ACQUIRED SALES CORP
Form DEF 14C
August 09, 2011

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

SCHEDULE 14C INFORMATION STATEMENT

Pursuant to Section 14(c) of the
Securities Exchange Act of 1934

Check the appropriate box:

[ ] Preliminary Information Statement
[ ] Confidential, for use of the Commission only (as permitted by Rule 14c-5(d)(21))
[X] Definitive Information Statement

ACQUIRED SALES CORP.
(Name of Registrant as Specified In Its Charter)

Payment of Filing Fee (Check the appropriate box):

[ ] No fee required

[X] Fee computed on table below per Exchange Act Rules 14c-5(g) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing is calculated and state how it was determined.):
2,175,564 common stock shares to be issued at a $0.10 per share market value equals $217,556 times one-fiftieth of one percent or .0002 totals $43.51)

(4) Proposed maximum aggregate value of transaction:

(5) Total Fee Paid: $44

[ ] Fee paid previously with preliminary materials.

[ ] Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or

the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Dated Filed:

ACQUIRED SALES CORP.
31 N. Suffolk Lane, Lake Forest, Illinois 60045
Telephone: (847) 404-1964

NOTICE OF STOCKHOLDER ACTION BY WRITTEN CONSENT

To the stockholders of Acquired Sales Corp.:

This information statement is furnished to the stockholders of Acquired Sales Corp., a Nevada corporation (sometimes "Acquired Sales", the "Corporation", "Company", "we", "us" or "our") in connection with the approval by our board of directo and holders of a majority of our common stock to do the following:

1. Amend the Corporation's Articles of Incorporation with the Nevada Secretary of State to increase the Corporation's authorized shares of common stock, 50,000,000 shares to 100,000,000 shares.

2. Execute a 1-for-20 reverse stock split of the shares of our common stock to take effect on a date not later than December 31, 2011 so that stockholders will receive one share of our common stock for each twenty shares now held.

3. Change of the Corporation's fiscal year from September 30 to a December 31 year end.

4. Approve the acquisition of Cogility Software Corporation, a Delaware corporation ("Cogility"), through a to be formed wholly-owned subsidiary of the Corporation via a "reverse merger" pursuant to which Cogility would be merged with and into a wholly-owned single purpose merger subsidiary of the Corporation, with Cogility being the survivor of the Merger and a wholly-owned subsidiary of the Corporation. This acquisition shall be pursuant to the terms and conditions of an Agreement effective as of November 4, 2010, by and among Cogility, Deborah Sue Ghourdjian Separate Property Trust which is Cogility's majority shareholder, Matthew Ghourdjian who is Cogility's Chief Executive Officer, the Corporation, and all of the members of the Corporation's board of directors. In the Merger: (a) the current stockholders of Cogility would receive 2,175,564 shares of our common stock (88.2% of the shares of our common stock outstanding after the Merger); (b) the current optionholders of Cogility would receive options to purchase an aggregate of 1,117,925 shares of our common stock at exercise prices ranging from $0.001 to $5.00 per share; and (c) directors, officers, employees and consultants to Cogility would receive options to purchase an aggregate of 1,500,000 shares of our common stock at an exercise price of $5.00 per share.

The Cogility Software Transaction Term Sheet

- Acquired Sales Corp. is required to complete a 1-for-20 reverse stock split of the shares of its common stock;
  - Post-split, Acquired Sales would have outstanding 291,624 shares of common stock;
- In addition, Acquired Sales would have outstanding options to purchase an aggregate of 630,000 shares of its common stock at an exercise price of $2.00 per share.
- The vesting of the Acquired Sales stock options would be contingent upon the closing of its acquisition of Cogility.
  - Acquired Sales will form a new wholly-owned subsidiary in Delaware (the "Cogility Acquisition Sub"), the single purpose of the Cogility Acquisition Sub would be to acquire Cogility.

