

CONCORDE AMERICA, INC.

Information Requirements Directed by Rule 15c2-11(a)(5) of the Securities Exchange Act of 1934, as amended, for the Annual Period Ended September 30, 2004¹

1. **Company Name:** The Company's legal name is Concorde America, Inc. The original date of incorporation of the entity currently comprising the Company was November 28, 1995, at which time its legal name was Storage Systems, Inc. It was originally incorporated in the state of Colorado. On March 5, 1999, an amendment to its articles of incorporation was filed, changing its name to Fisher Television Corporation, and a second name change amendment was filed on March 15, 2002, providing the Company with the name, MBC Food Corporation. On that same date articles of incorporation for a Nevada corporation carrying the identical name were filed. Pursuant to an Agreement and Plan of Merger, the Colorado entity was merged with and into the Nevada entity as of March 20, 2002, thereby eliminating the Colorado corporation's legal existence and causing the Nevada corporation to become the legal successor to all assets, liabilities, rights and obligations of the Colorado entity. The current management of the Company understands that no formal business transactions were engaged in by either the Colorado or Nevada corporation prior to that time. Concorde America, Inc., a Florida corporation, was formed on March 18, 2003. On June 10, 2004, the Company's articles of incorporation were amended, changing its name to that of the Florida corporation, and on June 24, the Nevada corporation and Florida corporation enter into a Plan of Merger under which, as of June 25, the Florida entity was merged with and into the Nevada entity, thereby causing the legal existence of the Florida entity to expire.

2. **Principal Executive Office:** As of September 30, 2004, the Company's principal executive offices were located at 7205 Mandarin Drive, Boca Raton, Florida 33433. It maintains recently established satellite offices in Mexico City, Mexico and in both Madrid and Almeria, Spain (See Section 10, "**Company Facilities**", below.)

3. **State of Incorporation:** The Company's present state of incorporation is Nevada.

4. **Title and Class of Outstanding Securities:** As of September 30, 2004, the Company's articles of incorporation authorized the issuance of 400,000,000 shares of capital stock. Of that total, 300,000,000 shares were classified as voting common stock and the remaining 100,000,000 shares as

¹ As noted in numbered Section 6. below, a portion of the outstanding shares of the Company's common voting stock appear to be freely tradeable. Additional portions, although restricted from free trading, are held by persons holding no director, officer or controlling shareholder position with the Company or have been held for a period of time that may enable transfers to be made under limited circumstances without the necessity of prior registration, pursuant to the "safe harbor" described in Rule 144, as promulgated under the Securities Act of 1933, as amended (the "**1933 Act**"). Under these circumstances, the Company wishes to assist licensed securities industry brokers, as well as its shareholders, in completing legally effective trades without unnecessary difficulty. To do so, we intend to publish on our official website, on an ongoing and continuous basis, and to update the same quarterly or otherwise as appropriate, the disclosure type of information required by Rule 15c2-11(5) (the "**Rule**"), as promulgated under the Securities Exchange Act of 1934, as amended (the "**1934 Act**"). The Rule renders it unlawful for any broker to publish or to submit for publication, in any quotation medium (such as The Pink Sheets), the bid or ask price of any security unless the broker is then in possession of specified issuer information and has a reasonable basis for believing that the information is accurate and that the source thereof is reliable. The information set forth in the numbered sections which follow is of the sort contemplated by the Rule and should therefore be of assistance to brokers. It should also assist eligible shareholders seeking to sell their shares in reliance upon Rule 144 because of (a) its directive (found in section (c)(2)) that, at the time of such a sale, there be "**publicly available**" certain Rule 15c2-11 information; and (b) the requirement under Rule 15c2-11(5) that the specified information be "**reasonably current**".

undesigned preferred stock. No shares of the preferred stock have been issued. Accordingly, the Company's only shares then currently issued and outstanding were drawn from its single class of authorized common stock.

5. **Par or Stated Value:** The par or stated value of each issued and outstanding share of the Company's single class of voting common stock is \$.001.

