

Edgar Filing: FREEWILLPC COM INC - Form SB-1/A

FREEWILLPC COM INC
Form SB-1/A
July 13, 2001

As filed with the Securities and Exchange Commission on July 13, 2001
File No. 333-48312

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM SB-1/A

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

FREEWILLPC.COM, INC.
(Exact name of registrant as specified in its charter)

Nevada	522200	75-2877111
-----	-----	-----
(State or jurisdiction of incorporation or organization)	(Primary Industrial Classification Code No.)	I.R.S. Employer Identification No.

709-B West Rusk, Suite 500, Rockwall, Texas 75087 (972) 772-5930

(Address, including the ZIP code & telephone number, including area code of
Registrant's principal executive office)

David McCune
709-B West Rusk, Suite 500, Rockwall, Texas 75087 (972) 772-5930

(Name, address, including zip code, and telephone number, including area code
of agent for service)

Copies to: Lamberth & Stewart, PLLC

Attorneys at Law
2840 Lincoln Plaza, 500 N. Akard Street
Dallas, Texas 75201
(214) 740-4270

Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this Registration Statement.

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount To be Registered	Proposed Maximum Offering Price Per Share (1)	Proposed Maximum Aggregate Offering Price (1)	Amount of Registration Fee
Common stock, \$0.001 par value				
Minimum	200,000	\$0.25	\$ 50,000	\$269
Maximum	2,000,000	\$0.25	\$ 500,000	\$269

Edgar Filing: FREEWILLPC COM INC - Form SB-1/A

 Total maximum 2,000,000 \$0.25 \$ 500,000 \$269 (2)

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that the registration statement shall hereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

- (1) Estimated solely for the purpose of calculating the registration fee.
- (2) Represents minimum fee.

INITIAL PUBLIC OFFERING

PROSPECTUS

FREEWILLPC.COM, INC.

Minimum of 200,000 shares of common stock, and a
 Maximum of 2,000,000 shares of common stock
 \$0.25 per share

We are making a best efforts offering to sell common stock in our company. The common stock will be sold by our sole officer and director, David McCune. The offering price was determined arbitrarily and we will raise a minimum of \$50,000 and a maximum of \$500,000. The funds will be held in escrow by an attorney until the minimum amount is sold, at which time the funds will be released to the company and stock certificates issued. The offering will end on December 31, 2001 and should we not sell the minimum amount, the funds will promptly be returned to investors, and no interest will be paid on these funds.

The Offering:

	Per Share	Minimum	Maximum
	-----	-----	-----
Public Offering Price . . .	\$0.25	\$50,000	\$500,000

There is currently no market for our securities and no market may ever develop for our securities.

 THIS INVESTMENT INVOLVES A HIGH DEGREE OF RISK. YOU SHOULD PURCHASE SHARES ONLY IF YOU CAN AFFORD A COMPLETE LOSS. SEE "RISK FACTORS" BEGINNING ON PAGE 3.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR PASSED UPON THE ADEQUACY OR ACCURACY OF THE PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

 This Prospectus is dated July 25, 2001

Edgar Filing: FREEWILLPC COM INC - Form SB-1/A

PROSPECTUS SUMMARY

OUR COMPANY

We were incorporated on June 13, 2000 in the State of Nevada. Our executive offices are located at 709-B West Rusk, Suite 500, Rockwall, Texas 75087, and our telephone number is (972) 772-5930. We are engaged in the sale of computers and computer peripheral products over the internet. The funds from this offering will allow us to advertise, make strategic marketing alliances and make agreements with other suppliers in order to increase sales. The minimum funds raised in this offering will take us to a point where we reach the operating stage.

THE OFFERING

	Minimum	Maximum
	-----	-----
Common stock offered	200,000	2,000,000
Total shares outstanding after this offering	4,400,000	6,200,000

Officers, directors and their affiliates will not be able to purchase shares in this offering.

USE OF PROCEEDS

Most of the money you invest will represent proceeds to the company. We will use the proceeds from this offering to:

- pay expenses of this offering
- develop our website to offer more products and better service
- marketing and general working capital

2

RISK FACTORS

You should carefully consider the risks described below and all other information contained in this prospectus before making an investment decision.

OUR OPINION FROM OUR INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT HAS A PARAGRAPH THAT STATES THAT WE DO NOT HAVE SUFFICIENT CAPITAL TO CONTINUE AS A GOING CONCERN

A 'going concern opinion' which was expressed by our auditor means that we do not have sufficient capital resources to operate for the next twelve months in a manner similar to other companies in our industry. The risk to you should you purchase common stock in this offering is that we do not raise sufficient capital and do not continue as a going concern and the amount you can sell your common stock purchased in this offering is lower than the amount you paid for it.

WE ARE A RECENTLY FORMED COMPANY, FORMED IN THE STATE OF NEVADA ON JUNE 13,

Edgar Filing: FREEWILLPC COM INC - Form SB-1/A

2000, WITH LIMITED ACTIVITY AND LOSSES THAT MAY CONTINUE FOR THE FORESEEABLE FUTURE.

We have not achieved profitability and expect to continue to incur net losses for the foreseeable future. We expect to incur significant operating expenses and, as a result, will need to generate significant revenues to achieve profitability, which may not occur. Even if we do achieve profitability, we may be unable to sustain or increase profitability on a quarterly or annual basis in the future. If we are unable to achieve profitability, your investment in our common stock may decline or become worthless.

OUR SOLE OFFICER AND DIRECTOR AT PRESENT SPENDS ONLY FIVE PERCENT (5%) OF HIS TIME ON THE ACTIVITIES OF THE COMPANY, WHICH COULD CAUSE A LACK OF ATTENTION TO THE BUSINESS AND CAUSE THE BUSINESS TO DECLINE OR EVEN BECOME WORTHLESS.

At the present time, our sole officer spends only five percent (5%) of his time on the activities of the Company. After the offering is complete, he expects to spend more time in order to implement the plan of operations to build the business of the company. There is a risk that he continues to spend only 5% of his time on the activities of the Company, and if this turns out to be the case, the business of the Company could stagnate, decline or even become worthless.

WE RELY ON OUR SOLE OFFICER FOR DECISIONS AND HE WILL RETAIN SUBSTANTIAL CONTROL OVER OUR BUSINESS AFTER THE OFFERING AND MAY MAKE DECISIONS THAT ARE NOT IN THE BEST INTEREST OF ALL STOCKHOLDERS.

Upon completion of this offering, our sole officer will, in the aggregate, beneficially own approximately 90.9% (or 64.5% if maximum is sold) of the outstanding common stock. As a result, our sole officer will have the ability to control substantially all the matters submitted to our stockholders for approval, including the election and removal of directors and any merger,

3

consolidation or sale of all or substantially all of our assets. He will also control our management and affairs. Accordingly, this concentration of ownership may have the effect of delaying, deferring or preventing a change in control of us, impeding a merger, consolidation, takeover or other business combination involving us or discouraging a potential acquirer from making a tender offer or otherwise attempting to take control of us, even if the transaction would be beneficial to other stockholders. This in turn could materially cause the value of our stock to decline or become worthless.

WE MAY HAVE TO RAISE ADDITIONAL CAPITAL WHICH MAY NOT BE AVAILABLE OR MAY BE TOO COSTLY.

Our capital requirements are and will continue to be more than our operating income. We do not have sufficient cash to indefinitely sustain operating losses. Our potential profitability depends on our ability to generate and sustain substantially higher net sales while maintaining reasonable expense levels. We cannot assure you that we will be able to operate on a profitable basis or that cash flow from operations will be sufficient to pay our operating costs. The proceeds raised in this offering will be sufficient to fund operations for the next six months since our overhead is low, we don't have to purchase inventory and our primary expenses will be related to advertising and promoting our web site to draw additional customers. Thereafter, if we do not

Edgar Filing: FREEWILLPC COM INC - Form SB-1/A

achieve profitability, we will need to raise additional capital to finance our operations. We anticipate seeking additional financing through debt or equity offerings. We cannot assure you that additional financing will be available to us, or, if available, any financing will be on terms acceptable or favorable to us. If we need and cannot raise additional funds, further development of our business, upgrades in our technology, additions to our product lines may be delayed and we otherwise may not be able to execute our business plan, all of which may have a material adverse effect on our operations; if this happens, the value of your investment will decline and may become worthless.

WE MAY EXPERIENCE DIFFICULTIES WITH OUR SUPPLIERS, WE MAY EXPERIENCE DELAYS, BE FORCED TO PURCHASE ELSEWHERE AT HIGHER PRICES OR LOSE CUSTOMERS.

We are dependent on one supplier, Premier Computer Source, Inc., for 100% of our custom built products and others to drop ship peripheral products and are dependent on them to supply them to us on a timely basis. Our agreement with this supplier is not written which we do not consider a risk because the market for these type of services is so competitive, that we could make similar arrangements with other companies, should our current supplier have problems. This supplier is not an affiliate of our company or of our sole officer and director. We do not produce our own products and purchase inventory to ship only after we have received an order. It is possible that events beyond our control may affect the ability of our supplier(s) to deliver merchandise to us or to our customers. Any such event could negatively affect our business since customer orders are often time-sensitive and any delays by our suppliers could cause us to lose customers. If this happens, the value of your investment will decline or could become worthless.

