by Travis is to facilitate a "going private transaction." The result will allow the Company to terminate the registration of its common stock under Section 12(g) of the Securities Exchange Act of 1934, as amended (the "Exchange Act").
- This will enable Travis to save money being spent because of its status as a SEC reporting company, which management and the Board of Directors believe provides a limited benefit to a small company like Travis.
- The transaction will decrease the total number of Travis' stockholders of record from approximately 1,130 to approximately 189 (assuming a 1-for-750 reverse split).
- By reducing the number of stockholders below 300, Travis will be eligible to file a Form 15 with the SEC and terminate its registration obligations under the Exchange Act.
- The Company's small public size and minimal trading volume have limited the ability of stockholders to sell their shares without also reducing the trading price, as well as the ability of the Company to use stock as acquisition currency or to successfully attract and retain employees.
- Additionally, the Company estimates that professional fees and other expenses related to the transaction will total approximately \$350,000. The Company does not expect the payment to stockholders receiving cash in the transaction to have a material adverse effect on capital, liquidity, operations or cash flow; however, it will reduce the Company's administration costs.

Summary Valuation and Rationale

Rationale (cont.)

- The Company anticipates annual savings of over \$1,000,000 per year and an indeterminable amount in indirect savings resulting from the reduction in time that must be devoted by employees to preparing public reports and filings and responding to stockholder inquiries.
- We recommend a fractional share price of approximately \$0.35 to \$0.40 per share (on a pre-split basis) resulting in cash expenditures for fractional shares after the reverse stock split of approximately \$471,000 to \$539,000 in total (assuming a 1-for-750 reverse split and 1,346,740 shares pre-split cashed out).
- This represents a premium range of 66.7% to 90.5% over the closing price on December 5, 2008.

Section 9

Exhibits

Comparable Public Company Descriptions

<p>Concur Technologies, Inc. (Nasdaq:CS.CNQR)</p>	<p>Concur Technologies, Inc. provides employee spend management solutions. Its software solutions include Concur Travel & Expense, Concur Expense, Concur Clickbook Travel, Concur Vendor Payment, Concur ExpenseLink, Concur Meeting, Concur Audit, Concur Direct Reimbursement, Concur Reporting and Concur Compliance Solution. Concur's Web-based service solutions help to streamline everyday business processes. In addition, the company offers consulting, customer support, and training services. It markets its solutions worldwide to public companies and single-location private companies through its direct sales organization, as well as strategic reseller and referral partners. The company was founded in 1993 and is headquartered in Redmond, Washington.</p>
<p>Delltek, Inc. (Nasdaq:GS.PROJ)</p>	<p>Delltek, Inc. provides enterprise applications software and related services to the project-focused organizations. Its products include Costpoint, Vision, GCS Premier, Enterprise Project Management Solutions, Open Plan and w/sight. In addition, the company offers consulting and technical services, including solution architecture, applications implementation, technology architecture design, and project team and end-user training, as well as after-implementation consulting services, including version upgrade consulting, system productivity review, practice consulting, network/database maintenance, acquisition integration support, and long-term strategic business system planning. It serves architectural, engineering, and information technology services firms; aerospace and defense, and other federal government contractors; consulting companies; discrete project manufacturing companies; grant-based not-for-profit organizations; and government agencies. The company, formerly known as Delltek Systems, Inc., was founded in 1983 and is headquartered in Herndon, Virginia.</p>
<p>Epicor Software Corporation (Nasdaq:GS.EPIC)</p>	<p>Epicor Software Corporation designs, develops, markets, and supports enterprise application software solutions and services. Its solutions enable companies to focus on their customers, suppliers, partners, and employees through enterprise-wide management of resources and information. The company's products include back office applications for production management, supply chain management, retail management, and financial accounting, as well as front office customer relationship management and service management. Epicor also provides industry-specific solutions to the manufacturing, distribution, services and retail, and hospitality industry sectors, as well as to various other industries. Epicor offers a number of different enterprise application software solutions and services. In addition, the company provides consulting, managing, outsourcing, and hosting services, as well as education, training, and other programming services. Epicor serves manufacturers, distributors, retailers, sports and leisure, and service organizations, as well as companies in technology/software, healthcare, government entities, educational institutions, and other sectors. It sells its products and services through a direct sales force, as well as through a network of value added resellers, distributors, and authorized consultants. The company was founded in 1984. It was formerly known as Platinum Holdings Corporation and changed its name to Platinum Software Corporation in 1992. Further, the company changed its name to Epicor Software Corporation in 1999. Epicor is headquartered in Irvine, California.</p>
<p>SuccessFactors, Inc. (Nasdaq:GS.SFSP)</p>	<p>SuccessFactors, Inc. provides on-demand performance and talent management software that enable organizations to optimize the performance of their people. Its application suite includes various modules and capabilities, including performance management, goal management, compensation management, succession management, learning and development, recruiting management, analytics and reporting, employee profile, 360-degree review, employee survey, and proprietary and third-party content. The company also provides configuration and implementation services, as well as follow-on services, including end-user training and business transformation services. SuccessFactors offers its products to large enterprises, as well as to small and mid-sized businesses operating in various industries, such as consumer, energy, financial services, government, healthcare, life sciences, manufacturing, retail, telecommunications and technology, and transportation. It operates primarily in North America, Latin America, Europe and the Middle East, and Asia-Pacific. The company was founded in 2001 as Success Acquisition Corporation and changed its name to SuccessFactors, Inc. in 2007. SuccessFactors, Inc. is headquartered in San Mateo, California.</p>

