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Questioning Market Leaders For Long Term Investors

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COMPANY INTERVIEW

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ActiveForever

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ActiveForever



ERIKA FEINBERG, Chairman of ActiveForever, comes from three generations of stock brokers and has always seen the world through the eyes of Wall Street. With more of a love for people and passion for how humans combining can make magic happen, she chose to go the human resources route in an effort to have a profound effect on the economy. For close to 20 years, Ms. Feinberg succeeded in building a unique approach to retained executive search, which combined strategic services activities. This company is named EF Financial. These strategic services helped Fortune 500 companies stay number one in their market niches, and her thoughtful executive search activities enabled these same companies to

build new business units into the black almost immediately. The revenues generated from her executive search business enabled her to begin investing in companies of her own several years ago. After successfully selling one of her prized ownership interests in January 2001, she invested in her latest new venture in August 2002. Due to the high growth and the nature of the business, Ms. Feinberg fully committed herself to ActiveForever as of August 2003, re-defining and re-launching the company with the team. Ms. Feinberg sits on the Board of Directors for The Foundation for Senior Living, The Spinal Cord Injury Association and The Scottsdale Center for the Arts. Ms. Feinberg earned an undergraduate degree in Marketing and Mass Communications from Boston University as well as an Advanced Studies in Business. She is very active in the community philanthropically, has been recognized on several occasions as an over-achiever and is also one of the founding investment partners of a now world renowned non-profit organization named Social Venture Partners.

SECTOR – CONSUMER PRODUCTS

(YAP612) TWST: Would you give us a brief overview and historical sketch of ActiveForever?

Ms. Feinberg: If you look at what individuals are spending out-of-pocket for equipment at home for products associated with rehabilitation, safe and independent living, or just easy living, that number is in the multiple billions of dollars. This is both a very decentralized private-pay market, or you'll see an insurance-driven market with major players on that side of the fence. When you look at the non-insurance driven market, there isn't any one major company that stands out as the market leader; which is the position of the market we're climbing into. There isn't one major resource that someone can turn to for best choices of

product solutions, best service, which is one way we set ourselves apart. We are also fully prepared to be able to work with the Fortune 500 companies on co-marketing programs that help them accomplish their business goals in an innovative fashion. We have invested close to \$1 million dollars of our own money implementing a fully scalable infrastructure that's able to meet demand.

Our primary strength is to help major institutions accomplish their goals with the condition-specific populations of people they serve. Our current project with Abbott Laboratories offers a perfect example of our profound value. We are working in partnership to help solidify a very positive relationship between this pharmaceutical company and the individual consumer, and also, touch everyone around that consumer in a very

useful way. Working with ActiveForever allows our partners to significantly increase their long-term influence on the consumer, via our unique online shopping experience and via our unique print catalog marketing strategy. ActiveForever is achieving monthly revenues that are exceeding what the company was doing all year when we had purchased the business a year and a half ago.

Comparatively, this is where ActiveForever came from: the company was founded in 1993 by a couple who were inspired by the tough time they had tracking down useful products while caring for their aging parents. They created a Website to display the products that were for sale. They also started mailing out a print product catalog of one of their primary suppliers, with their own company contact information sticker on it. The Redmonds grew the business for close to 10 years, and found they had created a business with great appeal and potential, beyond their own capabilities. The Redmonds were ready to retire and had a desire to sell the business to someone who could maintain the good will of the company and grow it to its full potential.

“Working with ActiveForever allows our partners to significantly increase their long-term influence on the consumer, via our unique online shopping experience and via our unique print catalog marketing strategy.”

TWST: Give us an update on the business as it stands today.