4

NO PUBLIC MARKET HAS EXISTED FOR OUR SHARES AND AN ACTIVE TRADING MARKET MAY NOT DEVELOP OR BE SUSTAINED; IF THAT HAPPENS, YOU MAY NOT BE ABLE TO SELL THE SHARES PURCHASED IN THIS OFFERING.

There has been no public market for our common shares. We cannot assure you that an active trading market will develop or be sustained after this offering. You may not be able to resell your shares at or above the initial public offering price. The initial public offering price has been determined arbitrarily and may not be indicative of the market price for our common shares after this offering.

FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements. These forward-looking statements are not historical facts but rather are based on current expectations, estimates and projections about our industry, our beliefs and our assumptions. Words such as "anticipates", "expects", "intends", "plans", "believes", "seeks" and "estimates", and variations of these words and similar expressions, are intended to identify forward-looking statements. These statements are not guarantees of future performance and are subject to risks, uncertainties and other factors, some of which are beyond our control, are difficult to predict and could cause actual results to differ materially from

Edgar Filing: FREEWILLPC COM INC - Form SB-1/A

those expressed, implied or forecasted in the forward-looking statements. In addition, the forward-looking events discussed in this prospectus might not occur. These risks and uncertainties include, among others, those described in "Risk Factors" and elsewhere in this prospectus. Readers are cautioned not to place undue reliance on these forward-looking statements, which reflect our management's view only as of the date of this prospectus.

DILUTION

If you purchase common stock in this offering, you will experience an immediate and substantial dilution in the net tangible book value of the common stock from the price you pay in this initial offering.

The net tangible book value of our common stock as of April 30, 2001 was \$4,879 or \$0.001 per share. Net tangible book value per share is equal to our total assets, less total liabilities, divided by the number of shares of common stock outstanding.

After giving effect to the sale of common stock offered by us in this offering, and the receipt and application of the estimated net proceeds (at an initial public offering price of \$0.25 per share, after deducting estimated offering expenses), our net tangible book value as of April 30, 2001 would be approximately \$38,110 or \$0.01 per share, if the minimum is sold, and \$471,110 or \$0.08 per share, if the maximum is sold.

This means that if you buy stock in this offering at \$0.25 per share, you will pay substantially more than our current shareholders. The following represents your dilution:

5

if the minimum of 200,000 shares are sold, an immediate decrease in book value to our new shareholders from \$0.25 to \$0.01 per share and an immediate increase in book value per common share to our current stockholders.

if the maximum of 2,000,000 shares are sold, an immediate decrease in book value to our new shareholders from \$0.25 to \$0.08 per share and an immediate increase in book value per common share to our current stockholders.

The following table illustrates this per share dilution:

	Minimum	Maximum
Assumed initial public offering price	\$0.25	\$0.25
Net tangible book value as of April 30, 2001	\$0.001	\$0.001
Net tangible book value after this offering	\$0.01	\$0.08
Increase attributable to new stockholders:	\$0.01	\$0.08
Net tangible book value		
as of April 30, 2001 after this offering	\$0.01	\$0.08
Decrease to new stockholders	(\$0.24)	(\$0.17)
Percentage dilution to new stockholders	96%	68%

The following table summarizes on a pro forma basis as of April 30, 2001, shows the differences between the number of shares of common stock purchased, the total consideration paid and the total average price per share

Edgar Filing: FREEWILLPC COM INC - Form SB-1/A

paid by the existing stockholders and the new investors purchasing shares of common stock in this offering:

MINIMUM OFFERING

	Number of shares owned	Percent of shares owned	Amount paid	Average price per share
Current shareholders	4,200,000	95.5	\$ 14,000	\$ 0.006
New investors	200,000	4.5	\$ 50,000	\$ 0.25
Total	4,400,000	100.0	\$ 74,000	

MAXIMUM OFFERING

	Number of shares owned	Percent of shares owned	Amount paid	Average price per share
Current shareholders	4,200,000	67.7	\$ 14,000	\$ 0.003
New investors	2,000,000	32.3	\$ 500,000	\$ 0.25
Total	6,200,000	100.0	\$ 514,000	

6

PLAN OF DISTRIBUTION

This is a direct participation offering of our common stock and is being sold on our behalf by our sole officer and director, who will receive no commission on such sales. All sales will be made by personal contact by our sole officer and director, David McCune. We will not be mailing our prospectus to anyone or soliciting anyone who is not personally known by Mr. McCune, introduced to Mr. McCune and personally contacted by him or referred to him.

The money we raise in this offering before the minimum amount is sold will be held under an escrow agreement with T. Alan Owen & Associates, P.C., Attorneys at Law. Such funds will be refunded immediately, without interest, if the minimum amount is not sold by December 31, 2001.

Certificates for shares of common stock sold in this offering will be delivered to the purchasers by Signature Stock Transfer, Inc., the stock transfer company chosen by the company as soon as the minimum subscription amount is raised.

USE OF PROCEEDS

Edgar Filing: FREEWILLPC COM INC - Form SB-1/A

The total cost of the minimum offering is estimated to be \$16,769, or \$33,769 if the maximum is sold consisting primarily of legal, accounting and blue sky fees.

The following table sets forth how we anticipate using the proceeds from selling common stock in this offering, reflecting the minimum and maximum subscription amounts:

	\$50,000 Minimum	\$500,000 Maximum

Legal, Accounting & Printing Expenses	9,500	26,500
Other Offering Expenses	7,269	7,269
Net Proceeds to Company	33,231	466,231
	-----	-----
TOTAL	\$ 50,000	\$ 500,000

The following describes each of the expense categories:

legal, accounting and printing expense is the estimated costs associated with this offering;

other offering expenses includes SEC registration fee, blue sky fees and miscellaneous expenses with regards to this offering.

The following table sets forth how we anticipate using the net proceeds to the company:

7

	\$50,000 Minimum	\$500,000 Maximum

Development of website	\$ 2,500	\$ 50,000
Office equipment	4,000	46,000
Salaries	-0-	78,000
Internet security	-0-	27,000
Advertising our website	19,000	215,000
Expenses in adding new products/services	2,500	30,000
General corporate overhead	5,231	20,231
	-----	-----
Proceeds to company	\$ 33,231	\$466,231

We have a fully operational website which is our main asset. To date, our internet activity is limited and we have little revenue from operations.

DESCRIPTION OF BUSINESS

We were incorporated in Nevada on June 13, 2000. Our founder, David McCune is our sole director, officer and employee and holds 4,000,000 shares of common stock which we issued to him for \$4,000, composed of \$500 cash and \$3,500 of his services.

As well as being a newly formed company, we:
are controlled by one individual;
rely on our sole officer and director to manage the business, this

Edgar Filing: FREEWILLPC COM INC - Form SB-1/A

offering and continuing operations to see us through to profitability; have limited operating history with little revenue from operations; operate in an industry with low barriers of entry which could add to our competition, and one in which there are many competitors already, many of which have much greater resources than we do; and received a report from our independent certified public accountant who gave us a 'going concern' opinion which means that we do not have sufficient capital or cash flow from operations to show that we can continue as a viable business for the coming year without success from our plan of operations.

We currently operate the website <http://www.freewillpc.com>. We are a web-based retailer of built-to-order personal computers and brand name related peripherals, software, accessories and networking products. We also offer computer consulting and design which will enable us to sell more built to order systems. Our primary target customers are individual end users (IEU), home based business (HBB) owners, and small business owners (SBO). Through an interactive web site, customers have the ability to browse the products offered by Freewill PC and order. We offer a broad selection of approximately 15,000 products targeted for business/home use at competitive prices.

8

For custom built computers we depend upon one supplier who we can purchase all the parts for on an as needed basis and therefore we have no inventory for these items. We purchase them as we receive an order, build the computer and then ship the computer. For these computers, we will book the sale when it is shipped and the cost of sales for the amount we pay for the parts to build the computer. For all the peripheral items, we have them drop shipped and record only the profit as revenue for our financial reporting purposes.

Principal Products or Services and Their Markets.

Freewill has two primary product delivery systems:

For those customers desiring basic technological peripherals and computer related items, they can choose from an on-line catalogue (under development) which we will have drop shipped from a supplier, receiving a "margin" or fee for originating the order. We will custom build a computer to the specifications of a customer. The customer "points and clicks" the desired component and we contract for the unit to be built at a negotiated wholesale price. We then purchase the computer and re-sell it at our posted order price.

We believe the majority of IEU's and HBB's are technologically literate and not only capable but also more disposed to ordering needful technological products over the Internet. This allows the purchaser to transact orders on a 24-hour-a-day, seven-day-a-week basis. We do not incur the overhead expenses generally associated with traditional storefront operations, thus allowing for lower operating costs.

Customers enter FreewillPC.com through its home page www.freewillpc.com, which contains a listing of product categories that allows for easy exploration of current products and prices. We believe that price, product selection and availability, and service and support are the most important competitive factors in its industry.

Edgar Filing: FREEWILLPC COM INC - Form SB-1/A

Competitive Business Conditions.

The direct marketing and sale of personal computers and related products is highly competitive. FreewillPC.com competes with PC Connection, CDW Computer Centers, Inc., Insight Enterprises, Inc. and Micro Warehouse, Inc. We also compete with certain product manufacturers that sell directly to customers, such as Dell Computer Corporation and Gateway 2000, Inc., and more recently Compaq, IBM and Apple; distributors that sell directly to certain customers, such as MicroAge, Inc. and Vanstar Corporation; various cost-plus aggregators, franchisers, and national computer retailers, such as CompUSA, Inc. and Computer City; and companies with an Internet Web site and commercial on-line networks. Additional competition may arise if other new methods of distribution, such as broadband electronic software distribution, emerge in the future.