Continued on next page

Exhibits - A

Comparable Public Company Descriptions (cont.)

Taleo Corporation (Nasdaq:TLEO)	Taleo Corporation provides talent management software solutions worldwide. It offers Taleo Enterprise Edition solution that includes Taleo Recruiting and Taleo Performance products. The software solutions have a number of modules that help management more efficiently manage operations. It markets its solutions through direct sales force, strategic partnerships, telesales, and Internet marketing channels. Taleo Corporation was incorporated in 1999 as Recruitsoft, Inc. and changed its name to Taleo Corporation in 2004. The company is based in Dublin, California.
UCN, Inc. (Nasdaq:UCNN)	UCN, Inc. operates as a hosted, software as a service (SaaS) company focusing on the enterprise contact center market in the United States. It provides inContact and related connectivity products consisting of contact handling/management applications, such as routing, automated call distribution, self-service menus, automated interactive voice response, database integration, multimedia contact management, management reporting, workforce management, performance optimization benchmarking, custom call routing and call flow design, and hire screening and online training tools. UCN, Inc. also offers traditional connectivity products that enables users' sites to connect to the company's VoIP network, as well as to gain access to its inContact services. The company also operates as a reseller of domestic and international long distance and other services provided by national and regional wholesale providers. UCN, Inc. markets its products and services to commercial and business customers directly and through independent sales agents. The company was founded in 1994. It was formerly known as Buyers United, Inc. and changed its name to UCN, Inc. in 2004. The company is based in Midvale, Utah.
The Ultimate Software Group, Inc. (Nasdaq:ULTI)	The Ultimate Software Group, Inc. engages in the design, marketing, implementation, and support of human resources, payroll, and talent management solutions in the United States. The company offers UHFPro software, a Web-based solution designed to manage the employee life cycle from recruitment to retirement. The Ultimate Software Group also provides professional services, which include implementation, customer relationship management, and knowledge management (or training) services, as well as customer support services, product maintenance, and hosting services. It offers its products and services to manufacturing, food services, sports, technology, finance, insurance, retail, real estate, transportation, communications, healthcare, and other services industries through its direct sales force. The company was founded in 1990 and is headquartered in Weston, Florida.
Vertical Computer Systems, Inc. (OTCBB:VCSY)	Vertical Computer Systems, Inc. provides administrative software services, Internet core technologies, and derivative software application products. Its administrative software technology is emPath, a Web-based human resources/payroll software. Its Internet core technologies include SiteFlash, ResponseFlash, and the Emly XML Scripting Language, which can be used to build Web services. The company also offers ViewFlash, a software application product that caters to the publishing industry. Vertical Computer Systems also markets a baseline solution that comprises two security products, IA and StatePointPlus. Vertical Computer Systems' software services include empathy, which is delivered as a software-as-a-service and its managed baseline solution. The company markets a managed The company markets its products primarily in the United States, Canada, Japan, and Brazil through its distribution network. Vertical Computer Systems, Inc. was incorporated in 1992 and is based in Richardson, Texas.