Ms. Feinberg: We just signed an Alliance Partnership agreement with the Muhammad Ali Parkinson Research Center at Barrow Neurological Institute, in which we are executing a very ambitious co-marketed online and print resource guide initiative. This project can potentially define the way in which all condition-specific

foundations should model themselves. We consider this project to be one of our most exciting efforts of the year. We have beefed up the technology infrastructure, we added a few staff members, moved into a facility, we’ve created an interactive retail store and conference center outfitted with network cameras, we launched our own proprietary print product catalog and have another release and very interesting catalog strategy being designed currently, we have put a little effort into promoting the business through the press — nothing too aggressive to start — and we have landed many major corporate contracts. We’re just putting my expertise into play along with my husband, who is my business partner.

I come with almost 20 years in strategic market research and retained executive search, helping Fortune 500, and venture backed companies stay number one in their industries in a very unique way. My husband comes from working for one of the most highly disciplined companies in the country for 11 years, Intel. He has almost 20 years’ experience as an Industrial Engineer and MBA, which is being put to good use. He is putting all the technology infrastructure and quality assurance programs together, and we’re even HIPAA compliant, simply due to our intense interest in customer privacy and security.

So the direction we are taking this business might sound unusual due to the fact we are a product solutions business for physical conditions and daily living; it’s to help our business partners stay competitive and help them stay number one in their industries through competitive intelligence, offering the best service, offering one of the most fascinating and thoughtful product solutions services for the population, ultimately caring most about enabling individuals, families and caregivers maintain safe, healthy and independent lives. Our

intense and deep relationship with the population is what brings the most value to our partners. So I would say our secret sauce of building this business is working through channels like a major pharmaceutical company, ScriptSave, MedNet Benefits and Humana. So very large health plans, very large pharmaceutical companies that want to strengthen their relationship with their consumers and offer a profound member benefit to their members, reap invaluable benefits from our non-regulated connection to that consumer. The whole shopping process enables these organizations to get to know their consumer a lot better and allows them to significantly lengthen their interactions with their consumer, which is invaluable, as you know. Also, what it enables is our ability to work together with any health-related company, apply the same brilliant model, and offer an added benefit to being involved with their businesses. The shopping process allows any organization learn quite a lot about their consumer, offer a significant added value and highly appreciated benefit to their consumer, and to gather extremely valuable outcomes as well.

So, essentially, it's nearly impossible to find one major source that you can go to with a physical condition and say, "I want to help my mom, who has arthritis in her back. What are some products out there that will keep my mom safe and healthy, independent and happy at home?" It's very unusual to be able to go to an organization and get that kind of answer, and then to know that the products are well thought out and tested, and that also the pricing is the best that you'll find; it's very unusual and highly appreciated. So that's how we have positioned ourselves in the industry. If you are going in for knee surgery, and need to get back to work as soon as possible, you would enjoy knowing about the products that can not only help

you get in and out of bed, dressed, in and out of your car, then sitting comfortably at your desk. It's not often you find a Soapy Soles, Flexing Footrest, Deluxe Swivel Seat Cushion, Sock Assist, Leg Lifter, Long Handled Shoehorn with elastic shoelaces, or Disc O' Sit offered as a solution in the retail stores. Our concern is to help you heal with little disruption to your productivity and independence, as well as your ongoing health. Our efforts help every health related organization and person around you.

"We are a product solutions business for physical conditions and daily living; it's to help our business partners stay competitive and help them stay number one in their industries through competitive intelligence, offering the best service, offering one of the most fascinating and thoughtful product solutions services for the population"

TWST: When you say safe and independent living products, what are you offering at this point?

Ms. Feinberg: Essentially, if you go to the Website, www.activeforever.com, you'll see it's very condition specific and very easy to use. It's also very specific to areas of your life in which you'd like to stay active, such as the kitchen, bath safety and hygiene, home automation, hobbies and crafts, ergonomic products for the office, kitchen aids, bed and relaxation. You'll see everything from aquatic treadmills, sensor faucets and front door monitors, to lift chairs, drop arm commode chairs, sliding/rotating bath benches, to easy clasp jewelry, talking products and digital magnifiers. So let's say someone you know just had a stroke, you can go to the department that's about stroke, and for the most part, when someone has a stroke, you'll see that they are limited to one-handed use,