We compete not only for customers, but will also in the future compete

9

for favorable product allocations and cooperative advertising support from product manufacturers. Several of our competitors are larger and have substantially greater financial resources than we.

Method of distribution of products and services.

E-business Strategy:

Our marketing strategy is to promote the name FreewillPC and attract buyers to the FreewillPC.com website. To attract users to our website, we have relied on word of mouth and being one of many PC supply companies that come up on search engines. Going forward, we are contemplating sponsorship relationships with high traffic websites and agreements with search engines so that our site will be near the top/front of searches for our products. Future proposed marketing programs include the use of strategic purchases of online advertising to place advertisements in areas in which we believe we can reach our target audience

In addition to the foregoing, we anticipate sales and revenues can be increased by:

- increase in the number and assortment of products carried;
- increase in outbound telemarketing and email marketing campaigns;
- increased buying prowess of computer users;
- increase in catalog (proposed and under development) circulation; and
- improvements in inbound telemarketing and email marketing service productivity.

The key elements of our business strategy includes:
premium customer service;
strong brand name and web-based franchise value;
extensive product selection at competitive prices; and
enhanced vendor relationships.

Growth Strategy:

Our objective is to be a web-based provider of e-commerce PC related products. Key elements of our growth strategy include:
partner with industry leaders to quickly acquire customers;
increase penetration of our existing customer base;

Edgar Filing: FREEWILLPC COM INC - Form SB-1/A

broaden our product offerings to include higher margin products such as network servers and communications equipment.

We plan to target a greater number of existing customers: with outbound telemarketing;
more aggressively pursue first- to-market product offerings;
provide specialized offerings to targeted segments of our customer base; and
increase investments in electronic commerce and Internet related marketing opportunities.

We believe that the higher projected growth for the direct marketing channel is primarily based on an increased user familiarity with PCs, coupled with the emergence of industry

10

standards and component commonality, and the resultant increase in customer comfort with purchasing products without the need to "touch and feel" them. In addition, broader product offerings, lower prices and greater purchasing convenience that direct marketers generally provide over traditional retail stores and local dealers.

Status of product or services based on public information requiring an

investment or material assets of the issuer.

As we are a new company, we do not have any information that has been made public or that will require an investment or material asset of ours.

Sources and Availability of Raw Material.

We do not use raw material in the traditional definition of the word. All products we sell are "finished" or "component" product.

Dependence on One or a Few Major Customers.

We are not dependent on any one or a few major customers. Our customers are individuals ordering from our web site over the internet.

Need for Governmental Approval of Principal Products or Services.

We are not aware of any governmental approval requirements to transact this type of business.

Effect of Existing or Probable Governmental Regulations on the Business.

We are not aware of any probable governmental regulations on our business that would affect our operations.

Research and Development.

We have no research and development. We only sell built-to-order computers and computer peripheral equipment. We are not designing or selling anything newly created products.

Costs and Effects of Compliance with Environmental Laws.

Edgar Filing: FREEWILLPC COM INC - Form SB-1/A

We are not aware of nor do we anticipate any environmental laws with which we will have to comply.

Number of Employees.

We have one employee, the President.

Operations and Technology.

We have built a basic transaction processing system. Our system handles all aspects of the sales process. The market in which we compete is characterized by rapidly changing technology, evolving industry standards, frequent new service and product announcements, introductions and enhancements and changing customer demands. Accordingly, our future success will depend our ability to adapt to rapidly changing technologies, to adapt our services to

11

evolving industry standards and to continually improve the performance, features and reliability of our service in response to competitive service and product offerings and evolving demands of the marketplace.

Additional information.

We have made no public announcements to date and have no additional or new products or services. In addition, we don't intend to spend funds in the field of research and development; no money has been spent or is contemplated to be spent on customer sponsored research activities relating to the development of new products, services or techniques; and we don't anticipate spending funds on improvement of existing products, services or techniques.

PLAN OF OPERATIONS

Following is our plan of operations based upon the amount of capital we raise in this offering.

The following table sets forth how we anticipate using the net proceeds from our offering:

	\$50,000 Minimum	\$500,000 Maximum
Development of website	\$ 2,500	\$ 50,000
Office equipment	4,000	46,000
Salaries	-0-	78,000
Internet security	-0-	27,000
Advertising for website	19,000	215,000
Expenses in adding new products/services	2,500	30,000
General corporate overhead	5,231	20,231
Proceeds to company	\$33,231	\$ 466,231

Following is a discussion of each anticipated/proposed expense identified above:

If the minimum amount is raised, we will dedicate 5% of the proceeds to further develop our website. Should the maximum be raised, we will dedicate 10% of the proceeds for this purpose. The reason for the greater percentage

Edgar Filing: FREEWILLPC COM INC - Form SB-1/A

investment if a lower amount is raised is due to the fact our website is our primary asset and as such requires full operational functionality immediately for us to be competitive. Consequently, as time unfolds, we will invest less in our website both monetarily and as a percentage of revenues as the major investment would already have been made. Office equipment, although needful, will be scrutinized based on functional need and business application. Obviously, the more money we have the more flexibility we will have in purchasing office equipment. Salaries will not be paid if the minimum amount is raised. Should the maximum amount be raised, we will acknowledge this as a sign of market

12

acceptance and therefore employ a seasoned and experienced management group to grow the company, beginning with a key executive, which we plan to compensate monetarily.

Internet security is needful and demanded by consumers. Such security relates to confidentiality with respect to credit information, securing credit card transactions, and maintaining absolute privacy in the purchasing process.

Typically, in the world of e-commerce, advertising on the "web" and in trade publications is the medium by which we can raise awareness of our company and our website. Consequently, advertising on the Internet is extremely critical to our success and future growth. As a result, we plan to dedicate significant resources to accomplish brand awareness. New products and services will expand proportionate to our free cash flow. Obviously, the more we raise in the initial offering the more investment we can make in product offerings.

General corporate overhead relates to rent and lease expense, utilities, and basic facility needs.

Generating Sufficient Revenue:

The Company plans to generate sufficient revenue by leveraging its existing customer base, expanding and developing its product line, and increasing market penetration. This is planned to be achieved through the following strategies:

Develop Targeted e-mail Marketing Campaign:

Targeted e-mail marketing campaigns are highly focused marketing efforts designed to sell product to a defined demographic group. The design of each campaign includes evaluating and segmenting the target population using personal data, often in combination with demographic screening programs, to estimate the sales potential of different groups. The Company's approach will be to target small businesses and individuals within its local business environment allowing for delivery of product free of delivery charges. This, the Company believes, will give them a competitive advantage. The Company believes that this approach to e-mail marketing campaigns is an effective and efficient means to generate sales revenue.

Expand Product Line:

The Company is constantly evaluating personal computer and peripheral products, adding new products as they become available. The Company works closely with its major vendors to identify and source first-to-market product offerings at aggressive and market leading prices. The Company believes it will generate more favorable terms with its vendors as volume

Edgar Filing: FREEWILLPC COM INC - Form SB-1/A

increases.

Customer Segmentation & Targeted Advertising:

The Company seeks to increase its customer base through targeted mailings as well as increasing its penetration in existing customers. The Company has developed an on-line catalog featuring product offerings designed to address the needs of specific customer segments. The Company's web-based

13

catalog will provide detailed descriptions of product offerings, allowing for search and on-line capabilities. The Company believes its target market is electronically savvy and adept and will choose and prefer to shop on-line.

Financing Needs:

As noted above, the Company's initial financing needs can and will be met even if the minimum offering amount is raised. The development of our web site is critical to our success, as it will be our "touch point" with our customer base and therefore our point of contact and delivery. As a result, direction to our web site through on-line advertising will also be critical. As noted, the Company believes it can develop the web site and fund advertising requirements for the six months the Company believes it needs to be cash flow positive. It is the opinion and express intent of the Company to be cash flow positive within six months of operational commencement. The variable factor as to how fast the Company believes it can grow is dependent on the initial amount of capital raised. Future funding requirements will thus be met through Company generated cash flow.

Cash flow positive operations are projected to be achieved within six months of operational commencement. This will be due to the following:

On-going cash requirements will consist of advertising, utilities, and nominal corporate overhead requirements

Advertising, the greatest of these costs, is variable and can be "turned on" or "turned off" as needed.

As there are no carrying costs due to the fact no inventory is carried in stock, the Company essentially operates on a "margin" basis. Consequently, as no product will ever be sold at a loss (all prices are over the negotiated from vendor cost), every sale contributes to on-going cash flow.

As presented, the net proceeds total \$33,231 if the minimum offering amount is raised and at this level of funding, we expect to implement our advertising in conjunction with our computer consultation which, coupled with our low overhead, should cause us to be profitable and operationally self sustaining and not need to raise additional capital for operations. The net proceeds total \$466,231 if the maximum amount is raised and this would give us the ability, not only to be profitable and self sustaining, but give us additional funds to promote, advertise and sell our products.

We anticipate the minimum funding will be sufficient to satisfy our cash requirements for the next twelve months since our overhead is very low, we do not have to stock inventory, we do not have to pay salaries and our system for filling orders is almost completely automated.