- Cogility would be merged with and into the Cogility Acquisition Sub, with Cogility being the survivor of such merger (the “Merger”).

  - From and after the closing of the Merger, Cogility would be a wholly-owned subsidiary of Acquired Sales.

In the Merger:

- (a) the current stockholders of Cogility would receive 2,175,564 shares of our common stock (88.2% of the shares of our common stock outstanding after the Merger);
- (b) the current optionholders of Cogility would receive options to purchase an aggregate of 1,117,925 shares of our common stock at exercise prices ranging from $0.001 to $5.00 per share; and
- (c) directors, officers, employees and consultants to Cogility would receive options to purchase an aggregate of 1,500,000 shares of our common stock at an exercise price of $5.00 per share.

The closing of the Merger would be subject to each of the following conditions:

- (a) The 1-for-20 reverse split of Acquired Sales' common stock shall have been completed, reducing the number of shares of Acquired Sales' common stock outstanding from 5,832,482 down to 291,624;
- (b) Cogility and Acquired Sales each shall have completed its "due diligence" investigation of the other and the results of such investigation shall be satisfactory to each of them, in its sole discretion;
- (c) audited financial statements of Cogility shall have been completed and delivered to Acquired Sales, and such audited financial statements shall be acceptable to Acquired Sales in its sole discretion;
- (d) Cogility and Acquired Sales shall have negotiated, executed and delivered mutually agreeable definitive transaction documentation;
- (e) all material third party approvals shall have been obtained, including approval of the definitive transaction documentation by the boards of directors of both Cogility and Acquired Sales;
- (f) all necessary securities filings shall have been made; and
- (g) no governmental or shareholder investigations, actions, orders, lawsuits or other proceedings are pending in regard to the securities filings or the Merger

The acquisition consideration for Cogility will consist of the following items:

- (1) the exchange of 11,530,493 outstanding shares of Cogility common stock for 2,175,564 shares of post-reverse split common stock of Acquired Sales, which Acquired Sales shares have an aggregate fair value of $4,351,128 based on the pre-split market value of $0.10 per share, or $2.00 per share post-split;
- (2) the exchange of 5,925,000 outstanding options to purchase shares of Cogility common stock for 1,117,925 options to purchase post-reverse split common stock of Acquired Sales at exercise prices ranging from $0.001 to $5.00 per share, which Acquired Sales options have an aggregate fair value of $1,466,341 computed using the Black-Scholes option pricing model and the following weighted-average assumptions: post-split exercise price of $1.06 per share, estimated term of 4.3 years, estimated volatility of 80%, estimated yield of 0% and estimated risk-free interest rate of 2.0%;
- (3) the elimination of the existing Cogility bonus plan, and the issuance of 1,500,000 options to purchase post-reverse split common stock of Acquired Sales at an exercise price of $5.00 per share, which Acquired Sales

options have an aggregate fair value of $1,182,830 computed using the Black-Scholes option pricing model and the weighted-average assumptions listed in (2) above except the weighted-average post-split exercise price is $5.00 per share and the estimated term is 4.0 years;

- (4) in November 2010, Acquired Sales granted stock options to the members of management and directors that participated in structuring the financing and the merger with Cogility; those stock options are for the purchase of 12,600,000 pre-split common shares at $0.10 per share, or 630,000 post-split common shares at $2.00 per share, and vest upon the occurrence of the merger; which Acquired Sales options have an aggregate fair value of $801,762 computed using the Black-Scholes option pricing model and the following weighted-average assumptions: estimated term of 5.2 years, estimated volatility of 78%, estimated yield of 0% and estimated risk-free interest rate of 1.1%; and

- (5) the issuance of Acquired Sales stock options to purchase 75,000 post-reverse split Acquired Sales common stock to a consultant with 25,000 options exercisable at $0.001 per share and 50,000 options exercisable at $2.00 per share, which Acquired Sales options have an aggregate fair value of $113,030 computed using the Black-Scholes option pricing model and the following weighted-average assumptions: post-split exercise price of $1.34 per share, estimated term of 5.0 years, estimated volatility of 77%, estimated yield of 0% and estimated risk-free interest rate of 2.0%.