or they may need some assistance walking. So you'll see the usual products that are most commonly recommended, along with ones you never knew existed. We also care about exercise, activity and rehabilitation. We also care about the health of the family and caregivers. For instance, a one-handed cutting board, a can opener that can be used with one hand, rocking T knife, special utensils that are not clinical looking, but help that person feed themselves, and to help that person survive and be able to go out to a restaurant without feeling embarrassed. The part we enjoy most is when the family member or caregiver shopping decides they want one for themselves as well; just because it's appealing. So it's about those kinds of solutions that keep them active and out there. We are also focused on very unique solutions for the workplace too. So it could be about back pain, carpal or deep vein thrombosis; people needing to keep their legs and feet moving, while they are sitting for long periods of time, things like the flexing footrest. It's an outstanding solution, plus there is also one that can be traveled with on airplanes, and anyone who travels a lot knows that deep vein thrombosis or what's known as DVT is a huge issue, and also those seats are getting so uncomfortable. I know the airlines aren't going to like me for that one, but the seats are getting so uncomfortable that even having something like this can make a long trip to France a lot more comfortable. So, that's what we are focusing on too, healthier living for people who are fine.

TWST: ActiveForever is competing with several different types of entities, regulated and non-regulated. What is it that makes ActiveForever better than its competition? And who you are competing with in the Internet space?

Ms. Feinberg: Due to the unique nature of our business, I'm proud and surprised to say we

don't have any major competition. There's no major resource out there like ActiveForever. We have chosen to stay away from insurance billing, so we are not a regulated business. We have also chosen to focus on the community, lifestyles, safety and productivity in the home and workplace. If I had to choose any online businesses that may be close, that would be Dr. Leonard's, Lillian Vernon, Drugstore, and Spinlife and AARP. The funny thing is, they come close, but don't want to do what we're doing. We overlap in areas, but they're more complementary to us than anything. Who we are competing with in the Internet space is a lot different from who we are competing within the communities and the major retailers.

"Because most of our partners are large companies that are under a lot of pressure to keep building their businesses and adding to their shareholder value, they love us when they find us. We leverage their marketing budgets, and help them go farther, in an effort to help them effectively capture their segment of this tremendous marketplace."

ActiveForever is very community focused. So, for instance, we are actively supporting organizations like the Arthritis Foundation and Muhammad Ali Parkinson Foundation. We are contributing to their support groups, conferences, getting to know their community, getting to hear frustrations, and we are customizing our product offerings according to our findings. So what we do is, we go out and research solutions, bring the products back to the foundations and occupational therapist, and then they make comments saying, "We love this, this is wonderful, love the pricing, or work on that pricing, it's too high." So then what we do is, we put our thinking caps on and creatively source the market for products that may all-

ready exist, but haven't been marketed, or haven't been developed to necessarily address a certain condition. We are not aware of other major companies doing this, and we know that what we are doing is extremely appreciated by condition-specific groups. We say "I love you" to them, and they say it back to us. That's invaluable! When you go to the Parkinson's Foundation and you say, "My mom or dad has Parkinson's," most doctor's offices and foundations are going to give you all of the resources that help you learn about the disease. They are going to give you all the information about all the drugs that are available. When it comes to the product solutions for dad who is suffering from Parkinson's or ways to help dad avoid falls, there's generally a dearth of information or it's quite out of date. So what we are doing is actively working with the foundation and dedicating ourselves to that product research. So when they are touching their hundreds of thousands or millions of people who they are touching every year, we are there as a resource for them, and we are dedicating ourselves to come up with answers, so people can stay active and healthy. One thing I want to make sure I communicate is that it's not just about the patient, it's about everybody around them, it's about home health aids, it's about caregivers, occupational therapists, physical therapists, spouses and other family members. Everyone has to change their life for that individual and also risk injuring themselves helping that individual. So what we're focused on is how we can help every person affected by this physical condition stay healthy and safe and independent.

TWST: As you look at your business today, where do you see the biggest opportunities for the company over the next two to three years?