Edgar Filing: FREEWILLPC COM INC - Form SB-1/A

DESCRIPTION OF PROPERTY

Our corporate facilities are shared with our sole officer and director which includes the use of telephones and equipment for \$100.00 per month. This arrangement started in July 2000 and will continue until such time as the Company needs and can afford to lease its own office facilities.

14

We also lease space on an internet service provider's server based upon the amount of memory we use.

DIRECTORS, EXECUTIVE OFFICERS AND SIGNIFICANT EMPLOYEES

The directors and officers of the company, their ages and principal positions are as follows:

Name	Age	Position
David McCune	52	President; Secretary and Director

Background of Directors and Executive Officers:

David McCune. Mr. McCune graduated from Southwestern University, Waxahachie, Texas in 1973. Mr. McCune was in the U.S. Air Force for four years 1967-1970 and spent one year in Vietnam 1968-1969 Public speaker for 20 years and has been in the computer leasing business for 9 years. Mr McCune was Vice President of Sales of VAR Resources, Inc., a computer leasing company, from 1991 - 1993. Since that time, Mr. McCune has been a manager of computer leasing companies, working for MC Cambridge, Inc. from 1994 - 1995 and for LCS, LLC from 1996 to present.

Initially, Mr. McCune will not spend full time on the activities of the company since his current activities would take up some of his time. In addition, the company's activities need very little time since most steps in the business of the company are automated. Mr. McCune's activities include managing a computer leasing business but can devote more and more time to the activities of the company as time goes on since the other employees can take over his functions at the computer leasing company and Mr. McCune can step aside from those responsibilities in a short time. Initially, he expects to spend five hours per week and increase that weekly time as the activities of the company require. Mr. McCune is prepared to devote himself full time to the success of the company.

REMUNERATION OF DIRECTORS AND OFFICERS

Our sole officer and director has received no compensation other than the 3,500,000 shares of common stock he received for services on June 13, 2000 and has no employment contract with the company.

Name of Person Receiving compensation	Capacity in which he served to receive remuneration	Aggregate remuneration
David McCune	President, Secretary and Treasurer	3,500,000 shares of common stock

Edgar Filing: FREEWILLPC COM INC - Form SB-1/A

Mr. McCune received the common stock upon formation of the company and it

15

is impracticable to determine the cash value. Since the common stock was issued upon forming of our company for services performed which we cannot estimate the value since that work continues through the filing and effectiveness of this registration statement, with no other compensation to be granted for the work done on this filing.

As of the date of this offering, we have no plans to pay any remuneration to anyone in or associated with our company. When we have funds and/or revenue, our board of directors will determine any remuneration at that time.

INTEREST OF MANAGEMENT AND OTHERS IN CERTAIN TRANSACTIONS

On June 13, 2000 (date of inception), the president of the company received 4,000,000 shares of common stock which we issued to him for \$4,000, composed of \$500 cash and \$3,500 of his services.

On June 15, 2000, we entered into an agreement with a company to develop and link our website for which the company received a total of 200,000 shares valued at \$10,000 or \$0.05 per share.

As of the date of this filing, there are no agreements or proposed transactions, whether direct or indirect, with anyone, but more particularly with any of the following: o a director or officer of the issuer; o any principal security holder; o any promoter of the issuer; o any relative or spouse, or relative of such spouse, of the above referenced persons.

PRINCIPAL SHAREHOLDERS

The following table lists the officers, directors and stockholders who, at the date hereof, own of record or beneficially, directly or indirectly, more than 10% of the outstanding common stock, and all officers and directors of the company:

Title	Name and Address of Owner	Amount owned before offering	Percent
President, Secretary And Director	David McCune 709-B West Rusk, Suite 500 Rockwall, Texas 75087	4,000,000	95.23%
Total		4,000,000	95.23%
After offering:			
----- Minimum		4,000,000	90.90%
Maximum		4,000,000	64.52%

16

Edgar Filing: FREEWILLPC COM INC - Form SB-1/A

SIGNIFICANT PARTIES

The following table lists the significant parties of the issuer:

Relationship to Issuer	Name and business address	Residential address
Officer and Director	David C. McCune 709-B West Rusk Suite 500 Rockwall, Texas 75087	1335 Champion Drive Rockwall, Texas 75087
Record owner of 5% (or more) owner of equity securities	David C. McCune 709-B West Rusk Suite 500 Rockwall, Texas 75087	1335 Champion Drive Rockwall, Texas 75087
Beneficial owner of 5% (or more) owner of equity securities	David C. McCune 709-B West Rusk Suite 500 Rockwall, Texas 75087	1335 Champion Drive Rockwall, Texas 75087
Counsel to Issuer	R. Bradley Lambert Lamberth & Stewart, P.L.L.C 2840 Lincoln Plaza 500 North Akard Dallas, Texas 75201	1839 S. FM 740 Forney, Texas 75126

SECURITIES BEING OFFERED

We are offering for sale common stock in our company at a price of \$0.25 per share. We are offering a minimum of 200,000 shares and a maximum of 2,000,000 shares. The authorized capital in our company consists of 25,000,000 shares of common stock, \$0.001 par value per share. As of April 30, 2001, we had

17

4,200,000 shares of common stock issued and outstanding.

Every investor who purchases our common stock is entitled to one vote at meetings of our shareholders and to participate equally and ratably in any dividends declared by us and in any property or assets that may be distributed by us to the holders of common stock in the event of a voluntary or involuntary liquidation, dissolution or winding up of the company.

The existing stockholders have no preemptive rights to purchase common stock offered for sale by us, and no right to cumulative voting in the election of our directors.

RELATIONSHIP WITH ISSUER OF EXPERTS NAMED IN REGISTRATION STATEMENT

The experts named in this registration statement were not hired on a contingent basis and have no direct or indirect interest in our company. Our

Edgar Filing: FREEWILLPC COM INC - Form SB-1/A

attorney may purchase shares in this offering. Our certified public accountant may not purchase shares in this offering.

LEGAL PROCEEDINGS

We are not involved in any legal proceedings at this time.

CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS

We have retained J.S. Osborn, P.C., as our independent certified public accountant to audit our financial statements for the period from inception on June 13, 2000 to December 31, 2000. We have had no disagreements with him on accounting and disclosure issues.

Our former accountant resigned on May 11, 2001 because of time constraints, and the board of director appointed J.S. Osborn, P.C. at a meeting on May 15, 2001. No report of the former accountant contained an adverse opinion or disclaimer of opinion or was modified as to certainty, audit scope or accounting principles, except to include a "going concern" paragraph in its opinion. There were no disagreements with the former accountant on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure.

DISCLOSURE OF COMMISSION POSITION OF INDEMNIFICATION FOR SECURITIES ACT LIABILITIES

Our certificate of incorporation provides that the liability of our officers and directors for monetary damages shall be eliminated to the fullest extent permissible under Nevada law, which includes elimination of liability for monetary damages for defense of civil or criminal actions. The provision does not affect a director's responsibilities under any other laws, such as the federal securities laws or state or federal environmental laws.

18

Insofar as indemnification for liabilities arising under the Securities Act of 1933 (the "Act") may be permitted to directors, officers and controlling persons of the small business issuer pursuant to the foregoing provisions, or otherwise, the small business issuer has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable.

We have no underwriting agreement and therefore no provision for indemnification of officers and directors is made in an underwriting by a broker dealer.

LEGAL MATTERS

Edgar Filing: FREEWILLPC COM INC - Form SB-1/A

Our attorney has passed upon the legality of the common stock issued before this offering and passed upon the common stock offered for sale in this offering. Our attorney is Lamberth & Stewart, PLLC, 2840 Lincoln Plaza, 500 N. Akard Street, Dallas, Texas 75201.

EXPERTS

The financial statements as of December 31, 2000, and for the period from inception (June 13, 2000) to December 31, 2000 of the company included in this prospectus have been audited by J.S. Osborn, P.C., independent certified public accountant, as set forth in his report. The financial statements have been included in reliance upon the authority of him as an expert in accounting and auditing.

DIVIDEND POLICY

To date, we have not declared or paid any dividends on our common stock. We do not intend to declare or pay any dividends on our common stock in the foreseeable future, but rather to retain any earnings to finance the growth of our business. Any future determination to pay dividends will be at the discretion of our board of directors and will depend on our results of operations, financial condition, contractual and legal restrictions and other factors it deems relevant.

19

TRANSFER AGENT

We will serve as our own transfer agent and registrar for the common stock until such time as this registration is effective and we sell the minimum offering, then we intend to retain Signature Stock Transfer, Inc., 14675 Midway Road, Suite 221, Dallas, Texas 75244.

20

Edgar Filing: FREEWILLPC COM INC - Form SB-1/A

J. S. OSBORN, P.C.
CERTIFIED PUBLIC ACCOUNTANT
17430 CAMPBELL ROAD, SUITE 114
DALLAS, TEXAS 75252
972-735-0033 FAX 972-735-0035
JOSBORN@JSOCPA.COM
=====

REPORT OF INDEPENDENT PUBLIC ACCOUNTANT

To the Board of Directors and Stockholders
of FreewillPC.com, Inc.
Rockwall, Texas

I have audited the accompanying balance sheet of FreewillPC.com, Inc. (A Nevada corporation and A Development Stage Enterprise) as of December 31, 2000 and the related statements of operations, stockholders' equity and accumulated deficit, and cash flows for the period June 13, 2000 (Date of Inception), to December 31, 2000. These financial statements are the responsibility of the Company's management. My responsibility is to express an opinion on these consolidated financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, based on my audit, the financial statements referred to above present fairly, in all material respects, the financial position of FreewillPC.com, Inc. as of December 31, 2000, and the results of their operations and their cash flows for the period June 13, 2000 (Date of Inception), to December 31, 2000 in conformity with accounting principles generally accepted in the United States.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note-F to the financial statements, the Company incurred a loss for the period, has not generated significant revenues, and has no capital resources. These conditions raise substantial doubt about its ability to continue as a going concern. Management's plans regarding those matters also are described in Note-F. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

/s/ J.S. Osborn, P.C.