6. **Number of Shares Outstanding:** As of September 19, 2004, 209,176,000 shares of the Company's single class of common stock were issued and outstanding. None of its 100,000,000 shares of authorized preferred stock, \$.001 par value, have been issued or made the subject of any designated series maintaining particular preferences, limitations and relative rights. On September 20, 94,835,000 shares of its outstanding common stock (then restricted from resale) were redeemed from 35 founding Spanish shareholders in exchange for the Company's agreement not to pursue a civil action against such holders arising from an alleged failure on their part to adequately perform marketing services for which the Company had paid approximately \$350,000. The return of these shares reduced the Company's outstanding total to 114,341,000. Of that total, only 5,973 held by persons purchasing Company shares prior to 2003 and 10,000,000 shares recently purchased in an offering undertaken immediately following the June 25 merger of the Florida entity into the Nevada entity and pursuant to a transactional exemption from registration are understood by the Company to be freely tradeable at the present time. Such shares are subject to public sale or purchase through the medium of The Pink Sheets, L.C., a centralized quotation service that collects and publishes market maker quotes of over-the-counter securities in real time.

7. **Transfer Agent:** The Company's capital stock transfer agent is Interwest Transfer Company, 1981 Murray Holiday Road, Suite 100, Salt Lake City, Utah 84117.

8. **Company Business:** Following inception as a Florida corporation, the Company's initial activities related principally to the formulation and development of a proprietary business plan under which it would organize a methodology and operate, directly and through the efforts of subsidiary entities and independent licensees, a system engaged in the identification, recruitment, qualification, transportation and placement of documented immigrant workers, to be drawn largely from Central and South America, for employment in countries belonging to the European Union, under legally issued visas or other entry work authorizations, in industries principally related to agriculture, construction, domestic help, industrial and commercial maintenance and cleaning, and security. Such efforts have resulted to date in: (a) the development and successful testing of the Company's proprietary information technology systems that have been designed to enable the Company and its licensees to compile and store electronically, and to rapidly access via worldwide secure computer links, all relevant personal and experiential information as to each identified and initially recruited worker and to track the status of his or her qualification for legal immigration and work placement; (b) successful completion of the Company's due diligence review of the European Union market receptivity to its business plan; (c) expansion of the classes of workers that have been targeted for recruitment to include skilled as well as unskilled candidates, particularly in the fields of healthcare, mechanical repair, nursing and teaching; (d) the establishment and activation of subsidiary entities in The Netherlands and Ireland for the purposes of setting in place entities potentially qualifying for international tax benefits, and the near-term expected activation of two Spanish subsidiaries which are intended to provide certain operational efficiencies; (e) the procurement of two separate requests from private Spanish entities for the placement of more than 250 construction workers to be recruited from Mexico and more than 250 agricultural workers to be recruited from Costa Rica, with each such placement to be effected within the three month period commencing in the latter half of December 2004; and (f) as of September 30, execution of two separate license agreements in principle between the Company and newly formed entities under which exclusive

recruitment territories, Costa Rica and Nicaragua, are to be granted in exchange for license fees, payable by each licensee over a five year period.

Each such agreement in principle identifies an exclusive right to be granted to the licensee to identify and recruit qualified migrant workers within the designated territory. A definitive license agreement is expected to be executed by the Company with each licensee no later than December 15, 2004, under which an initial license fee of \$250,000 is then to be payable and a specific commission payment schedule is to be fixed. Commissions are expected to be paid by the Company to each licensee only upon the successful placement of recruited and qualified workers, at rates which will be dependent upon the service to be rendered and wage to be paid. In each case, the Company will retain its right to receive the fee payable by each contracting employer following worker placement. The negotiation of these initial agreements in principle is expected to better enable the Company to meet its requirements with respect to the timely placement of the construction and agricultural workers whose services as temporary employees of the two referenced Spanish entities have been requested. It is the Company's present expectation that the initial group of migrant workers, approximately 50 in number, will be qualified for transport from Costa Rica to Spain by mid-December. The Company's efforts to meet the stated requirements of a separate service purchaser, Almeridor, S.A., of up to 7,000 agricultural workers per week commencing in early January 2005, have not to date met with success, given the difficulties experienced in establishing the needed recruitment pipeline and the mechanisms to ensure the prompt issuance of Spanish work visas. Currently, the Company expects to be able to supply up to 30,000 such workers during 2005.