- The total acquisition consideration for Cogility is $7,915,091.

5. Approve a post-acquisition option plan for the officers, directors and employees of the Corporation.

6. Elect Gerard M. Jacobs, Joshua A. Bloom, M.D., Roger S. Greene, James S. Jacobs, M.D., Michael D. McCaffrey, Richard E. Morrissy, and Vincent J. Mesolella to our board of directors to serve for a period of one year or until their successors are duly elected and qualified and in connection with the same, ratify the Board of Directors intention to amend, pursuant to Article 8.06, the Corporation's By-Laws to increase the size of the Corporation's Board of Directors from seven to ten, and to appoint Matthew Ghourdjian, and two additional persons designated by Matthew Ghourdjian and acceptable to the Corporation's Chairman and Chief Executive Officer, as new members of the Corporation's Board of Directors to fill the three vacancies on the Corporation's Board of Directors.

The foregoing changes will be implemented simultaneously and, where applicable, in one amendment to our Articles of Incorporation. Stockholders of record at the close of business on August 2, 2011 (the "Record Date") are entitled to notice of this stockholder action by written consent. Stockholders representing a majority of our issued and outstanding shares of common stock have already consented to the action to be taken by written consent to be effective as of 20 days after the mailing of this information statement and after the requisite filings are made with the State of Nevada.

ACQUIRED SALES IS NOT ASKING YOU FOR A PROXY AND YOU ARE REQUESTED TO NOT SEND A PROXY. Because the written consent of the holders of a majority of our voting power satisfies all applicable stockholder voting requirements, we are not asking for a proxy: please do not send us one.

Only stockholders of record at the close of business on August 2, 2011 (the "Record Date") shall be given a copy of the Information Statement. The date on which this Information Statement will be sent to stockholders will be on or about August 10, 2011 .

The accompanying information statement is for information purposes only. Please read it carefully.

By Order of the Board of Directors

/s/ Gerard M. Jacobs

Chief Executive Officer
August 8, 2011

This information statement is being furnished to all holders of the common stock of Acquired Sales in connection with the proposed action by Written Consent to authorize the board of directors to carry out the process to facilitate the reorganization of the Company in connection with the acquisition of Cogility.

ITEM 1.

INFORMATION STATEMENT

This information statement is being furnished to all holders of the common stock of Acquired Sales, in connection with resolutions of the Board of Directors and the written consent of the holders of in excess of 50% of the voting rights of the shareholders of Acquired Sales. The Board of Directors, as approved by the written consent of the holders of in excess of 50% of the voting rights of the shareholders of Acquired Sales as of the Record Date, provides public notice of the approval and authorization to carry out activities in connection with (i) amending the Corporation's Articles of Incorporation with the Nevada Secretary of State to increase the Corporation's authorized shares of common stock from 50,000,000 shares to 100,000,000 shares (the "Capitalization Increase"); (ii) effectuating a 1-for-20 reverse stock split of the shares of our common stock to take effect on a date not later than December 31, 2011 so that stockholders will receive one share of our common stock for each twenty shares now held (the "Reverse Split"); (iii) changing the Corporation's fiscal year from September 30 to a December 31 year end; (iv) acquisition of Cogility Software Corporation, a Delaware corporation, through a to be formed wholly-owned subsidiary of the Corporation via a "reverse merger" pursuant to which Cogility would be merged with and into a wholly-owned single purpose merger subsidiary of the Corporation, with Cogility being the survivor of the Merger and a wholly-owned subsidiary of the Corporation; (v) effectuating a post acquisition option plan for the officers, directors and employees of the Corporation; and, (vi) re-electing the Corporation's board of directors (collectively, the "Corporate Actions").