Ms. Feinberg: The biggest opportunities for ActiveForever over the next two to three years

would very, very clearly be continuing to partner with very large condition-specific health-related organizations such as pharmaceutical companies, any; it could be a Johnson & Johnson that's building products for households and wants to maintain a very good relationship with the population. What we do is help bridge a very highly regulated gap between the regulated corporation and the consumers; we help act as the feet on the street and the ear to the ground, and their connections with the consumer. And, very consistently, we get feedback every single day from consumers even crying and saying, "Thank you. I can't believe you exist." So that kind of feedback is just invaluable. There's so much to learn by getting involved with the shopping process, and hearing the types of things they are dealing with really does help the health plans, it helps the pharmaceutical companies, it helps all these types of companies, including those offering drug discounts, and even the federal agencies can benefit deeply from working with us! It offers them such invaluable feedback to identify inefficiencies, to know what kinds of things they should be developing, what products they develop to service the community that we are serving.

"We're building this company with the assumption that consumer driven health is going to get stronger and stronger, and we opinionated baby boomers are going to get stronger and stronger."

TWST: How do you get your message out to the consumers?

Ms. Feinberg: What we are doing is very press worthy, and every time I've appeared on TV, radio, print, it has caused a significant stir. Ironically, we haven't put many resources into driving that opportunity, but hope to soon. How we

have been getting our message out to the consumers has been through condition-specific channels. Again, the condition-specific companies, foundations and federal or state efforts are the channels that are most important to us. We are a plan sponsor in an added-member benefit for ScriptSave cardholders and there are over 10 million ScriptSave cardholders out there. We also, of course, are extremely well optimized on the Web. We rate very high in popularity with the search engines and ratings companies like Alexa. So it's matter of optimizing key search terms, getting linked to other popular sites, and offering a Website that consumers enjoy spending lots of time shopping on. Even though we've only owned this company for close to 18 months, due to the acquisition, we have a 12-year history on the Web, and that brings value as well.

Another thing too is working through developers, and I mean master plan developers, real estate developers, builders and architects. We work our way into communities from the very inception of the community. We're working with them to help them come up with more interesting product ideas and features in their own communities. And it does two things, it helps the architects and the developers come up with unique ideas to signature their communities and set them apart for easy and safe living, which is important to everybody. And then, also, as the projects progress and the homebuilders start buying up the land and developing, we end up seeping our way into the entire community in a highly appreciated fashion. One more piece of this too is, we have formal five-year alliance partnerships with organizations like the Arizona Assisted Living Federation of America and the Arizona Health Care Association. These are the lobbying bodies and they are affiliated with national organizations too, they are the lobbying bodies for all the assisted living

and nursing home communities in the country. So we are a preferred provider for them, and look forward to further developing this honored status. So it's a very credible way for us to get introduced to both facility directors and also to patient care or family care managers and occupational therapists and physical therapists.

"We're conservatively on track for \$20 million in 2005. We haven't even bothered with projections beyond the end of 2005 due to the tremendous developments that continue to occur. We're sitting in the eye of a multi-billion dollar market. Our biggest challenge is attracting the right strategic capital to enable us to ramp up for delivery. We only expect to need one raise to achieve our goals, that's it."

TWST: As you look to grow the company, will it be the Internet, partnering and alliances or some other factor that will drive this growth?

Ms. Feinberg: I don't separate the alliance side from the Internet. They both feed each other, if you look at what's happening with all of the alliance partners that I had mentioned, everyone is driving more members online for efficiencies and also for more of a global reach, or driving their advertisements to the Web. So I would say the number one answer to your question is driving the Internet business, and I'd say one-and-a-half is building of the corporate alliances. We know how to leverage the Web to help organizations achieve their goals, no matter how lofty those goals might be. We are entering into these corporate alliances saying, please rely on us to help you achieve your business goals by leveraging our expertise. We also have one retail store that's an attractive combination of Sharper Image and a general store, all in one. But we offer outstanding pricing. We offer products at a very affordable rate because of that