The Company expects to be able to negotiate additional license agreements granting exclusive recruitment rights within other Latin American territories as its need for or ability to process larger quantities of qualified workers increases, goals that are principally dependent upon the Company's success in contracting with prospective European Union employers and the development and maintenance of a reputation, both in Central and Latin America and in Europe, for ethical and efficient business practices.

9. **Company Products or Services:** The Company neither manufactures nor produces a tangible product. Its business plan contemplates the evolution of the Company and its subsidiaries as a full service international employment agency, with the goal of identifying and recruiting from Central and South America, directly or through the medium of licensed agents, unskilled and skilled workers who are willing to work abroad, generally for a contractual term of one year, followed by the qualification, transportation and placement of such workers with European Union employers to provide needed services, generally on a 12 month contractual basis, in geographic areas where there exists a rough similarity of culture, language and traditions, and in exchange for a level of net compensation which is expected to exceed the comparative wage offered within the home environment of the worker by a factor within the range of 600% to 1,000%.

10. **Company Facilities:** As of September 30, 2004, the Company's offices consisted of (a) its Boca Raton corporate headquarters, which are expected to be moved from the residence of its chief executive officer, on or before December 15, 2004, to a site in Coral Gables, Florida; and (b) offices maintained on behalf of each of three existing subsidiary entities: (i) CE Holdings, BV, a Netherlands corporation, Rokin #55, 1000 AZ Amsterdam, The Netherlands; (ii) CAI Limited, an Irish corporation, 6 Fitzwilliam Square, Dublin, 2, Ireland; and (iii) Servicios Corporativos Concordmex, S.A. de C.V., a Mexican corporation, Rivera #62, C.P. 01710 Mexico, D. F., Mexico. Two Spanish corporate subsidiaries are still in the process of being activated, each of which will maintain an address at Paseo de la Castellana, 114, Madrid, Spain.

11. **Chief Executive Officer and Board Members:** As of September 30, 2004, Hartley Lord occupied the position of Company chief executive officer and also served as the single member of the Company's board of directors and the single Company officer. By December 15, 2004, the Company expects to add two directors, each of whom will be appointed under authority of the Company's bylaws, to serve until successors are elected at the Company's initial annual shareholder meeting, expected to be held in April 2005. Mr. Lord, age 75, has substantial financial management and investment banking experience, with concentration in the field of telecommunications. Although retired for more than ten years, he has spent the greater part of the past 20 months engaged in activities associated with the Company's foundation, formulation of its business plan, activation and development.

12. **Current Financial Statements; Contingent Liability:** The internally prepared, unaudited consolidated balance sheet of the Company and its subsidiaries, as of September 30, 2004, and the related consolidated statements of operations, shareholders' equity and cash flows for the period then ended, and the cumulative amounts from March 5, 2003 (date of inception) to September 30, 2004, together with notes, are being provided as **Attachment A** to this disclosure document. Note 5 to such statements, relating to commitments and contingencies, reflects that the Company's issuance of 10,000,000 shares of its common stock in late June of this year, and events transpiring after such issuance, have been made the subject, as of August 17, 2004, of a formal order of investigation entered by the United States Securities and Exchange Commission (the "**Commission**") which declares that certain unspecified acts and practices may be in possible violation of Sections 5 (Registration of Securities) and 17 (Fraudulent Interstate Transactions) of the 1933 Act and Section 10(b) (Manipulative and Deceptive Devices) of the 1934 Act.

That issuance and those events were brought to the Commission's attention by the Company's dissemination on August 10 and 11, 2004 of an information release, a copy of which was furnished to the Commission's Division of Market Regulation, advising of the earlier publication on July 28 and August 9 of releases, authored by persons having no connection with and unknown to the Company, which wrongfully claimed to be official Company releases and presented substantively inaccurate information about the Company's operations and expectations. Since the commencement of such investigation, the Company and its personnel have cooperated fully with the Commission's staff and will continue to do so. The Company believes that such false releases were published to create strong market demand for the Company's traded shares in order that their bid and ask prices, and the volume of purchase and sale transactions therein, would increase swiftly and in a manner disproportionate, and without regard, to the Company's limited operating and financial history and complete absence of income so as to benefit one or more of the holders of some portion of the June 2004 share issuance.