Merger and Acquisition Target Companies

Practice Management Partners, Inc.	Practice Management Partners, Inc. (PMP) develops and markets business management, custom billing, and system integration solutions for the healthcare industry. The company's suite offers human resource, financial, information, and risk management services. It also provides billing and collection, form generation and reporting, claims management, and scheduling services. Additionally, PMP offers system evaluation, configuration, integration, and data conversion services.
Vurv Technology, Inc.	Vurv Technology, Inc. provides on demand talent management software for businesses in North America and internationally. Its product modules enable management of talent management processes, including workforce planning and analytics, recruitment, on boarding, performance management, succession management, compensation planning, and workforce optimization. The company's product modules include Recruitment, which allows clients to design the processes that drive their recruitment strategies; Performance, provides a framework for developing, motivating, and retaining a company's workforce; Compensation, which automates complex compensation planning strategies so that organizations can reward performance and drive desired business outcomes; and Transition, provides decision support, automation, and compliance for workforce integration and restructuring events, as well as off boarding employees on an ongoing basis. Its talent management offerings are delivered through a Web browser utilizing software-as-a-service. Vurv Technology, Inc. was formerly known as Recruitmax Software, Inc.
H-G Holdings	H-G Holdings, Inc., through its subsidiary, provides transaction and information processing solutions to corporations and government agencies. The company focuses on the travel expense management and the trade promotion planning markets. It provides e-business solutions to the consumer goods industry, helping them to manage their trade-spend activities.
iEmployee	iEmployee offers Web hosted on-demand workforce management solutions. Its solutions include Time and Attendance, a solution that helps automate time consuming and time tracking related processes from employee's time hours worked to exporting data into payroll system; Time Off, a solution that automates and streamlines the process of tracking and approving employee Time Off; HR Software, a solution that helps automate time consuming and personnel related processes from employee's submitting HR changes to exporting data into payroll system; Pay Stub/W2, a solution that supports various file formats, such as flat file format, csv file format, and other file formats; Self Service, a solution that helps automate time consuming and personnel related processes from employee information updates to exporting change data into payroll system; and Expense Management Software, a solution that helps to streamline company's expense/reimbursement activities allowing to get rid of the paper forms and ensure various employees using one standard form in various locations.
Kronos, Inc.	Kronos Incorporated provides a suite of solutions that automate employee-centric processes, as well as tools to optimize the workforce. It offers a range of work force management and talent management solutions. The company's work force management solutions comprise various components, such as time and labor, scheduling, human resources, payroll, absence management, labor activity tracking, data collection, self-service, and workforce analytics.

Continued on next page

Exhibits - A

Merger and Acquisition Target Companies (cont.)

Workbrain Corporation	Workbrain Corporation engages in the development, marketing, implementation, hosting, and support of software that enable organizations to deploy and manage their workforces. Its solutions automate workforce management processes, such as labor forecasting, employee schedule optimization, time and attendance, workforce analytics, and employee self-service. The company also provides services, which include implementation, consulting, training, hosting, and post-contract customer support.
JobFlash, Inc.	JobFlash, Inc. offers hiring solutions for hourly and managerial employees. It offers IVR technology and candidate scheduling services for restaurants, window cleaners, manufacturers, hotels, casinos, retail stores, and hospitality.
Human Resource MicroSystems, Inc.	Human Resource MicroSystems, Inc. engages in the design, development, and implementation of human resource software solutions. It provides desk-top and Web-native HR software solutions, including a Web portal with full employee/manager self-service. The company offers implementation, system configuration, integration, and ongoing support services, including customer relations, customer support, HR practice management, product upgrades, and news and user group meetings. It also provides consulting services, such as HR/HRMS consulting, technical consulting, customization services, software and new module training, HRMS system administration, and business process development.
Outtask, Inc.	Outtask, Inc. operates as a software as a service provider. It delivers employee facing applications to companies in the areas of travel and expense management. It offers solutions, software expertise, data management, and professional services. The company offers travel management, expense management, integrated travel and expense management.