J.S. Osborn, P.C.
Dallas, Texas
June 20, 2001

Edgar Filing: FREEWILLPC COM INC - Form SB-1/A

F-1

FREEWILLPC.COM, INC.
(A DEVELOPMENT STAGE ENTERPRISE)

BALANCE SHEET
DECEMBER 31, 2000

ASSETS

CURRENT ASSETS:	
Cash	\$4,480

Total Current Assets	\$4,480
PROPERTY:	
Website (net of \$1,945 amortization)	8,055

Total Property	8,055

TOTAL ASSETS	\$12,535
	=====

LIABILITIES AND STOCKHOLDERS' EQUITY

LIABILITIES:	
Accounts payable	\$6,947

Total Liabilities	6,947
STOCKHOLDERS' EQUITY:	
Common stock, \$0.001 par value; 25,000,000 shares authorized; 4,200,000 shares issued and outstanding	4,200
Additional paid-in-capital	10,400
Deficit accumulated during the development stage	(9,012)

Total Stockholders' Equity	5,588

TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$12,535
	=====

Edgar Filing: FREEWILLPC COM INC - Form SB-1/A

See accountant's report and notes to financial statements.

F-2

FREEWILLPC.COM, INC.
(A DEVELOPMENT STAGE ENTERPRISE)

STATEMENT OF OPERATIONS
PERIOD JUNE 13, 2000 (DATE OF INCEPTION), TO DECEMBER 31, 2000

	June 13, 2000 Date of Inception to Dec 31, 2000 -----
REVENUE:	
Sales	\$5,669

Total Revenue	5,669
OPERATING EXPENSE:	
Cost of sales	5,008
Amortization	1,945
Consulting - related party	3,500
Bank charges	50
Office expense	115
Organization costs	963
Professional fees	2,500
Rent-related party	600

Total Operating Expense	14,681
NET LOSS:	(\$9,012) =====
Basic/diluted weighted average number of shares outstanding	4,199,005 =====
Basic/diluted net loss per share	(\$0.00) =====

See accountant's report and notes to financial statements.

F-3

FREEWILLPC.COM, INC.
(A DEVELOPMENT STAGE ENTERPRISE)

STATEMENT OF STOCKHOLDERS' EQUITY AND ACCUMULATED DEFICIT
PERIOD JUNE 13, 2000 (DATE OF INCEPTION), TO DECEMBER 31, 2000

	Common Shares	Stock Amount	Paid In Capital	Accu De
	-----		-----	-----
Balance, June 13, 2000 (date of inception)	-0-	-0-	-0-	
Shares issued on June 13, 2000 for:				
Cash	500,000	500		
Services-related party	3,500,000	3,500		
June 15, 2000 for:				
Website development	200,000	200	9,800	
Contributed capital by shareholder:				
Quarter ended September 30			300	
Quarter ended December 31			300	
Net Loss				
Balance December 31, 2000	4,200,000	\$4,200	\$10,400	
	=====		=====	=====

Edgar Filing: FREEWILLPC COM INC - Form SB-1/A

See accountant's report and notes to financial statements.

F-4

FREEWILLPC.COM, INC.
(A DEVELOPMENT STAGE ENTERPRISE)

STATEMENT OF CASH FLOWS
PERIOD JUNE 13, 2000 (DATE OF INCEPTION), TO DECEMBER 31, 2000

	June 13, 2000 Date of Inception to Dec 31, 2000 -----
CASH FLOWS FROM OPERATING ACTIVITIES:	
Loss for the period	(\$9,012)
Items not requiring cash:	
Amortization	1,945
Common stock issued for services	3,500
Changes in working capital:	
Increase in accounts payable	6,947

NET CASH PROVIDED FROM OPERATING ACTIVITIES:	3,380
CASH FLOWS FROM FINANCING ACTIVITIES:	
Proceeds of common stock issuance	500
Payment of expense by shareholder	600

NET CASH PROVIDED FROM FINANCING ACTIVITIES:	1,100
NET INCREASE IN CASH:	\$4,480
CASH AT BEGINNING OF PERIOD:	0
CASH AT END OF PERIOD:	----- \$4,480 =====

SUPPLEMENTAL DISCLOSURE:

Edgar Filing: FREEWILLPC COM INC - Form SB-1/A

Non-cash investing activity - the company issued 200,000 shares valued at \$0.05 per share for a total of \$10,000 for development of its website.

No income taxes paid.

No interest paid.

See accountant's report and notes to financial statements.

F-5

FREEWILLPC.COM, INC.
(A DEVELOPMENT STAGE ENTERPRISE)

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2000

NOTE A - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

History:

The Company was organized June 13, 2000, as a Nevada corporation under the name of FreewillPC.com, Inc. and is in the development stage. The Company's business plan outlines its plan of operations, which is to sell computers and computer peripheral equipment over the internet. Its development activities included the development of the Company's website and advertising its website to encourage borrowers to purchase items over the internet.

Basis of Presentation:

It is the Company's policy to prepare its financial statements on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States.

Supplier Concentration:

The Company purchased product from only one supplier for its operations for the period presented. Although products are available from other sources, the vendor's inability to supply products in a timely manner could adversely affect the Company's ability to satisfy customer demands.

Revenue Recognition:

The Company recognizes revenues from product sales and delivery, net of returns and discounts, when the products are shipped to customers. The company purchases and resells computers and records sales and costs of sales. For the peripheral equipment the Company sells for which it does not take possession of the product, it records as revenue the difference between the purchase price and the sales price of the items.

Use of Estimates

Edgar Filing: FREEWILLPC COM INC - Form SB-1/A

In order to prepare financial statements in conformity with accounting principals generally accepted in the United States, management must make estimates, judgments and assumptions that affect the amounts reported in the financial statements and determine whether contingent assets and liabilities, if any, are disclosed in the financial statements. The ultimate resolution of issues requiring these estimates and assumptions could differ significantly from resolution currently anticipated by management and on which the financial statements are based.

Cash and Cash Equivalents:

For purposes of the statement of cash flows, the Company considers all highly liquid debt instruments with maturity of three months or less to be cash equivalents.

Property and Equipment:

Property and equipment is carried at cost. Depreciation is provided by the straight-line method over each asset's estimated useful life. Upon retirement or disposal, the asset cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is included in the determination of net income.

Long-Lived Assets

In accordance with Statement of Financial Accounting Standards ("SFAS") No. 121, Accounting for the impairment of Long-Lived Assets and for Long -Lived Assets to be Disposed of, the Company records impairment losses when events and circumstances indicate that the assets might be impaired and the undiscounted projected cash flows associated with those assets are less than the carrying amounts of those assets. Impairment loss on a long-lived asset is measured based on the excess of the carrying amount of the asset over the asset's fair value, generally determined based upon discounted estimates of future cash flows.

F-6

FREEWILLPC.COM, INC.
(A DEVELOPMENT STAGE ENTERPRISE)

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2000

NOTE A - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED):

Net loss per Share:

Basic net loss per share excludes dilution and is computed by dividing net loss by the weighted average number of common shares outstanding for the period presented. Diluted net loss per common share was the same as basic net loss per common share for the period presented since the Company has no potentially dilutive securities and because of the Company's net loss.

Stock based compensation:

The Company accounts for stock based compensation in accordance with SFAS 123,

Edgar Filing: FREEWILLPC COM INC - Form SB-1/A

Accounting for Stock-Based Compensation. It introduces the use of a fair value-based method of accounting for stock based compensation. It encourages, but does not require, companies to recognize stock-based compensation expenses to employees based on the new fair value accounting rules. The Company has adopted the new fair value accounting rule and records the issuance of stock at the fair value of the consideration received.

Capitalized Web Site Development Costs and Software:

The Company accounts for its web site development costs and internally developed software costs in accordance with Emerging Issues Task Force 00-2, Accounting for Web Site Development Costs and the provisions of Statement of Position ("SOP") 98-1, Accounting for the Costs of Computer Software Developed or Obtained for Internal Use. This requires the capitalization of the costs incurred. Capitalized costs are amortized on a straight-line basis over the useful life of the software once it has been placed into service.

Start-Up Costs:

The Company expenses the costs of start-up activities and organization costs as they are incurred, in accordance with SOP 98-5, Reporting on the Cost of Start-up Activities.

Income Tax:

The Company is subject to the greater of federal income taxes computed under the regular system or the alternative minimum tax system. The Company uses an asset and liability approach for the accounting and financial reporting of income tax as required by SFAS No. 109, Accounting for Income Taxes. Under this method, deferred tax assets and liabilities are determined based on temporary differences between the financial carrying amounts and the tax bases of assets and liabilities using enacted tax rates in effect in the years in which the temporary differences are expected to reverse. Valuation allowances are established when necessary to reduce deferred tax asset to the amount expected to be "more likely than not" realized in future returns.

Year End:

The Company's year-end is December 31.