Were the Commission's investigation to result in an administrative or judicial finding of culpability by the Company in connection with that issuance, a possibility would then exist that one or more open-market purchasers of those shares might be able to sustain a claim for damages or even for rescission of the purchase transaction. No attempt has been made to quantify the contingent liability to which the Company might be exposed were such a finding to be entered because the Company has no present information which would reasonably lead it to conclude that such a result has a realistic basis, but in connection with any review of the attached financial statements or this disclosure the possibility should be considered.

13. **Prior Year Financial Statements:** Because: (a) the Florida entity that first conceived of the Company's current business plan was formed in March 2003, first generated assets in late June 2004 and only received its first income in October; (b) current Company management understands that the Company engaged in no substantive business activities prior to consummation of the June 2004 merger that caused such business plan and all pre-merger activities associated with its development to become assets of the Company; and (c) on the date such merger was to be consummated, the Company neither

owned any substantive assets nor disclosed the existence of then current or past operating income or loss, the Company has been unable to prepare financial statements, consolidated or otherwise, except in the form described or referenced in Section 12. above.

14. **Brokers and Dealers:** The Company is aware that more than 40 securities brokerage firms have submitted quotations with respect to the Company's freely traded shares. No representative of any such entity has informed the Company of its intention to make a market in, or to initiate or submit quotations with respect to, such shares, nor, to the Company's knowledge, has contacted the Company seeking information on behalf of a customer that owns such shares. Neither the Company nor any affiliate thereof has any association with any of the referenced brokerage firms or any of their representatives.

15. **Share Price Quotations:** Within the calendar quarter ended September 30, 2004, no quotation of the trading range or of the bid and ask prices of a share of the Company's common stock was, within the knowledge of any Company officer, submitted or published by any registered broker, directly or indirectly, on behalf of the Company, any director or officer thereof, or any person directly or indirectly the beneficial owner of more than ten percent of the outstanding shares of the Company's common stock.

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Forward Looking Statements. Except for purely historical information, the statements contained in the foregoing disclosure are forward-looking and have been made in accordance with the requirements of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Readers are cautioned that these forward-looking statements are inherently subjective and reflect assumptions, known and unknown risks, uncertainties and other factors that may affect our business and prospects and cause our actual results, performance or achievements to differ materially from those expressed or implied by the forward-looking statements. These factors are difficult or impossible to predict accurately, and many of them are outside of our control. These factors include: the timely receipt of required governmental approvals for various aspects of our business; market demand for and acceptance of our services; actions of our existing and any new competitors; the impact of competitive products, services and pricing; the adequacy of our proprietary information technology to support our business plan or track our immigrant workers; general or specific economic conditions; government monetary policy; acts of war or terrorism; and other factors. Our forward-looking statements are made as of the date of this disclosure document, and except as may be required by law, we undertake no obligation to update our forward-looking statements as a result of any future events or developments.

CONCORDE AMERICA, INC.
STATEMENT OF FINANCIAL POSITION
As of September 30, 2004 (internally prepared and unaudited)

<u>Assets</u>	<u>September 30,</u> <u>2004</u>
Current assets:	
Cash and cash equivalents	\$16,000
Total current assets	16,000
Property, plant and equipment	1,000
Less accumulated depreciation	<u>-0-</u>
Net property, plant and equipment	1,000
Other assets (note 1)	-0-
	<u>\$17,000</u>
 <u>Liabilities and Shareholders' Equity</u> 	
Current liabilities:	
Accounts payable	<u>\$87,000</u>
Total current liabilities	<u>87,000</u>
Total liabilities (notes 2 and 4)	<u>87,000</u>
Shareholders' equity:	
Common stock	114,341
Additional paid-in capital (note 3)	990,000
Retained deficit	<u>(1,174,341)</u>
Total shareholders' equity	<u>(70,000)</u>
Total liabilities and shareholders' equity	<u>\$17,000</u>

See accompanying notes to financial statements.

CONCORDE AMERICA, INC.
STATEMENT OF INCOME (internally prepared and unaudited)

**For the Period from
Inception through
September 30, 2004**

Operating income	\$-0-
Operating expenses:	
Selling, general and administrative (note 2)	<u>1,174,341</u>
	1,174,341
Other income (note 1):	<u>-0-</u>
Net loss	<u>(1,174,341)</u>

See accompanying notes to financial statements.