Exhibit - B

Reverse Split Transactions - Summary

Recent Reverse Split Going Private Transactions

Date Assessed	Company	Symbol	Proposed Split	Proposed Payment Per Share	Termination Filing (1)	Reverse/Forward Split	Cash to All Fractions (2)
06/22/08	Gouverneur Bancorp Inc.	GOVB	1 for- 100	\$ 10.00	10/06/08	YES	NO
08/12/08	Lesor International Inc.	LVC	1 for- 300000	0.16	08/12/08	NO	YES
06/12/08	Peoples-Souey Financial Corp.	PPSF	1 for- 600	13.47	07/01/08	YES	NO
04/15/08	Enterprise Informatics Inc.	ENF	1 for- 1000	0.05	05/06/08	NO	YES
04/14/08	First Bancorp of Indiana Inc.	FBR	1 for- 300	14.00	05/19/08	YES	NO
02/25/08	Oregon Pacific Bancorp	OPB	1 for- 500	13.00	03/19/08	YES	NO
07/11/08	Carleton Financial Corp.	CKFC	1 for- 111	10.20	06/06/08	YES	NO
12/28/07	Peoples Bancorp	PSB	1 for- 780	16.75	05/06/08	YES	NO
12/21/07	Jaclyn Inc.	JCLY	1 for- 250	10.21	05/20/08	YES	NO
10/22/07	CB Financial Corporation	CBFA	1 for- 132	20.00	03/23/08	YES	YES
10/25/07	Magstar Technologies Inc.	MGR	1 for- 2000	0.43	02/13/08	NO	NO
10/24/07	Medara, Inc.	MDE	1 for- 5000	1.11	01/15/08	YES	NO
09/21/07	Orion Healthcorp Inc.	ORNH	1 for- 2500	0.23	12/10/07	YES	NO
07/24/07	NBO Systems Inc.	NIA	1 for- 250000	0.00	01/24/08	NO	NO
07/19/07	Citizens Financial Corp.	CFIN	1 for- 250	7.25	11/14/07	NO	YES
06/05/07	Harolds Stores, Inc.	HRLSQ	1 for- 1000	0.30	12/07/07	YES	NO
04/16/07	Northway Financial Inc.	NWFF	1 for- 400	37.50	08/21/07	YES	NO
12/28/06	Essential Group, Inc.	NIA	1 for- 1000	0.21	03/06/07	NO	YES
06/11/06	ELPA International Corporation	ELPA	1 for- 9999	0.40	01/09/07	NO	YES
05/16/06	Bachofz Pharmaceutical Inc.	ANI	1 for- 500	4.00	08/21/06	NO	YES
03/15/06	Home City Financial Corporation	HCF	1 for- 210	16.20	12/14/06	YES	NO
10/27/05	ITEC Attractions, Inc.	ITAT	1 for- 381426	0.27	03/01/06	NO	NO
10/27/05	County Bank Corp.	CYBK	1 for- 500	55.00	02/08/06	YES	NO
09/22/05	Marlon Technologies, Inc.	NIA	1 for- 5000	1.25	01/04/06	NO	YES
08/14/05	FC Banc Corporation	FCBZ	1 for- 500	39.12	12/01/05	YES	NO
07/22/05	McRae Industries, Inc.	MIR	1 for- 200	14.25	12/18/05	YES	NO
07/13/05	Nesa Communications, Inc.	NCOM	1 for- 100	1.10	11/03/05	NO	YES
06/23/05	Liberate Technologies	LRTQ	1 for- 250000	0.20	12/09/05	YES	NO
06/16/05	Reliouse Group, Inc.	RFGD	1 for- 2000	0.35	12/01/05	YES	NO
06/09/05	Community Investors Bancorp, Inc.	CIB	1 for- 300	15.00	09/23/05	YES	NO
05/18/05	Home Loan Financial Corporation	HLFC	1 for- 600	20.75	09/29/05	YES	NO
04/22/05	Synbiovia Corporation	SIBO	1 for- 2000	0.13	11/22/05	YES	YES
04/11/05	Mercury Air Group, Inc.	MAX	1 for- 500	4.00	09/18/05	YES	NO
03/24/05	Lincoln Logs, Ltd.	LCLG	1 for- 500	0.49	09/13/05	NO	NO
03/03/05	ASB Financial Corporation	ASFP	1 for- 300	23.00	07/19/05	YES	YES
02/24/05	Davel Communications, Inc.	DVAL	1 for- 8760000	0.02	05/03/05	NO	NO
02/15/05	Decatur First Bank Group, Inc.	NIA	1 for- 500	17.50	06/28/05	NO	NO
01/13/05	Trek Resources, Inc.	TKRD	1 for- 100	2.50	09/10/05	NO	YES
12/23/04	Benchmark Bancshares	BMBS	1 for- 2000	19.00	03/11/05	YES	NO
12/22/04	KSI Bancorp, Inc.	KSB	1 for- 200	24.00	03/23/05	YES	YES
12/11/04	Horizon Telecom, Inc.	HRUCA	1 for- 125	185.00	03/05/05	YES	NO
12/16/04	Mai Systems Corporation	MAY	1 for- 150	0.17	11/09/05	NO	YES
11/28/04	Gateway Bancshares, Inc.	NIA	1 for- 500	37.00	03/28/05	NO	NO

Continued on next page

Exhibit - B

Reverse Split Transactions – Summary (cont)