NOTE B - WEB SITE:

The Company's primary asset is its web site that is the center of its operational and income-generating activities for which it issued 200,000 shares of common stock valued at \$10,000. The cost of the web site is being amortized over three years starting in June 2000, the first month of operation.

In March 2000, the Financial Accounting Standards Board issued Interpretation No. 44, Accounting for Certain Transactions Involving Stock Compensation, an interpretation of APB Opinion No. 25, which was effective July 1, 2000. The website development was paid for by issuing 200,000 shares of common stock valued at \$0.05 per share. Since there was no readily determinable market value for the Company's common stock, the per share price was negotiated and determined by the fair value of services received.

Edgar Filing: FREEWILLPC COM INC - Form SB-1/A

FREEWILLPC.COM, INC.
(A DEVELOPMENT STAGE ENTERPRISE)

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2000

NOTE C - STOCKHOLDERS' EQUITY:

Common Stock:

The Company is authorized to issue 50,000,000 common shares of stock at a par value of \$0.001 per share. These shares have full voting rights. At December 31, 2000, there were 4,200,000 shares outstanding. The Company has not paid a dividend to its shareholders.

Common stock issuances

On June 13, 2000, the Company issued 4,000,000 shares to the President for \$4,000, comprised of \$500 cash and \$3,500 of his services. The services were valued at \$3,500 and the stock issued at par since it was impossible to determine the fair value of the services. The common stock was issued upon formation of the Company for services performed before, during and after formation of the Company.

On June 15, 2000, the Company issued to an unrelated party 200,000 shares for the development of its website valued at \$10,000. The value assigned of to the website development was fair market value but the number of shares issued for this website was negotiated and determined by the Company and the developers of the website since there was no readily determinable market value for the shares. The basis for valuing the shares at \$0.05 per share, which is substantially below the offering price per share to the public, is that the developers were giving services in exchange for stock before offering shares to the public and the website was a prerequisite for the Company to start in business which then allowed the Company to offer shares to the public. The value substantially below the public offering price was negotiated since the developers were not guaranteed that the Company would be able to sell stock to the public and no guarantee that the Company would be successful. The value of \$0.05 per share is substantially above the price the President paid two days earlier since the President developed the plan for the Company over a period of time, formed the Company, and purchased shares immediately upon formation; the plan included the filing of a registration statement with the U.S. Securities and Exchange Commission to raise funds at \$0.25 per share.

NOTE D - INCOME TAXES:

The Company had a net operating loss of \$9,012 for the period presented. No deferred tax asset has been recognized for the operating loss as it is more likely than not that all or a portion of the net operating loss will not be realized and any valuation allowance would reduce the benefit to zero.

Operating losses expire: 2020 \$8,358

The components of the provision (benefit) for income taxes included in the financial statements as of December 31, 2000 are as follows:

Deferred tax assets:	
Net operating loss carryforwards	\$ (9,012)
Valuation allowance	9,012

Total deferred income tax assets	-0-

Edgar Filing: FREEWILLPC COM INC - Form SB-1/A

Total deferred income tax liabilities	-0-

Net deferred income tax assets	\$ -0-
The Company's effective tax rate on a pre-tax income (loss) from continuing operations differs from the U.S federal statutory rate as follows:	
U.S. federal statutory rate	(34)%
Increase (decrease) in rates resulting from:	
Change in valuation allowance for deferred tax asset	34 %

Effective tax rate	0 %

F-8

FREEWILLPC.COM, INC.
(A DEVELOPMENT STAGE ENTERPRISE)

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2000

NOTE E - RELATED PARTY TRANSACTIONS:

In June 2000, the Company issued to its President 4,000,000 shares in consideration for \$4,000, comprised of \$500 cash and \$3,500 of his services. The services were valued at \$3,500 and the stock was issued at par. In addition, a shareholder is providing office space valued at \$100 a month, and is being recorded as contributed paid in capital.

NOTE F - GOING CONCERN:

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. Although the Company did not have negative cash flow from operations, it is a development stage enterprise and has not yet generated significant revenues. The Company has funded its operations to date from the issuance of shares and debt. These matters raise substantial doubt about its ability to continue as a going concern.

The company has minimal capital resources available to offset losses from operating and other obligations expected to be incurred. The continued existence is dependent upon several factors, including its ability to generate significant revenue and to generate operating capital.

Management of the Company is engaged in filing a Form SB-1 registration statement to raise a minimum of \$50,000 and a maximum of \$500,000 to cover its anticipated expenses and provide working capital.

The Company plans to generate sufficient revenue by:

Develop Targeted e-mail Marketing Campaign:

Targeted e-mail marketing campaigns are highly focused marketing efforts designed to sell product to a defined demographic group. The design of each campaign includes evaluating and segmenting the target population using personal data, often in combination with demographic screening programs, to estimate the

Edgar Filing: FREWILLPC COM INC - Form SB-1/A

sales potential of different groups. The Company's approach will be to target small businesses and individuals within its local business environment allowing for delivery of product free of delivery charges. This, the Company believes, will give them a competitive advantage. The Company believes that this approach to e-mail marketing campaigns is an effective and efficient means to generate sales revenue.

Expand its Product Line:

The Company is constantly evaluating personal computer and peripheral products, adding new products as they become available. The Company works closely with its major vendors to identify and source first-to-market product offerings at aggressive and market leading prices. The Company believes it will generate more favorable terms with its vendors as volume increases.

Customer Segmentation & Targeted Advertising:

The Company seeks to increase its customer base through targeted mailings as well as increasing its penetration in existing customers. The Company has developed an on-line catalog, featuring product offerings, designed to address the needs of specific customer segments. The Company's web-based catalog will provide detailed descriptions of product offerings, allowing for search and on-line capabilities.

Accordingly, the Company's continued existence is dependent upon the successful raising of capital, successful results from the Company's plan of operations, or obtaining financing. There can be no assurance that the Company will be successful in its efforts to raise sufficient operating capital, achieve future profitable operations, or obtain additional funding. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

F-9

FREWILLPC.COM, INC.

709-B West Rusk, Suite 500
Rockwall, Texas 75087
(972) 772-5930

May 31, 2001

U.S. Securities & Exchange Commission
450 Fifth Street NW
Washington, DC 20549

Dear Sir:

The accompanying financial statements as of April 30, 2001 and for the four months ended April 30, 2001 have been prepared in accordance with generally accepted accounting principles and include all adjustments which in the opinion of management are necessary in order to make the financial statements not misleading.

Edgar Filing: FREEWILLPC COM INC - Form SB-1/A

Sincerely,

/s/ David McCune

David McCune

FREEWILLPC.COM, INC.
a Development Stage Enterprise

BALANCE SHEET
April 30, 2001 and December 31, 2000

UNAUDITED

ASSETS

UNAUDITED
Apr 30, 2001

CURRENT ASSETS:

Cash	\$1,500
------	---------

PROPERTY AND EQUIPMENT:

Website (net of amortization)	6,944
-------------------------------	-------

TOTAL ASSETS

\$8,444
=====

LIABILITIES AND STOCKHOLDERS' EQUITY

LIABILITIES

Accounts payable	\$3,565
------------------	---------

STOCKHOLDERS' EQUITY

Common stock, \$0.001 par value, 25,000,000 authorized, 4,200,000 shares issued and outstanding	4,200
Additional paid-in-capital	10,800
Deficit accumulated during the development stage	(10,121)

Total Stockholders' Equity	4,879
----------------------------	-------

Edgar Filing: FREEWILLPC COM INC - Form SB-1/A

TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY

\$8,444

See accompanying notes

F-1

FREEWILLPC.COM, INC.
a Development Stage Enterprise

STATEMENT OF OPERATIONS
June 13, 2000 (Date of Inception) to April 30, 2001, and
June 13, 2000 (Date of Inception) to December 31, 2000, and
Four months ended April 30, 2001 (Unaudited)

UNAUDITED

	UNAUDITED Four months ended Apr 30, 2001	June 13, 2000 Date of Inception to Dec 31, 2000	June 13, 2000 Date of Inception to Apr 30, 2001
REVENUE:			
Sales	\$4,242	\$5,669	
COST OF SALES:	3,297	5,008	
GROSS PROFIT	945	661	
OPERATING EXPENSE:			
Amortization	1,111	1,945	

Edgar Filing: FREEWILLPC COM INC - Form SB-1/A

Consulting - related party		3,500	
Bank charges	40	50	
Office expense		115	
Organization costs & fees	308	963	
Professional fees		2,500	
Freight	195		
Rent - related party	400	600	
		-----	-----
Total Operating Expense	2,054	9,673	
		-----	-----
NET LOSS	(\$1,109)	(\$9,012)	(\$)
		=====	=====
Weighted average shares outstanding	4,200,000	4,199,005	4,1
		=====	=====
Loss per share - basic and diluted	(\$0.00)	(\$0.00)	
		=====	=====

See accompanying notes

F-2

FREEWILLPC.COM, INC.
a Development Stage Company

STATEMENT OF STOCKHOLDERS' EQUITY AND ACCUMULATED DEFICIT
June 13, 2000 (Date of inception) to December 31, 2000, and
Four months ended April 30, 2001 (Unaudited)