The capitalization increase will be effectuated pursuant to Certificate of Amendment (the "Amendment") to our Articles of Incorporation in the form as annexed hereto as Appendix A.

The Company will pay all costs associated with the distribution of the definitive Information Statement.

The Board of Directors of the Company (the "Board"), and a majority of the Company's stockholders at the Board's recommendation, have already approved of the Corporate Actions described above by written consent in lieu of meeting pursuant to Chapter 78 of the Nevada Revised Statutes of the State of Nevada (the "NRS"). Therefore, we are not seeking approval for the Amendment or any related capitalization change, or other Corporate Actions from any of the Company's remaining stockholders, and the Company's remaining stockholders will not be given an opportunity to vote on the Amendment or Corporate Actions. All necessary Board approvals have been obtained as of November 17, 2010 with all stockholder approvals effective as of November 23, 2010, and this Information Statement is being furnished solely for the purpose of providing advance notice to the Company's stockholders of the Amendment as required by the Securities Exchange Act of 1934, as amended (the "Exchange Act") and Nevada law.

DATE, TIME AND PLACE INFORMATION

Under Section 14(c) of the Exchange Act and Rule 14c-2 promulgated thereunder, the Capitalization Increase and Reverse Split cannot be effectuated until 20 days after the date that a Definitive Information Statement is sent to the Company's stockholders. This Preliminary Information Statement, as amended was filed with the Securities and Exchange Commission on July 26, 2011. It is anticipated that a Definitive Information Statement will be mailed ten days thereafter, on or about August 10, 2011 (the "Mailing Date") to the stockholders of the Company as of the close of business on August 2, 2011 (the "Record Date"). The Company expects to file the Amendment so as to effectuate both the Capitalization Increase and Reverse Split with the Nevada Secretary of State, approximately 20 days after the Mailing Date. The effective date of the Amendment and related Capitalization and Reverse Split therefore, is expected to be on or after August 31, 2011.

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DISSENTER'S RIGHT OF APPRAISAL

Pursuant to the NRS, our stockholders are not entitled to dissenters' rights of appraisal with respect to the Capitalization Increase or Reverse Split as effectuated by the Amendment and the Company will not independently provide shareholders with any such right.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

Common Stock

There will be no changes to any of the rights or privileges associated with our Common Stock. The following summarizes the rights of holders of our Common Stock before and after the filing of the Amendment relating to the capitalization change:

- Each holder of shares of Common Stock is entitled to one vote per share on all matters to be voted on by our stockholders generally, including the election of directors;
- There are no cumulative voting rights;
- The holders of our Common stock are entitled to dividends and other distributions as may be declared from time to time by the Board out of funds legally available for that purpose, if any, subject to any dividend rights of the preferred stock, if any;
- Upon our liquidation, dissolution or winding up, the holders of shares of Common Stock will be entitled to share ratably in the distribution of all of our assets remaining available for distribution after satisfaction of all our liabilities and the payment of the liquidation preference of any outstanding preferred stock; and
- The holders of Common Stock have no preemptive or other subscription rights to purchase shares of our stock, and are not entitled to the benefits of any redemption or sinking fund provisions.

Dividends

We have not declared or paid cash dividends or made distributions in the past, and we do not anticipate paying cash dividends or making distributions in the foreseeable future. We currently intend to retain and reinvest future earnings, if any, in order to finance our operations.

Outstanding Shares And Voting Rights

Currently, our only class of securities entitled to vote on the matters to be acted upon is common stock, of which the total amount presently outstanding is 5,832,482 shares, each share being entitled to one vote. The record date for determination of the security holders entitled to vote or give consent is August 2, 2011. The consent of the holders of a majority of the shares entitled to vote upon the matter is required for approval of the actions. The board of directors and Stockholders owning 3,591,206 which constitute a majority of 61.5% of the outstanding voting securities of Acquired Sales Corp. have unanimously adopted, ratified and approved resolutions to effect the actions listed above.