Recent Reverse Split Going Private Transactions

Date Announced	Company	Symbol	Proposed Split	Proposed Payment Per Share	Termination Filing (1)	Reverse/Forward Split	Cash to All Fractions (2)
11/23/04	Staring Sugars, Inc.	STSU	1-for-2000	8.00	07/18/05	NO	YES
11/05/04	Beebeys, Inc.	BSIW	1-for-100	13.00	05/26/05	YES	NO
10/13/04	Spectrum Laboratories, Inc.	SPTM	1-for-2000	2.56	11/29/05	NO	YES
09/30/04	Giant Group, Ltd.	CHKR	1-for-300	1.85	01/01/05	NO	YES
09/30/04	ShopCap Corporation	SPCC	1-for-110	1.00	09/16/05	NO	NO
09/16/04	AVCOA, Incorporated	AVCA	1-for-100	28.50	12/16/04	NO	YES
07/14/04	Crown Energy Corporation	CRDE	1-for-1000	0.01	03/30/05	NO	NO
06/16/04	TouchTunes Music Corporation	TTMC	1-for-2000	0.50	01/13/06	NO	YES
05/29/04	Webco Industries, Inc.	WEB	1-for-10	4.75	01/06/05	YES	YES
04/21/04	Crown Anderson, Inc.	CRAN	1-for-500	1.95	10/29/04	YES	NO
04/16/04	ASA International Ltd.	ASAA	1-for-600	5.00	11/15/04	YES	NO
03/08/04	Ambassador Food Services Corporation	AMBF	1-for-30	0.35	10/06/04	YES	YES
03/03/04	MPS Systems, Inc.	MPSI	1-for-100	0.30	09/13/04	NO	NO
01/16/04	Semco Group, Inc.	SMLI	1-for-4000	1.40	01/06/04	YES	NO
01/14/04	Star Multi Care Services, Inc.	SMCS	1-for-50000	0.13	05/28/04	NO	YES
01/09/04	Safeguard Health Enterprises, Inc.	SFGD	1-for-1500	2.25	06/30/04	NO	YES
12/31/03	BMW Financial Corporation	BMFI	1-for-101	36.50	01/03/04	YES	NO
11/17/03	The Sebelus Shuco Group, Inc.	SBG	1-for-1000	3.00	03/01/04	NO	YES
11/13/03	4-D Neuroimaging	FDNU	1-for-1200	0.15	03/03/04	NO	NO
09/25/03	Winter Sports, Inc.	WSKI	1-for-150	17.50	05/01/04	NO	YES
09/18/03	Pacific Aerospace & Elect.	PAED	1-for-11000	0.188	04/12/04	NO	YES
09/10/03	Sierra Holdings	SIEN	1-for-500000	1.41	11/10/03	NO	YES
05/22/03	The Deltona Corporation	DLTA	1-for-500000	0.40	03/03/04	NO	NO
05/22/03	Tumbleweed, Inc.	TMBL	1-for-5000	1.10	12/08/03	YES	NO
04/25/03	PKL, Inc.	PKLI	1-for-150	1.50	08/07/03	YES	NO
03/17/03	FX Corporation	FXC	1-for-300	0.12	09/13/03	NO	YES
03/06/03	South Banking Company	SOBK	1-for-60	40.00	05/19/03	NO	YES
01/09/03	Avery Communications	AVIC	1-for-5000	1.27	01/08/03	NO	YES
12/05/02	Telestream Worldwide Inc.	TLSW	1-for-1000	0.01	03/19/03	NO	YES
11/18/02	Kimmins Corporation	KMMN	1-for-100	1.00	03/17/03	NO	YES
11/15/02	Performance Industries, Inc.	PRFI	1-for-1500	1.00	05/09/03	NO	YES
11/06/02	Sevens 2 Stock Farm, Inc.	SEJ2	1-for-1000	3.89	03/24/03	NO	YES
09/11/02	Teltona Corporation	TLTN	1-for-900	0.24	01/16/03	NO	NO
09/04/02	Control Chief Holdings, Inc.	CCGM	1-for-100	3.73	11/01/02	NO	YES
05/15/02	Tenaglobal Communications Corp.	TGCM	1-for-1000	0.29	11/06/02	NO	YES
05/15/02	Silver Shire, Inc.	SLVR	1-for-5000	0.32	10/06/02	NO	YES
04/04/02	The Color d'Alenes Company	CDLA	1-for-1000	0.25	12/18/02	YES	NO
03/28/02	Zion Corporation	ZION	1-for-500	4.00	05/07/02	NO	YES
10/21/01	Metro Global Media, Inc.	MGRS	1-for-40	1.00	04/09/02	NO	YES

(1) Defined as the filing of a Form 15 - Certification and Notice of Termination of Registration

(2) Cash paid to all fractional shareholders regardless of whether the shares held were above or below the split amount