UNAUDITED

	Common Stock		Paid In
	Shares	Amount	Capital
	-----		-----

Edgar Filing: FREEWILLPC COM INC - Form SB-1/A

Balance,			
June 13, 2000			
(date of inception)	-0-	-0-	-0-
Shares issued on June 13, 2000 for:			
Cash	500,000	500	
Services - related party	3,500,000	3,500	
June 15, 2000 for:			
Website development	200,000	200	9,800
Contributed capital by shareholder:			
Quarter ended September 30			300
Quarter ended December 31			300
Net Loss			
Balance			
December 31, 2000	4,200,000	\$4,200	\$10,400
Contributed capital by shareholder:			
Four months ended April 30			400
Net Loss			
Balance			
April 30, 2001	4,200,000	4,200	10,800

See accompanying notes

F-3

FREEWILLPC.COM, INC.
a Development Stage Company

STATEMENT OF CASH FLOWS

June 13, 2000 (Date of Inception) to April 30, 2001, and
June 13, 2000 (Date of Inception) to December 31, 2000, and

Edgar Filing: FREEWILLPC COM INC - Form SB-1/A

Four months ended April 30, 2001 (Unaudited)

UNAUDITED

	UNAUDITED Four months ended Apr 30, 2001	Period from Inception (June 13, 2000 to Dec 31, 2000
<hr/>		
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	(\$1,109)	(\$9,0
Items not requiring cash:		
Amortization	1,111	1,9
Common stock issued for services		3,5
Changes in working capital:		
Increase (decrease) in accounts payable	(3,382)	6,9
	<hr/>	
NET CASH (USED) BY OPERATING ACTIVITIES:	(3,380)	3,3
CASH FLOWS FROM INVESTING ACTIVITIES:	0	
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from common stock issuance	0	5
Contributed capital by shareholder	400	6
	<hr/>	
Total cash flows from financing activities	400	1,1
	<hr/>	
NET INCREASE IN CASH	(\$2,980)	\$4,4
CASH, BEGINNING OF PERIOD	4,480	
	<hr/>	
CASH, END OF PERIOD	\$1,500	\$4,4
	<hr/> <hr/>	

Note:

Non-cash investing activity - the company issued 200,000 shares valued at \$0.05 per share for a total of \$10,000 for development of its website. No income taxes paid.

No interest paid.

Edgar Filing: FREEWILLPC COM INC - Form SB-1/A

See accompanying notes

F-4

FREEWILLPC.COM, INC.
(A DEVELOPMENT STAGE ENTERPRISE)

NOTES TO FINANCIAL STATEMENTS
April 30, 2001

NOTE A - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

History:

The Company was organized June 13, 2000, as a Nevada corporation under the name of FreewillPC.com, Inc. and is in the development stage. The Company's business plan outlines its plan of operations, which is to sell computers and computer peripheral equipment over the internet. Its development activities included the development of the Company's website and advertising its website to encourage borrowers to purchase items over the internet.

Basis of Presentation:

It is the Company's policy to prepare its financial statements on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States. The accompanying financial statements as of April 30, 2001 and for the four months ended April 30, 2001 have been prepared in accordance with generally accepted accounting principles and include all adjustments which in the opinion of management are necessary in order to make the financial statements not misleading.

Supplier Concentration:

The Company purchased product from only one supplier for its operations for the period presented. Although products are available from other sources, the vendor's inability to supply products in a timely manner could adversely affect the Company's ability to satisfy customer demands.

Revenue Recognition:

The Company recognizes revenues from product sales and delivery, net of returns and discounts, when the products are shipped to customers. The company purchases and resells computers and records sales and costs of sales. For the peripheral equipment the Company sells for which it does not take possession of the product, it records as revenue the difference between the purchase price and the sales price of the items.

Use of Estimates

In order to prepare financial statements in conformity with accounting principals generally accepted in the United States, management must make estimates, judgments and assumptions that affect the amounts reported in the financial statements and determine whether contingent assets and liabilities, if any, are disclosed in the financial statements. The ultimate resolution of issues requiring these estimates and assumptions could differ significantly from resolution currently anticipated by management and on which the financial statements are based.

Cash and Cash Equivalents:

Edgar Filing: FREEWILLPC COM INC - Form SB-1/A

For purposes of the statement of cash flows, the Company considers all highly liquid debt instruments with maturity of three months or less to be cash equivalents.

Property and Equipment:

Property and equipment is carried at cost. Depreciation is provided by the straight-line method over each asset's estimated useful life. Upon retirement or disposal, the asset cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is included in the determination of net income.

Long-Lived Assets

In accordance with Statement of Financial Accounting Standards ("SFAS") No. 121, Accounting for the impairment of Long-Lived Assets and for Long-Lived Assets to be Disposed of, the Company records impairment losses when events and circumstances indicate that the assets might be impaired and the undiscounted projected cash flows associated with those assets are less than the carrying amounts of those assets. Impairment loss on a long-lived asset is measured based on the excess of the carrying amount of the asset over the asset's fair value, generally determined based upon discounted estimates of future cash flows.

F-5

FREEWILLPC.COM, INC.
(A DEVELOPMENT STAGE ENTERPRISE)

NOTES TO FINANCIAL STATEMENTS
April 30, 2001

NOTE A - NATURE OF BUSINESS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(CONTINUED):

Net loss per Share:

Basic net loss per share excludes dilution and is computed by dividing net loss by the weighted average number of common shares outstanding for the period presented. Diluted net loss per common share was the same as basic net loss per common share for the period presented since the Company has no potentially dilutive securities and because of the Company's net loss.

Stock based compensation:

The Company accounts for stock based compensation in accordance with SFAS 123, Accounting for Stock-Based Compensation. It introduces the use of a fair value-based method of accounting for stock based compensation. It encourages, but does not require, companies to recognize stock-based compensation expenses to employees based on the new fair value accounting rules. The Company has adopted the new fair value accounting rule and records the issuance of stock at the fair value of the consideration received.

Edgar Filing: FREEWILLPC COM INC - Form SB-1/A

Capitalized Web Site Development Costs and Software:

The Company accounts for its web site development costs and internally developed software costs in accordance with Emerging Issues Task Force 00-2, Accounting for Web Site Development Costs and the provisions of Statement of Position ("SOP") 98-1, Accounting for the Costs of Computer Software Developed or Obtained for Internal Use. This requires the capitalization of the costs incurred. Capitalized costs are amortized on a straight-line basis over the useful life of the software once it has been placed into service.

Start-Up Costs:

The Company expenses the costs of start-up activities and organization costs as they are incurred, in accordance with SOP 98-5, Reporting on the Cost of Start-up Activities.

Income Tax:

The Company is subject to the greater of federal income taxes computed under the regular system or the alternative minimum tax system. The Company uses an asset and liability approach for the accounting and financial reporting of income tax as required by SFAS No. 109, Accounting for Income Taxes. Under this method, deferred tax assets and liabilities are determined based on temporary differences between the financial carrying amounts and the tax bases of assets and liabilities using enacted tax rates in effect in the years in which the temporary differences are expected to reverse. Valuation allowances are established when necessary to reduce deferred tax asset to the amount expected to be "more likely than not" realized in future returns.

Year End:

The Company's year-end is December 31.

NOTE B - WEB SITE:

The Company's primary asset is its web site that is the center of its operational and income-generating activities for which it issued 200,000 shares of common stock valued at \$10,000. The cost of the web site is being amortized over three years starting in June 2000, the first month of operation.

In March 2000, the Financial Accounting Standards Board issued Interpretation No. 44, Accounting for Certain Transactions Involving Stock Compensation, an interpretation of APB Opinion No. 25, which was effective July 1, 2000. The website development was paid for by issuing 200,000 shares of common stock valued at \$0.05 per share. Since there was no readily determinable market value for the Company's common stock, the per share price was negotiated and determined by the fair value of services received.

F-6

FREEWILLPC.COM, INC.
(A DEVELOPMENT STAGE ENTERPRISE)

NOTES TO FINANCIAL STATEMENTS

Edgar Filing: FREEWILLPC COM INC - Form SB-1/A

April 30, 2001

NOTE C - STOCKHOLDERS' EQUITY:

Common Stock:

The Company is authorized to issue 50,000,000 common shares of stock at a par value of \$0.001 per share. These shares have full voting rights. At April 30, 2001, there were 4,200,000 shares outstanding. The Company has not paid a dividend to its shareholders.

Common stock issuances

On June 13, 2000, the Company issued 4,000,000 shares to the President for \$4,000, comprised of \$500 cash and \$3,500 of his services. The services were valued at \$3,500 and the stock issued at par since it was impossible to determine the fair value of the services. The common stock was issued upon formation of the Company for services performed before, during and after formation of the Company.

On June 15, 2000, the Company issued to an unrelated party 200,000 shares for the development of its website valued at \$10,000. The value assigned of to the website development was fair market value but the number of shares issued for this website was negotiated and determined by the Company and the developers of the website since there was no readily determinable market value for the shares. The basis for valuing the shares at \$0.05 per share, which is substantially below the offering price per share to the public, is that the developers were giving services in exchange for stock before offering shares to the public and the website was a prerequisite for the Company to start in business which then allowed the Company to offer shares to the public. The value substantially below the public offering price was negotiated since the developers were not guaranteed that the Company would be able to sell stock to the public and no guarantee that the Company would be successful. The value of \$0.05 per share is substantially above the price the President paid two days earlier since the President developed the plan for the Company over a period of time, formed the Company, and purchased shares immediately upon formation; the plan included the filing of a registration statement with the U.S. Securities and Exchange Commission to raise funds at \$0.25 per share.

