CONFIDENTIAL EXECUTIVE SUMMARY

QUICK FACTS:

Industry:
Sports & Recreation

Intellectual Property:
1 US patent pending, 1 PCT filed June 2006.

Corporate History:
Gyro-Precession Stability LLC ("GPS") is a privately held engineering design firm formed in 2004 by four Thayer School Engineering students to explore opportunities for their Gyrobike technology (see timeline below). In 2006, the Company initiated commercialization and partnered with Seven West Ventures, a venture consulting firm managed by Errik Anderson.

Management Team:
- **Hannah Murnen** – President
- **Augusta Niles** – VP Engineering
- **Errik Anderson** – VP Bus Develop
- **Deborah Sperling** – VP Operations
- **Nathan Sigworth** – VP Finance

Ideal Professional Partner:
GPS is currently searching for a design engineering firm with which to partner to create finalized prototypes implementing a variety of startup mechanisms.

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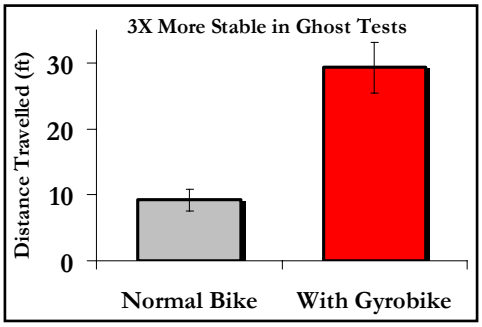
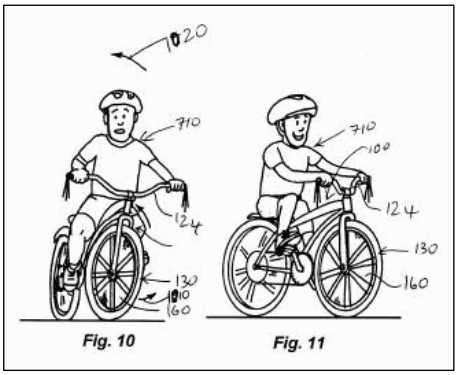
Summary
Gyro-Precession Stability, LLC has patented a novel gyroscopic system for stabilizing two-wheeled vehicles. This general and broad intellectual property can be applied in many areas of the sports, recreation and transportation industries. GPS is currently focusing on the bicycle industry as a natural entry point for the brand.

A quick glance at the bicycle industry shows two relatively independently functioning markets: the mass market, including firms selling bicycles and bicycle accessories in Wal-Mart, Target, K-Mart, Dick's Sporting Goods, Sports Authority, Toys 'R Us and others; and the independent bike dealers ("IBD") who generally sell higher end bicycles and accessories. The Gyrobike technology is uniquely suited for both of these industries as a product differentiator for firms seeking to increase market share in full bicycles or as a revolutionary high-end accessory.



When the Gyrobike is applied to the front wheel of a bicycle, the rider experiences greater stability at low speeds and corrected steering during a fall. These effects create "invisible training wheels", which serve as both a learning tool for new riders and a safety device for all riders. In addition, customer testing has shown that the Gyrobike enhances the riding experience of proficient riders by increasing low speed stability.



Value Proposition
GPS is able to provide a superior learning experience over training wheels to the estimated 2.3 million kids that learn to ride each year in America. Gyrobike teaches kids the correct technique for riding, as opposed to training wheels, which restrict the natural motion of a bike, making it more difficult to transition to a bike without training wheels. Initial trials turned non-riders into riders in as little time as an afternoon.

Research has shown that Gyrobike is valuable to trained riders as well, as kids enjoy the stabilizing effect and parents like the added safety. GPS has contemplated numerous options to enhance this desire to leave the wheel on the bike such as customizable decals, LEDs, or spinners. GPS is

09/04 – Proof of concept developed

06/05 – Filed United States patent application

05/06 – First place at Big Green Entrepreneurship Competition

10/06 – Popular Mechanics Breakthrough Award Winner

12/04 – Winner of the 2004 Philip R. Jackson Award

04/06 – Launched Gyrobike at Cool Products Expo at Stanford University

06/06 – Filed PCT for international patent protection

05/07 – Shelf-ready spin-up design and prototypes delivered by partner design engineering firm

CONFIDENTIAL EXECUTIVE SUMMARY

GYROBIKE

also well suited to enter the adult market by compensating for the slower reaction times that come with age. Over 1 million adults above the age of 45 discontinue use of their bicycles every year in part due to reduced confidence in their riding ability. GPS can help bicycle companies reach out to this unique customer that is not served adequately by any current product.

Other applications in the adult market include recumbent bicycles and integration with motor-assisted bicycles which are inherently less stable. GPS is also designing a method for using the flywheel not only for stabilization, but also as a regenerative breaking and power assistance device.

Market Strategy

GPS's goal is to license the core patent to several manufactures to create a Gyrobike branded bike or a stand-alone Gyrobike wheel.

Ongoing discussions indicate the ability to establish an agreement which would guarantee minimum units sales in addition to bike and market development. Innovations on the core GPS patent would remain the property of GPS.

To this end, GPS is in discussions with various industry leaders who are interested in licensing and/or fully commercializing the technology. Great traction has been generated by media coverage of the product this year which has placed the technology in the public spotlight (see catalogue of publications below) as well as numerous awards (see timeline). The next step in this process is to develop finalized prototypes representing a "shelf-ready" product versus the "proof-of- concept" GPS has today.

Product Development

Initial prototypes have been designed, built, and tested by GPS. GPS is now searching for a professional design and engineering partner for final development of shelf-ready prototypes.

Final products will need to meet a variety of technical specifications and will incorporate and expand on various startup mechanisms contemplated by GPS. In addition, development will also include implementing a method to continuously power the flywheel in the front wheel. GPS will retain IP associated with any subsequent improvement on the design.

Competition

Several other alternative training devices are available including Training Wings, Like-A-Bike, and the Shift. In addition, many books and online instructional websites are also available to teach parents training methods. However, none of these is able to join safety with accurate simulative teaching in a way that is comparable to the Gyrobike.

Confidentiality:

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GYROBIKE

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