Exhibit - B

Reverse Split Transactions – Premium Analysis

Recent Reverse Split Going Private Transactions - Premium Analysis

Date Announced	Company	Symbol	Proposed Payment	Payment Premium over prior average trading price				
				1 Day	30 Day	60 Day	90 Day	180 Day
06/22/08	Gouverneur Bancorp Inc	GOVB	\$ 10.00	21.2%	18.1%	16.2%	13.7%	13.1%
06/23/08	Leacor International Inc	LICD	0.16	-3.9%	-13.2%	21.9%	28.2%	31.8%
06/23/08	Phoebus Sidney Financial Corp	PSFP	13.47	7.3%	8.3%	13.6%	13.2%	15.7%
04/19/08	Enterprise Informatica Inc	ENF	0.05	0.0%	48.6%	22.0%	-12.8%	-31.4%
04/14/08	First Bancorp of Indiana Inc	FBNF	14.00	16.0%	15.9%	15.0%	8.5%	3.6%
02/05/08	Oregon Pacific Bancorp	ORPB	13.00	32.7%	34.2%	36.2%	35.1%	33.9%
01/11/08	Clarkston Financial Corp	CKFC	10.00	37.8%	7.3%	3.1%	-2.1%	-6.6%
12/28/07	Phoebus Bancorp	PSB	16.70	17.4%	12.2%	7.7%	1.8%	-1.1%
12/15/07	Jacobs Inc	JCLY	10.21	-12.2%	63.4%	64.4%	41.9%	26.2%
10/25/07	CB Financial Corporation	CSFA	20.00	31.2%	33.4%	31.1%	30.5%	31.4%
10/25/07	Megster Technologies Inc	MCSR	0.43	41.7%	64.1%	46.2%	32.9%	27.6%
10/24/07	Medline, Inc	MDI	1.11	18.1%	8.9%	2.6%	3.2%	7.4%
06/11/07	Orion Healthcare Inc	ORNI	0.23	43.8%	33.2%	36.5%	35.6%	29.2%
01/04/07	NSD Systems Inc	NIA	0.00	N/A	N/A	N/A	N/A	N/A
01/19/07	Citizens Financial Corp	CFIN	7.25	11.6%	11.8%	16.4%	18.8%	18.1%
06/25/07	Harold's Stores, Inc	HLSQ	0.30	7.1%	20.6%	-7.6%	-18.1%	-19.1%
04/19/07	Northway Financial Inc	NWFF	37.50	24.6%	18.6%	16.5%	14.9%	14.1%
12/06/06	Essential Group, Inc	N/A	0.01	N/A	N/A	N/A	N/A	N/A
06/1/06	EUPA International Corporation	EUPA	0.40	839.9%	863.9%	1064.1%	1106.1%	1093.0%
05/19/06	Bechtel Pharmaceutical Inc	ANI	4.00	11.1%	9.5%	13.5%	16.5%	14.3%
03/19/06	Home City Financial Corporation	HCFD	10.20	8.1%	4.9%	5.9%	6.6%	7.1%
10/21/05	ITEC Attractions, Inc	ITAT	0.27	11.1%	11.5%	12.7%	24.6%	27.8%
10/21/05	County Bank Corp	CYBK	66.00	2.4%	1.6%	0.2%	-0.2%	-0.2%
06/20/05	Mellan Technologies, Inc	N/A	1.25	4.2%	1.0%	20.7%	31.2%	25.4%
06/14/05	FC Banc Corporation	FCBZ	29.12	25.4%	24.6%	23.1%	23.9%	24.4%
01/22/05	Mellor Industries, Inc	MRI	14.25	13.8%	13.6%	17.6%	16.4%	16.9%
01/13/05	Naves Communications, Inc	NCOM	1.10	57.1%	66.7%	62.7%	66.2%	65.7%
06/23/05	Liberate Technologies	LBRTQ	0.20	-20.0%	-20.0%	-11.5%	-6.6%	12.9%
06/16/05	Reliance Group, Inc	RFCD	0.35	40.0%	40.1%	54.9%	74.0%	67.5%
06/09/05	Community Investors Bancorp, Inc	CIB	10.00	12.4%	12.9%	14.1%	13.4%	11.5%
05/18/05	Home Loan Financial Corporation	HLFC	20.75	30.8%	22.8%	13.0%	8.4%	6.5%
04/20/05	Synobius Corporation	SIBD	0.13	36.8%	27.9%	22.2%	13.1%	2.8%
04/11/05	Mercury Air Group, Inc	MAK	4.00	27.4%	15.3%	8.0%	2.1%	-11.9%
03/24/05	Lincoln Logs, Ltd	LLOG	0.49	-2.0%	-5.2%	-6.2%	-10.7%	-8.7%
03/03/05	ASB Financial Corporation	ASBP	23.00	11.3%	12.4%	9.2%	6.0%	7.5%
02/04/05	Owell Communications, Inc	OVAL	0.02	7.1%	6.6%	10.6%	16.6%	31.6%
02/19/05	Dorsal First Bank Group, Inc	N/A	17.50	N/A	N/A	N/A	N/A	N/A
01/13/05	Tek Resources, Inc	TRIO	2.50	163.2%	162.1%	171.2%	169.8%	212.8%
12/23/04	Benchmark Bancshares	BMRB	19.00	N/A	N/A	N/A	N/A	N/A
12/22/04	K3 Bancorp, Inc	K3B	24.00	61.1%	49.6%	49.6%	49.1%	49.2%
12/11/04	Horizon Telecom, Inc	HRJCA	165.00	175.0%	96.6%	83.4%	82.2%	91.6%
12/16/04	Mt Systems Corporation	MNY	0.17	41.7%	12.9%	4.9%	-3.5%	-2.5%

Continued on next page

Exhibit - B

Reverse Split Transactions – Premium Analysis (cont.)