pain of paying out of pocket for these things. And, we have the entire office and conference center outfitted with network cameras. So someone can call from New York even in the middle of a snowstorm and say, “I’d like to purchase a flexing footrest, and can you show me how it works?,” and every customer service counselor is on a wireless headset; they can walk over to the discovery center and give them a live interactive demonstration of the product, and it doesn’t take that phone call any longer than having verbally described what it looks like, or showing them a still picture on the Web. If anything, it speeds up the conversation, it creates a nice, warm, personable relationship. Everyone is happy in the end, no one is taking a huge risk in the quality or the appropriateness of the choice of the product. This keeps our product return rate very low also.

TWST: What are you looking for in the partnership and alliance area?

Ms. Feinberg: Future growth of this business would absolutely depend on very strong alliances and being able to help extremely large organizations achieve their goals by leveraging the power of shopping on the Web. Because most of our partners are large companies that are under a lot of pressure to keep building their businesses and adding to their shareholder value, they love us when they find us. We leverage their marketing budgets, and help them go farther, in an effort to help them effectively capture their segment of this tremendous marketplace.

I find myself researching organizations like Amazon.com,. WebMD.com, About.com, Drugstore.com and thinking, “My God, we can bring them so much value, and have a great time doing it!”

TWST: In selecting these partnerships, what are the criteria?

Ms. Feinberg: Since we are well known for offering best choices and best values, we look for the same thing in our partnerships. So, we would look for best of breed partners such as Abbott and ScriptSave. Best of breed partnerships reflect positively on ActiveForever. Another example is demonstrated by our involvement with MyHumana. Humana has over 7 million members, and is working hard to encourage a good number of their members to manage their health and account online; and that is another area that we’re bullish on. We’re building this company with the assumption that consumer driven health is going to get stronger and stronger, and we opinionated baby boomers are going to get stronger and stronger. And based on that assumption, when you see there is flexible spending with your medical account, we want people to have access to us as a valued resource; to add our product solutions to their lives for healthier living, and also to lessen distractions at the workplace if something happens to a family member. That is what we’re counting on.

TWST: How long is the product cycle? How often do you update them?

Ms. Feinberg: We update our products almost daily because we get inundated by inventors, and we even get calls from manufacturers overseas that see we’re doing a good volume of sales, and they also value our channel approach into the marketplace. So it is just a matter of our evaluations daily. We have product managers who are involved with reviewing product and determining whether we want to bring them online, into our print catalog, or into the interactive retail store. And we have a monthly e-newsletter called the Discovery Digest; which is so well received, we look forward to turning it into a syndicated media segment as well. We use the Discovery Digest to keep our community up to date on our latest discoveries via

opt-in e-mail. We usually feature our new additions that month, along with a most memorable moment of the month.

TWST: Give us a sense of your strategic direction over the next two years?

Ms. Feinberg: Our strategic direction over the next two years would be, again, to continue to develop best of breed alliances for the marketplace and product solutions. So I am going to say again, what we are doing is very condition specific. Our favorite condition areas are arthritis, Parkinson's/neuro, which also would include multiple sclerosis, muscular dystrophy, anything of that sort, spinal/back, and knee and hip, diabetes. When we look at those condition areas as they pertain to home or workplace, our goal is to keep people healthy, safe and productive. We want alliance partnerships that are going to enable us to have the bandwidth and the resources to be able to offer a tremendous amount of the most interesting, useful, and well thought out product solutions for those areas. So if someone has to be on a drug, we care about the things we can do to keep them active, so they can live longer, or help them survive longer with less pain, help the drugs work better, those types of things that offer better results and productivity.

TWST: As a company that is apparently growing very fast and introducing products practically on a daily basis, do you have the management team in place to accomplish all of your goals?

