



2.0 Company Summary

HRS is a start-up company based out of Port Gibson, MS. The company's primary goal is to develop robotics systems to transport hazardous waste to proper disposal sites. HRS is classified as an S Corporation according to the tax laws of the State of Mississippi.

The founding members are Rahul Bhakta, BSCPE, Victor Alfaro, BSCPE, Brandon Nichols, BSEE, and Sakinah Reid, BSEE. These members share the vision of using their education to develop robotic systems that will provide safer working environments for those employees who risk exposure to hazardous waste materials.

Rahul Bhakta will serve as CEO, while Victor Alfaro will serve as Vice-President of R&D. Sakinah Reid will serve as Vice-President of Production. Brandon Nichols will serve as Vice-President of Marketing & Sales.

2.1 Company Location

HRS is located at an industrial park in the city of Port Gibson, where Entergy's® Grand Gulf nuclear power plant is located. Recently, HRS has made an agreement with the aforementioned plant to use their facilities to test our robotic systems in order to improve the development process. In exchange, the aforementioned plant will receive the first developed system at a discounted rate.

Mississippi is one of few states who meet the EPA's RCRA State Authorization program requirements. As a result, the Mississippi's hazardous waste regulatory agency has been given the authority from the EPA to ensure that waste disposal programs meet both state and federal regulations. As stated by the EPA, this program delegates "the primary responsibility of implementing the RCRA hazardous waste program to individual states in lieu of EPA". This advantage will save HRS time and money in gaining approval from both the state agency and the EPA by simply gaining approval from one agency.

2.2 Company Facilities

HRS is currently seeking to purchase a 58,000 square foot facility at the Port Gibson industrial park. Ten thousand square feet will be allocated to serve as an office building, while the rest will be allocated for manufacturing, testing, and research. This park still has 40 lots (each 2 acres) available for purchase. Furthermore, these lots are sold at reduced rates for current lot owners. Hence, after purchasing the aforementioned facility, if there is a need to expand in the future, this park will easily accommodate future growth.

The office building will consist of a lobby, receptionist desk, conference room, viewing room (to view the manufacturing process and demonstration), employee lounge, six management offices, twenty cubicles (each with a personal computer), and four restrooms.

The manufacturing facility (which will be connected to the office building) will consist of a research and development lab, a testing lab, a demonstration room, and a manufacturing area. The manufacturing area will consist of arm development, locomotion, sensor attachment, and wireless control machinery.

2.3 Company Strategy

Initially, HRS will exclusively develop hazmat removal systems for the power industry. During this time, we will gain approval from the regulatory agency for hazardous waste of the State of Mississippi. Within a period of 2 years, we hope to supply systems to power industries throughout Mississippi and hope to gain approval from the regulatory agencies of the states of Alabama, Georgia, Tennessee, South Carolina, and North Carolina. Currently, these states also meet the EPA's RCRA State Authorization program requirements. Our method of approaching these facilities would be on an individual basis. Because each facility has its own design and its own specific needs, each plant would have a solution tailored to their requirements. Though we would approach potential clients on an individual basis, HRS will increase exposure by attending various conferences, such as the Electric Power Expo.

After a period of 5 years, HRS hopes to grow out of the Southeastern U.S. region and into other states that meet the EPA's RCRA State Authorization program requirements. During this time, we also plan to expand our line of products in order to move into other hazmat removal fields. However, this expansion would only take place in states where HRS has been established for at least a period of 3 years. In those states, our reputation with the power industries will have grown to a point where less marketing would be needed to move into other fields.

2.4 Start-Up Costs

| Startup Expenses | |
|-----------------------------------|---------------------|
| Legal | 2,000.00 |
| Stationary | 1,000.00 |
| Brochures | 1,000.00 |
| Consultants | 5,000.00 |
| Insurance | 30,000.00 |
| Land and Construction | 2,000,000.00 |
| Research and development | 1,200,000.00 |
| Expensed Equipment | 300,000.00 |
| Other | 1,000.00 |
| Total Startup Expenses | 3,540,000.00 |
| | |
| Startup Assets needed | |
| Cash Balance on Starting date | 2,000,000.00 |
| Startup Inventory | 0.00 |
| Other Current Assets | 40,000.00 |
| Total Current Assets | 2,040,000.00 |
| | |
| Total Startup Requirements | 5,580,000.00 |

Funding

Investment

| | |
|--------------------------|---------------------|
| Rahul Bhakta | 350,000.00 |
| Victor Alfaro | 350,000.00 |
| Brandon Nichols | 230,000.00 |
| Sakinah Reid | 250,000.00 |
| Ray Bhakta | 500,000.00 |
| Victor Alfaro, Sr. | 500,000.00 |
| Jim Reid | 500,000.00 |
| William Nichols | 500,000.00 |
| Entergy Grand Gulf Plant | 1,200,000.00 |
| Delta Capital, LLC | 1,000,000.00 |
| Total Investment | 5,380,000.00 |

Current Liabilities

| | |
|----------------------------------|-------------------|
| Accounts Payable | 200,000.00 |
| Current Borrowing | |
| Other Current Liabilities | 0.00 |
| Total Current Liabilities | 200,000.00 |

Long-term Liabilities 0.00

Total Liabilities 200,000.00

Left To Finance 0.00

| | |
|-------------------------------|--------------|
| Loss at Start-up | 3,540,000.00 |
| Total Capital | 1,840,000.00 |
| Total Capital and Liabilities | 2,040,000.00 |
| Checkline | 0.00 |

3.0 Product Description

Though each design will be unique for a given client, there are features that will be present in virtually every product. Each robot will load drums of hazardous waste onto a pallet. By using a camera combined with a joystick interface an operator is able to carefully load the materials onto the robot. At maximum capacity, the robot can transport 10 drums in a single trip. Once loaded, the pallet is raised in a forklift fashion and transported to the disposal/storage site. At the site, the operator can control the robot's disposal procedure through a portable monitor and camera. The standard product package would consist of a single robot transport and the associated user interface. The user interface consists of an LCD monitor and a joystick that allows the user to see the video output from the robot and control the different functions. With the system, HRS will also offer a comprehensive training course for system operators. HRS also offers to provide a HRS employee to operate the system for an annual fee. This would be beneficial as the HRS operator would not only know how to control the system, but would also be certified to perform maintenance on the components.

3.1 Sourcing

HRS will initially contract some of the major components for its products to other companies. For instance, an agreement has been made with Caterpillar® to construct a modified base for the forklift mechanism. However, the circuitry designs, programming, component selection, and testing will be performed internally by HRS.

3.2 Future Products

After HRS has established itself in the nuclear power industry, it will expand development of robotic systems for other various fields. These fields included asbestos abatement systems, accidental hazardous waste removal systems, lead removal systems, etc. Additionally, HRS will continue in its vision by developing other technologies that are not limited to being controlled by operators. In particular, autonomous robotic systems will be established for customers with specific needs. However, the autonomous robots will only be developed upon the approval of federal and local standards.