Recent Reverse Split Going Private Transactions - Premium Analysis

Date Announced	Company	Symbol	Proposed Payment	Payment Premium over prior average trading price				
				1 Day	30 Day	60 Day	90 Day	120 Day
11/29/04	Gelwey Bancshares, Inc.	NIA	37.00	N/A	N/A	N/A	N/A	N/A
11/23/04	Swirlig Sugars, Inc.	STSU	0.00	37.4%	36.8%	37.0%	37.9%	38.9%
11/05/04	Baskwy, Inc.	BSTW	13.00	36.8%	36.2%	17.7%	12.2%	8.0%
10/2/04	Spectrum Laboratories, Inc.	SPTM	2.56	N/A	N/A	N/A	N/A	N/A
09/30/04	Glent Group, Ltd.	CHGR	1.85	23.2%	24.0%	6.4%	-1.5%	-8.5%
09/30/04	Bishop Capital Corporation	BPCD	1.00	-33.3%	-35.5%	-44.8%	-40.7%	-36.1%
08/19/04	AVOCA, Incorporated	AVDA	28.00	30.2%	27.5%	24.0%	22.4%	25.8%
07/14/04	OPDC	OPDC	0.01	N/A	N/A	N/A	N/A	N/A
05/19/04	Down Energy Corporation	TTMC	0.50	143.9%	129.8%	126.3%	83.0%	85.3%
05/26/04	Webco Industries, Inc.	WEB	4.75	-2.5%	1.6%	7.2%	13.4%	17.0%
04/21/04	Down Andersen, Inc.	CRAN	1.95	10.8%	18.7%	11.2%	-1.6%	-8.8%
04/19/04	ASA International Ltd.	ASIA	0.00	30.9%	32.8%	32.8%	39.5%	51.4%
03/26/04	Ambassador Food Services Corporation	AMBF	0.35	25.0%	29.3%	29.5%	29.5%	29.5%
03/24/04	MPSI Systems, Inc.	MPSI	0.30	N/A	N/A	N/A	N/A	N/A
01/19/04	Suretek Group, Inc.	SMEI	1.40	N/A	N/A	N/A	N/A	N/A
01/14/04	Star Multi Care Services, Inc.	SMCS	0.13	-10.0%	0.0%	-8.8%	3.9%	13.8%
01/09/04	Safeguard Health Enterprises, Inc.	SFGD	2.25	16.0%	17.3%	20.9%	29.2%	34.7%
12/1/03	DBI Financial Corporation	DBFI	36.50	63.9%	63.9%	58.8%	73.9%	64.6%
11/17/03	The Seabell Group, Inc.	SBIG	3.00	78.5%	83.8%	83.8%	64.5%	65.5%
11/13/03	4-D Neuroimaging	FOAU	0.15	148.0%	137.1%	151.1%	155.8%	128.5%
09/29/03	Wilder Sports, Inc.	WHSI	17.50	34.5%	34.0%	34.2%	34.2%	37.1%
09/19/03	Pacific Aerospace & Elect.	PARO	0.17	-52.5%	-49.7%	-49.3%	-46.5%	-41.5%
09/19/03	Sene Holdings	SEN	1.41	33.0%	29.9%	31.9%	36.8%	34.9%
05/22/03	The Dalton Corporation	DLTA	0.40	23.0%	28.0%	26.8%	25.5%	26.3%
05/20/03	Tumbleweed, Inc.	TMBL	1.10	-34.1%	-21.8%	-19.5%	-20.4%	-22.3%
04/29/03	PML, Inc.	PML	1.50	N/A	N/A	N/A	N/A	N/A
03/11/03	FX Corporation	FXC	0.13	288.7%	124.8%	127.8%	22.5%	-44.9%
02/28/03	South Banking Company	SDFX	40.00	N/A	N/A	N/A	N/A	N/A
01/29/03	Avery Communications	AVYC	1.27	N/A	N/A	N/A	N/A	N/A
12/22/02	Telepectrum Worldwide Inc.	TLSP	0.01	0.0%	9.3%	62.6%	86.7%	87.1%
11/19/02	Kenneca Corporation	KMMN	1.00	81.8%	185.2%	186.5%	212.0%	232.5%
11/15/02	Performance Industries, Inc.	PRFI	1.00	N/A	N/A	N/A	N/A	N/A
11/06/02	Seven J Stock Farm, Inc.	SCVJ	3.88	14.4%	13.1%	13.2%	13.7%	13.8%
09/11/02	Sabore Corporation	SLTA	0.24	189.7%	153.3%	124.1%	112.8%	158.8%
06/24/02	Control Chief Holdings, Inc.	CHCM	3.73	26.4%	21.2%	22.8%	26.9%	26.5%
05/15/02	Seraglobe Communications Corp.	TGDM	0.29	-8.4%	6.9%	-25.0%	-17.7%	-60.0%
05/10/02	Sheer One, Inc.	SLVS	0.32	28.0%	28.7%	35.3%	35.5%	37.4%
04/24/02	The Odeur d'Alenes Company	COLA	0.25	86.7%	86.7%	158.0%	158.9%	194.4%
03/28/02	Zion Corporation	ZION	4.00	80.0%	77.1%	87.3%	96.4%	85.1%
12/1/01	Metro Global Media, Inc.	MGDL	1.00	100.0%	119.0%	91.8%	91.1%	85.9%
	High			100.0%	119.0%	104.1%	110.1%	103.0%
	Low			-52.5%	-49.7%	-49.3%	-77.7%	-60.0%
	Mean			78.5%	82.5%	80.0%	58.9%	58.4%
	Median			25.0%	22.8%	20.9%	18.4%	24.4%