NOTE D - INCOME TAXES:

The Company had a net operating loss of \$9,012 for the period presented. No deferred tax asset has been recognized for the operating loss as it is more likely than not that all or a portion of the net operating loss will not be realized and any valuation allowance would reduce the benefit to zero.

Operating losses expire: 2020	\$9,012
Operating losses expire: 2021	\$1,109

The components of the provision (benefit) for income taxes included in the financial statements as of April 30, 2001 are as follows:

Deferred tax assets:	
Net operating loss carryforwards	\$(10,121)
Valuation allowance	10,121

Total deferred income tax assets	-0-
Total deferred income tax liabilities	-0-
Net deferred income tax assets	\$ -0-

Edgar Filing: FREEWILLPC COM INC - Form SB-1/A

The Company's effective tax rate on a pre-tax income (loss) from continuing operations differs from the U.S federal statutory rate as follows:

U.S. federal statutory rate	(34) %
Increase (decrease) in rates resulting from:	
Change in valuation allowance for deferred tax asset	34 %

Effective tax rate	0 %

F-7

FREEWILLPC.COM, INC.
(A DEVELOPMENT STAGE ENTERPRISE)

NOTES TO FINANCIAL STATEMENTS
April 30, 2001

NOTE E - RELATED PARTY TRANSACTIONS:

In June 2000, the Company issued to its President 4,000,000 shares in consideration for \$4,000, comprised of \$500 cash and \$3,500 of his services. The services were valued at \$3,500 and the stock was issued at par. In addition, a shareholder is providing office space valued at \$100 a month, and is being recorded as contributed paid in capital.

NOTE F - GOING CONCERN:

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. Although the Company did not have negative cash flow from operations, it is a development stage enterprise and has not yet generated significant revenues. The Company has funded its operations to date from the issuance of shares and debt. These matters raise substantial doubt about its ability to continue as a going concern.

The company has minimal capital resources available to offset losses from operating and other obligations expected to be incurred. The continued existence is dependent upon several factors, including its ability to generate significant revenue and to generate operating capital.

Management of the Company is engaged in filing a Form SB-1 registration statement to raise a minimum of \$50,000 and a maximum of \$500,000 to cover its anticipated expenses and provide working capital.

The Company plans to generate sufficient revenue by:

Develop Targeted e-mail Marketing Campaign:

Targeted e-mail marketing campaigns are highly focused marketing efforts designed to sell product to a defined demographic group. The design of each campaign includes evaluating and segmenting the target population using personal data, often in combination with demographic screening programs, to estimate the sales potential of different groups. The Company's approach will be to target small businesses and individuals within its local business environment allowing for delivery of product free of delivery charges. This, the Company believes, will give them a competitive advantage. The Company believes that this approach

Edgar Filing: FREEWILLPC COM INC - Form SB-1/A

to e-mail marketing campaigns is an effective and efficient means to generate sales revenue.

Expand its Product Line:

The Company is constantly evaluating personal computer and peripheral products, adding new products as they become available. The Company works closely with its major vendors to identify and source first-to-market product offerings at aggressive and market leading prices. The Company believes it will generate more favorable terms with its vendors as volume increases.

Customer Segmentation & Targeted Advertising:

The Company seeks to increase its customer base through targeted mailings as well as increasing its penetration in existing customers. The Company has developed an on-line catalog, featuring product offerings, designed to address the needs of specific customer segments. The Company's web-based catalog will provide detailed descriptions of product offerings, allowing for search and on-line capabilities.

Accordingly, the Company's continued existence is dependent upon the successful raising of capital, successful results from the Company's plan of operations, or obtaining financing. There can be no assurance that the Company will be successful in its efforts to raise sufficient operating capital, achieve future profitable operations, or obtain additional funding. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

F-8

No dealer, salesman or any other person has been authorized to give any quotation or to make any representations in connection with the offering described herein, other than those contained in this prospectus. If given or made, such other information or representation must not be relied upon as having been authorized by the company or by any underwriter. This prospectus does not constitute an offer to sell, or a solicitation of an offer to buy any securities offered hereby in any jurisdiction to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction.

TABLE OF CONTENTS

Prospectus Summary	2
Risk Factors	3
Forward Looking Statements	5
Dilution	5
Plan of Distribution	7
Use of Proceeds	7
Description of Business	8
Plan of Operations	12
Description of Property	15
Director's, Executive Officers and Significant Employees	15
Remuneration of Officers and Directors	15
Interest of Management and Others in Certain Transactions	16
Principal Shareholders	16
Significant Parties	17
Securities Being Offered	17
Relationship with Issuer of Experts Named in Registration Statement	18
Legal Proceedings	18

Edgar Filing: FREEWILLPC COM INC - Form SB-1/A

Changes In and Disagreements with Accountants on Accounting and Financial Disclosure	18
Disclosure of Commission Position of Indemnification for Securities Act Liabilities	18
Legal Matters	19
Experts	19
Dividend Policy	19
Transfer Agent	19
Financial Statements	F-1

Until the (90th day after the later of (1) the effective date of the registration statement or (2) the first date on which the securities are offered publicly), all dealers that effect transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the dealers' obligation to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

PART II INFORMATION NOT REQUIRED IN PROSPECTUS

Item 13. Indemnification of Directors and Officers

Not applicable.

Item 14. Other Expenses of Issuance and Distribution

All expenses, including all allocated general administrative and overhead expenses, related to the offering or the organization of the Company will be borne by the Company.

The following table sets forth a reasonable itemized statement of all anticipated out-of-pocket and overhead expenses (subject to future contingencies) to be incurred in connection with the distribution of the securities being registered, reflecting the minimum and maximum subscription amounts.

	Minimum	Maximum
SEC Registration Fee	\$ 269	\$ 269
Printing and Engraving Expenses	2,000	19,000
Legal Fees and Expenses	5,000	5,000
Edgar Fees	1,800	1,800
Accounting Fees and Expenses	2,500	2,500
Blue Sky Fees and Expenses	5,000	5,000
Miscellaneous	200	200
	-----	-----
TOTAL	\$ 16,769	\$ 33,769

Item 15. Recent Sales of Unregistered Securities

The Company sold on June 13, 2000 to its founder 4,000,000 shares of common stock which was issued to him for \$4,000, composed of \$500 cash and \$3,500 of his services. This stock was issued under the exemption under the Securities Act of 1933, section 4(2); this section states that transactions by an issuer not involving any public offering is an exempted transaction. The company relied upon this exemption because in a private transaction during June

Edgar Filing: FREEWILLPC COM INC - Form SB-1/A

2000, the founder, sole officer and director purchased stock for a combination of \$500 cash and \$3,500 of services.

The Company issued 200,000 shares on June 15, 2000 to a company in consideration for building and developing the website. This stock was valued at \$10,000 or \$0.125 per share. This stock was issued under the exemption under the Securities Act of 1933, section 4(2); this section states that transactions by an issuer not involving any public offering is an exempted transaction. The company relied upon this exemption because in a private transaction on June 15, 2000, this company developed the web site in exchange for 200,000 shares of stock valued at \$0.125 per share or a total of \$25,000 with no broker dealer involved in the transaction. The purchasers were sophisticated investors who purchased the stock for their own account and not with a view toward distribution to the public. The certificates evidencing the securities bear

legends stating that the shares may not be offered, sold or otherwise transferred other than pursuant to an effective registration statement under the Securities Act, or an exemption from such registration requirements.

Item 16. Exhibits

The following Exhibits are filed as part of the Registration Statement:

Exhibit No.	Identification of Exhibit
3.1*	Articles of Incorporation
3.2*	By Laws
4.2*	Specimen Stock Certificate
10.4*	Subscription Escrow Agreement
10.6*	Form of Subscription Agreement
10.8*	Website Development Agreement
16.0	Letter of Resignation of Former Account
23.1	Opinion of Lamberth & Stewart, PLLC, Attorneys at Law
23.2*	Consent of Lamberth & Stewart, PLLC, Attorneys at Law
23.3	Consent of J.S. Osborn, P.C., Certified Public Accountant

* Filed previously

Edgar Filing: FREEWILLPC COM INC - Form SB-1/A

Item 17. Undertakings

The Registrant hereby undertakes to:

(1) File, during any period in which it offers or sells securities, a post-effective amendment to this Registration Statement to:

(i) Include any prospectus required by section 10(a)(3) of the Securities Act; and (ii) Reflect in the prospectus any facts or events which, individually or together, represent a fundamental change in the information in the Registration Statement.

(2) For determining liability under the Securities Act, treat each post-effective amendment as a new registration statement of the securities offered, and the offering of the securities at that time to be the initial bona fide offering.

(3) File a post-effective amendment to remove from registration any of the securities that remain unsold at the end of the offering.

Insofar as indemnification for liabilities arising under the Securities Act of 1933 (the "Act") may be permitted to directors, officers and controlling persons of the small business issuer pursuant to the foregoing provisions, or otherwise, the small business issuer has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the Registrant certifies that it has reasonable grounds to believe that it meets the requirements for filing on Form SB-1 and authorizes this Registration Statement to be signed on its behalf by the undersigned, being duly authorized, in the City of Rockwall, State of Texas, on the date indicated below.

FreewillPC.com, Inc.

By: /s/ David McCune

David McCune, President

Pursuant to the requirements of the Securities Act of 1933, this Registration Statement has been signed below by the following person in the capacity and on the date indicated:

Signature	Title	Date
-----	-----	-----
/s/ David McCune ----- David McCune	President, Secretary, Treasurer; Director	July 13, 2001