**CONCORDE AMERICA, INC.
STATEMENT OF CASH FLOW**

**For the Period from
Inception through
September 30, 2004**

Cash and cash equivalents at beginning of period	\$-0-
Cash flows from period operating activities	-0-
Cash flows from territorial licensing activities	-0-
Cash flows from financing activities:	
Proceeds from common stock sale	<u>1,000,000</u>
Gross positive cash flows	1,000,000

Adjustments to reconcile license fee income and financing activity proceeds to net cash used in pre-merger, merger and business development activities:	
Pre-merger cost of acquisition of control block of Nevada Company's outstanding stock	350,000
Cost of effecting merger of Florida parent into Nevada subsidiary	10,000
Cost of establishing subsidiary entities, foreign office locations and developing business plan, including general and administrative	<u>624,000</u>
Total period costs	<u>984,000</u>

Net decrease in period cash and cash equivalents	\$984,000
<u>Cash Balance</u>	<u>\$16,000</u>

See accompanying notes to financial statements.

CONCORDE AMERICA, INC.
NOTES TO FINANCIAL STATEMENTS

1. These financial statements have been prepared on an accrual basis.

The Company's proprietary computerized data bases, comprising intangible assets, have been developed during the period prior to the Company's receipt of any capital or fee income. While the Company believes such assets to add significant value to its operations, it has not sought any independent valuation and consequently is reflecting such assets on its books at a nominal value.

In late September 2004 the Company entered into two separate license agreements in principle. Definitive license agreements are expected to be executed by the parties on or prior to December 15, 2004. Under each agreement in principle a non-refundable license fee of \$250,000 is to be made by the licensee concurrently with such execution. Since the receipt of each such fee is contingent upon that execution, it cannot be recorded as an account receivable.

2. The Company has chosen to expense rather than capitalize all amounts actually expended or incurred during the period from its inception through September 30, 2004 (\$1,174,341). The liabilities accrued at the end of such period, \$87,000, relate to fees for professional services rendered.

3. As of July 12, 2004, the Company caused its stock transfer agent to release certificates reflecting 10,000,000 shares of its common voting stock. Each such share was sold for a consideration of \$.10, generating \$1,000,000 of equity capital to the Company. Because each share carried a par value of \$.001, \$10,000 of the consideration received has been included in the Company's common stock account and the remaining \$990,000 has been reflected as additional paid-in capital. The remaining portion of the common stock account derives from there being an additional 104,341,000 issued and outstanding.

4. On August 17, 2004, a formal order of investigation was entered by the United States Securities and Exchange Commission (the "**Commission**") in the Matter of Concorde America, Inc., declaring that certain unspecified acts and practices might be in possible violation of Sections 5 (Registration of Securities) and 17 (Fraudulent Interstate Transactions) of the Securities Act of 1933 and Section 10(b) (Manipulative and Deceptive Devices) of the Securities Exchange Act of 1934. Such order was issued as a result of the Company's dissemination on August 10 and 11, 2004 of an information release, a copy of which was directed to the Commission's Division of Market Regulation, advising of the earlier publication on July 28 and August 9 of releases, authored by persons having no connection with and unknown to the Company, which wrongfully claimed to be official Company releases and presented substantively inaccurate information about the Company's operations and expectations. Those unauthorized releases, coupled with concurrently issued e-mail message traffic originating from a variety of websites having no relationship to or sponsorship by the Company, touting inaccurate and misleading information concerning the Company's business activities and financial prospects, appeared to be the catalyst for very substantial increases in the volume of purchases and sales of the Company's shares and in the per share price of such transactions.

The Company believes that such unauthorized releases and messages were published to create strong market demand for the Company's traded shares in order that their bid and ask prices, and the volume of transactions therein, would increase swiftly and in a manner disproportionate, and without regard, to the Company's limited operating and financial history and complete absence of income so as to benefit one or more of the holders of some portion of the June 2004 share issuance. If the Commission's investigation results in an administrative or judicial finding of culpability by the Company in connection with that issuance, a possibility would then exist that one or more open-market purchasers of those shares might be able to sustain a claim for damages or even for rescission of the purchase transaction. No attempt has been made to quantify the contingent liability to which the Company might be exposed were such a finding to be entered because the Company has no present information which would reasonably lead it to conclude that such a result has a realistic basis.