Ms. Feinberg: You're asking a loaded question. We do have a phenomenal team of people supporting the infrastructure, service and delivery. You can see that we have grown this business over 1,800% over the last year, and it has really been just myself and my husband driving the company from the executive level; we also have a

“rock star status” Advisory Council. We are currently in the final process of putting a PPM together because we would like to attract a large sum of strategic investment. The investment will be used to accomplish three major tasks: to bring in executive management, to also beef up our public relations and marketing efforts. And I don't mean just for our own business, I mean so when we enter in a partnership that we have enough bandwidth to add a tremendous amount of value to our strategic partners as well. And then, the third area by far would be to continuously beef up our technology infrastructure. We are getting major spikes of activity. We definitely need to beef up quite a lot. We have surfaced a tremendous demand and appreciation for our product solutions.

TWST: What do you reasonably expect the company will look like three years from now?

Ms. Feinberg: Three years, well, we have projections, and I sound like a typical entrepreneur, but in our case, the projections are based on fact. We're conservatively on track for \$20 million in 2005. We haven't even bothered with projections beyond the end of 2005 due to the tremendous developments that continue to occur. We're sitting in the eye of a multi-billion dollar market. Our biggest challenge is attracting the right strategic capital to enable us to ramp up for delivery. We only expect to need one raise to achieve our goals, that's it.

TWST: For observers or possible investors keeping an eye on the company, what can be used as benchmarks to judge ActiveForever's progress the next couple of years?

Ms. Feinberg: That's a really good question. Number one would be to track our ratings on the Web. That's very public information. Another benchmark would be to watch for announcements regarding new alliance partnerships in the press. I would say another useful benchmark would be —

and my heart is pounding when I say this — the consumer feedback. We are hoping to cause such a stir with the consumers that they are just yelling and screaming to everybody how much they love us, and just having that buzz shake things up, so people know how well we are doing. The last piece of this too is to be able to eventually leverage some federal grants, work in conjunction with organizations like Barrows Neurological Institute or Mayo Foundation to be able to develop some proprietary products. Because we are learning so much about what products work, what don't, what the frustrations are, what the needs are, the demands are, and we are surfacing some ideas of products that could be lifesavers to people, priceless to facilities, and useful and interesting to anyone.

TWST: What are the company's economic sensitivities? Does the economy need to be strong or does that matter?

Ms. Feinberg: That's an excellent question, about the economic factors affecting the business. Shortly after I sold a business, September 11 hit. September 11 caused a huge shift in my own thinking. Here I was, an executive in the technology industry for almost 20 years. The requirements list I put together went in quite a different direction, yet with the idea that we should be leveraging everything my husband and I know. We purposely put a requirements list together with this question in mind: "If another terrorist act occurs, what businesses will survive?" When those airplanes hit those buildings, nothing became more important to everyone than community and family, health and home. So that's what we were looking at. ActiveForever answers all of those questions and assumptions. No business is completely recession proof. ActiveForever could feasibly survive safely through the worst of times. So that's a good way for me to answer that about the sensitivity of this

economically. Since we don't get involved with insurance reimbursement, ActiveForever is not sensitive to changes rules and regulations. ActiveForever is a business helping private and public budgets go farther. But again, we are counting on the fact that people are going to start shying away from traditional health insurance and start favoring more flexible spending accounts, MSAs and HSAs. That's what we are counting on, what you'll see in the press as "Consumer-Driven Healthcare." We believe people want freedom to spend their health dollars on whatever they want. And we are fortunate enough to experience seasonal spikes during holidays. Historically, our business has increased by 5 times during major holidays. Life-changing, practical gifts are generally appealing to our consumers.

TWST: What can go wrong here? What keeps you up at night?