No other votes are required or necessary. We anticipate effecting the reverse split, acquisition and all other actions set out herein within two months of the date that this information statement is filed.

Our Board adopted resolutions approving and authorizing the Amendment containing both the Capitalization Increase and related Reverse Split by unanimous written consent in lieu of a meeting and selected and fixed August 2, 2011 as the Record Date for determining the stockholders entitled to give written consent and/or to receive this Information Statement. Effective as of November 23, 2010, a majority of the stockholders of the Company took action by written consent and approved an amendment to the Company's Articles of Incorporation with respect to the Reverse Split and Amendment.

As of the Record Date, the Company has authorized capital stock of 60,000,000 shares, of which 50,000,000 are shares of Common Stock and 10,000,000 are shares of preferred stock with 5,832,482 of Common Stock and no shares of preferred stock are outstanding on such date.

The following 11 shareholders, being beneficial owners of an aggregate of 3,591,206 shares of Common Stock constituting approximately 61.5% of our 5,832,482 shares of outstanding authorized Common Stock, voted in favor of the Amendment effecting the Reverse Split, Capitalization Increase and other Corporate Actions described above:

Name	Number of Shares
Leonard Dee Hall	600,000
Janet Brandler Custodian Christian Brandler	162,354
Kevin L. Cannon	200,000
Jennifer Christensen	200,000
Dan Carter	262,355
Jason Carter	200,000
Brian Williams	200,000
Kathy Carter	200,000
Ardeth Celano	200,000
Kiel Christensen	200,000
Roberti Jacobs Family Trust u/a/d 11-11-99 (1)	1,166,497
Total	3,591,206

(1) The Roberti Jacobs Family Trust irrevocably conveyed all of its voting power to Gerard M. Jacobs pursuant to a 2007 shareholder agreement, Mr. Jacobs is one of the grantors of the trust corpus, Mr. Jacobs' mother in law Joan B. Roberti is the trustee, and Mr. Jacobs' children are the beneficiaries. The trust is irrevocable.

Each share of Common Stock entitles its holder to one vote on each matter submitted to the stockholders.

Pursuant to Chapter 78 of the NRS, the approval of a majority of the Company's voting power is required in order to effectuate the Amendment and Corporate Actions. Chapter 78 of the NRS eliminates the need to hold a special meeting of the Company's stockholders to approve the Corporate Actions, including the Amendment and related capitalization change by providing that, unless the Company's Articles of Incorporation or Bylaws state otherwise, any action required or permitted to be taken at a meeting of the stockholders may be taken without a meeting if, before or after the action, a written consent is signed by stockholders holding at least a majority of the Company's voting power in favor of such action. Neither the Articles of Incorporation nor the Bylaws of the Company state otherwise and a majority of the Corporation's common stock have voted in favor of the Amendment and other Corporate Actions.

The Amendment would enable the Company, without further stockholder approval, to issue shares from time to time as may be required for proper business purposes, such as raising additional capital for ongoing operations, business and asset acquisitions, stock splits and dividends, present and future employee benefit programs and other corporate purposes.

DIRECTORS AND EXECUTIVE OFFICERS

Our articles of incorporation and bylaws authorize a board of directors comprised of a number of not less than one. Our stockholders have re-elected the entire board of directors.

Set forth below for each person who has been elected director, based on information supplied by him, are his name, age as of the date of the Information Statement, any presently held positions with us, his principal occupation now and for the past five years, other directorships in public companies and his tenure of service with us as a director. Each shall hold office until their successors are elected and qualify. The information has been provided by the nominees without independent verification by our management.

Nominees For Election As Directors

Name	Age	Position
Gerard M. Jacobs	56	Chairman, chief executive officer, president, secretary, treasurer
Joshua A. Bloom, M.D.	55	Director
Roger S. Greene	56	Director
James S. Jacobs, MD	57	Director
Michael D. McCaffrey	65	Director
Richard E. Morrissy	56	Director
Vincent J. Mesolella	62	Director
Matthew Ghourdjian	55	Intended Director

Our Directors serve in such capacity until the next annual meeting of our shareholders and until their successors have been elected and qualified. Our officers serve at the discretion of our Board of Directors, until their death, or until they resign or have been removed from office.