Exhibit - B

Reverse Split Transactions – Cash Position Analysis

Reverse Split Going Private Transactions Recently Completed (1)

Date Announced	Company	Symbol	Termination Filing (2)	Payment Price	Per Share		Cash as a % of Payment Price
					Cash (3)		
08/22/08	Gouverneur Bancorp Inc.	GOVB	10/06/08	\$ 10.00	7.35	73.5%	
08/12/08	Levor International Inc.	LVCI	09/12/08	0.16	0.02	10.2%	
06/12/08	Peoples-Sidney Financial Corp.	PPSF	07/31/08	13.47	8.84	65.6%	
04/10/08	Enterprise Informatics Inc.	EINF	05/08/08	0.05	0.01	24.2%	
04/14/08	First Bancorp of Indiana Inc.	FBPI	05/19/08	14.00	3.98	28.4%	
02/25/08	Oregon Pacific Bancorp	ORPB	03/19/08	13.00	1.91	14.7%	
01/11/08	Clarkston Financial Corp	CKFC	05/28/08	10.00	6.76	67.6%	
12/28/07	Peoples Bancorp	PBNI	05/28/08	16.75	3.97	23.7%	
12/21/07	Jaclyn Inc.	JCLY	05/20/08	10.21	0.61	5.9%	
10/25/07	CB Financial Corporation	CBFA	03/03/08	20.00	11.29	56.5%	
10/05/07	Magstar Technologies Inc.	MQSR	02/13/08	0.425	0.07	15.5%	
10/04/07	Medare, Inc.	MDE	01/15/08	1.11	0.08	7.3%	
09/21/07	Orion Healthcare Inc.	ORNH	12/10/07	0.23	0.00	1.3%	
07/24/07	NBO Systems Inc.	NIA	01/24/08	0.0005	0.01	2512.9%	
07/19/07	Citizens Financial Corp	CFIN	11/14/07	7.25	4.73	65.3%	
05/05/07	Harolds Stone, Inc.	HRLSQ	12/07/07	0.30	0.14	47.6%	
04/16/07	Northway Financial Inc.	NWYF	09/21/07	37.50	10.55	28.1%	
12/08/06	Essential Group, Inc.	NIA	03/08/07	0.01	0.26	2643.7%	
06/01/06	EUPA International Corporation	EUPA	01/29/07	0.40	0.03	6.4%	
05/16/06	Bactolac Pharmaceutical Inc.	ANII	09/21/06	4.00	0.40	10.1%	

(1) The 20 most recently completed reverse split going private transactions.

(2) Defined as the filing of a Form 15 - Certification and Notice of Termination of Registration.

(3) Represents balance sheet cash and equivalents per share at the time of the reverse split transaction.

Exhibit - C

Weighted Average Cost of Capital Calculation

Weighted Average Cost of Capital

Symbol	Company	Cost of Equity (1)	Cost of Preferred	Cost of Debt (2)	WACC (3)
CNQR	Concur Technologies, Inc.	15.0%	na	4.1%	14.9%
PROJ	Delltek, Inc.	24.5%	na	4.6%	14.0%
EPIC	Epicor Software Corp.	17.1%	na	5.0%	9.0%
SFSF	SuccessFactors, Inc.	20.6%	na	8.9%	20.6%
TLEO	Taleo Corp.	26.4%	na	3.7%	26.4%
UCNN	UCN Inc.	23.1%	na	9.0%	20.5%
ULTI	Ultimate Software Group Inc.	18.7%	na	3.1%	18.5%
VCSY	Vertical Computer Systems	24.5%	7.6%	10.5%	20.8%
XXXX	Travis	27.3%	na	na	27.3%
	High	27.3%	7.6%	10.5%	27.3%
	Low	15.0%	7.6%	3.1%	9.0%
	Mean	21.9%	7.6%	6.1%	19.1%
	Median	23.1%	7.6%	4.8%	20.5%

(1) Risk free rate + (Beta * risk premium) + size premium. Risk free rate, the yield for the generic 30 yr. U.S. Treasury Bond; long-term equity risk premium and small cap size premium (Source: Ibbotson's S&P Yearbook 2008). The source used for Beta is Capital IQ. the median Beta is used where data is unavailable. Market value of common equity is based on the closing price on 12/5/2008.

(2) Calculated as cash paid for interest divided by average debt, except where not representative.

(3) Reflects an after-tax cost of debt.

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Source: www.pinksheets.com See also Frequently Asked Questions on this site.