Ms. Feinberg: For the past few weeks, what's been keeping me up is very literal; I've been spending every moment in which I'm supposed to be sleeping on the PPM; in preparation for a road show to raise expansion capital. We're choosing strategic investment because we want smart money. We want the money to come from an organization that we can leverage for infrastructure and delivery bandwidth. Every waking moment is spent on delivery and growing ActiveForever. God bless our wonderful staff and my wonderful husband; we are all working so tremendously hard to keep up with demand. God forbid something disables any of us! We have just enough help to deliver on our current demands. We're observing an overwhelming demand and the feasibility of growing ActiveForever into the billions of dollars in revenue. It's so terribly frustrating to have to bootstrap the growth and to do it without a complete, seasoned executive team. I want an infusion of

cash so we can grow the infrastructure of this business, so we can deliver properly and to our own standards with the demand.

TWST: When you go out to speak to investors, the venture capital community and others, what two or three reasons will you give them to invest in ActiveForever?

Ms. Feinberg: I think we've hit on the major two or three reasons for someone to invest in ActiveForever, we've hit on a little bit in the fact that it's a real need. What we are doing is here and now and it's also feeding into future demand, the growing demand of the baby boomers, the growing demand of independent thinking, and people wanting to have flexibility with their own spending as far as health insurance goes and things of that sort. Our intense willingness and wanting to take care of our parents and our family has a lot to do with that and I don't think that's going to go away, I think it's only going to get stronger. The second thing is, this market is so far behind, it's very, very antiquated. It's time for someone to step up to the plate and become the Microsoft of this market. I use Microsoft as an example because it was Bill Gates' goal to become a staple in every person's home, and we are having a profoundly positive effect on their productivity and they are relying on us to continue to come up with better ways of doing things. There are billions of dollars being spent in this decentralized, moderately served market niche. There are even ways we can do our part to solve the inefficiencies of structured health organizations such as Medicare and Medicaid. So coming from the technology industry, looking at health care, I am just saying, "Oh my God, who wrote these rules that health care abides by?" So there's a lot we have achieved, there's much more to achieve, and there's ultimately a lot to shake up. We come with validation, revenues and contracts.

We hope to define ActiveForever as the new model of what's considered one of the most perfect investments of 2004.

TWST: What are the barriers to entry. What's to stop another player from jumping into this space and pushing ActiveForever aside?

Ms. Feinberg: The best way for me to describe the barrier of entry is to compare ActiveForever to the essence of Home Depot. There isn't much barrier to entry except for intellectual capital, the ability to make these corporate alliances work, and the ability to execute on the programs we have put together and to have the resources required to put the infrastructure in place. We can very feasibly build a business that is quite essential to communities of people, and we can continue to build ActiveForever into being the best choice of places to do business. We answer the phones, "ActiveForever, how can we make your life easier today?" And it just shifts people into a different way of thinking. So it's just the process of service we have in place, the way we train the people. It's not rocket science, but it's one of those things you have to do right. What's the difference between Wayne Gretzky and some guy who is a great hockey player. There is just some magic involved and when you come to ActiveForever and you meet the staff and you see what we have done and how we have structured it, you can feel the magic.

TWST: Where do you find yourself spending your time these days?

Ms. Feinberg: Delivering. I find myself with the media, giving presentations to groups of people, delivering on projects and also a little more day-to-day operations management than I would like to do because I am more of a business development type of person and an outward facing person. I find myself doing a lot of the day-to-day operations management. So that's probably the

best answer I can give you. It's been just a lot of paying attention to the process and perfecting the process for delivery on bigger projects.

TWST: Is there anything we have left out?

Ms. Feinberg: All I can say is that anyone who knows me knows that it had to have been something spectacular to pull me away from my very successful career. This is the first investment we have made in which I have taken an active role. I've had some very exciting times over the past decades, and this takes the cake. Not only does everyone involved with ActiveForever see the extraordinary promise and demand, but we are also experiencing very mentally fulfilling days.

TWST: Do you visualize an IPO some day in your future?

Ms. Feinberg: If it makes sense to go public, then that's what we'll do. I come from three generations of stock brokers, and grew up near Wall Street. It's an exciting thought, but I am more about the here and now, and what we can do to build ActiveForever to it's full potential. Whatever our Board and advisors believe is the best way to go, that's what we do.

Thank you. (KL)

ERIKA FEINBERG

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