



May 24, 2005

## POUR SPOUT OPERATIONAL DESCRIPTION

The Beverage Tracker system tracks and communicates the dispensing of liquor and its placement on bottles wirelessly in real-time.

Functional description- a liquor spout containing electronics is placed on a bottle. The engage button located on the plastic housing is activated turning the electronics "on". The spout does a self-diagnostic and creates a time date stamp, which is transmitted along with an "on" signal in a burst transmission, repeated 8 times in less than one second.

When the spout is inverted beyond 91 degrees perpendicular to the ground the system begins counting in 1/10<sup>th</sup> seconds the period for which it is inverted. Once the spout is brought back to perpendicular the spout stops counting. It processes the time inverted, temperature at time of inversion and volt level of the battery. The processor creates a time date stamp and transmits all the above information along with its unique serial number 8 times repeated in a burst transmission taking less than 1 second.

When a spout is removed from a bottle the engage button is turned "off" which causes the spout to create a time date stamp, which is transmitted along with an "off" signal in a burst transmission, repeated 8 times in less than one second. The spout then becomes inactive to conserve power. The spout will remain inert until placed on a bottle again.

Sincerely,

Seth Temko

Vice President of Operations

CAPTON, Inc.

Phone: 847-483-9542

Email: stemko@captoninc.com