Gerard M. Jacobs, , age 56, has served as chairman of our board of directors, chief executive officer, president, secretary, treasurer since July 2007. Mr. Jacobs has been a private investor since 2006. In 2001, Gerard M. Jacobs took control of CGI Holding Corporation, and served as its CEO and member of its board of directors until 2006. Under Gerard M. Jacobs' guidance, CGI Holding Corporation changed its name to Think Partnership Inc., made 15 acquisitions primarily of businesses involved in online marketing and advertising, and succeeded in having its common stock listed on the American Stock Exchange. The company is now known as Inuvo Inc. (NYSE:AMEX: INUV). Previously, in 1995, Mr. Jacobs took control of General Parametrics Corporation, and served as its CEO and member of its board of directors until 1999. Under Mr. Jacobs' guidance, General Parametrics changed its name to Metal Management Inc., made 37 acquisitions primarily of businesses involved in scrap metal recycling, and

succeeded in building one of the largest scrap metal recycling companies in the world. The company is now part of Sims Metal Management Ltd. (NYSE: SMS). Mr. Jacobs is currently a director of Patient Home Monitoring Corp. (TSXV: PHM). We believe that Gerard M. Jacobs' experience serving as the CEO of three publicly traded companies and as a director of two other publicly traded companies, his work as an investment banker and as an attorney, and his intelligence and educational background, qualifies him to serve as a director of the Corporation.

Gerard M. Jacobs received a law degree from the University of Chicago Law School, which he attended as a Weymouth Kirkland Law Scholar, in 1978; and an A.B from Harvard College, in 1976, where he was elected to Phi Beta Kappa. Gerard M. Jacobs' brother James S. Jacobs, M.D. is also a member of our board of directors.

Joshua A. Bloom, M.D., age 55, has been a member of our board of directors since July 2007. He has been a practicing physician in Kenosha Wisconsin since completion of his training in 1988. He is board Certified in Internal Medicine, Pulmonary Diseases and in Critical Care Medicine. He has been employed by United Hospital System (formerly known as Kenosha Hospital and Medical Center) in the Clinical Practice Division from 1995 to present. He had been in private practice at the same address from 1988 to 1995. Dr. Bloom has served on the board of directors of Kenosha Health Services Corporation since 1993 and the board of Hospice Alliance, Inc since 1994 and Medical Director there since 1998. He has also served on the board of the Beth Israel Sinai Congregation since 1998 where he served as the President from 2004 until earlier this year. We believe that Joshua A. Bloom, M.D.'s experience serving as a director of the Corporation since 2007, his intelligence and educational background, and his familiarity with the medical field which has in the past and is currently providing candidates for potential acquisitions by the Corporation, qualifies him to serve as a director of the Corporation.

Dr. Bloom received a medical degree from the University of Illinois in 1982 and completed his residency in internal medicine in 1985 and fellowship in Respiratory & Critical Care Medicine in 1988; both at the University of Illinois. He received an MS in Organic Chemistry from the University of Chicago in 1978 and a BS in Chemistry from Yale College in 1977.

Roger S. Greene, age 56, has been a member of our board of directors since July 2007. He is the Managing Director and co-founder of Stanmore Capital Partners, LLC, a merchant banking firm that focuses upon the acquisition of small cash flow positive private companies, primarily in the health care services business. He is also owner and CEO of Marquette Advisors, Inc., a firm that provides consulting in the same areas. Projects have included a roll up of sleep diagnostic centers, acquisitions of companies in the blood plasma collection business and specialty medical education field. Mr. Greene is currently a director of Patient Home Monitoring Corp. (TSXV: PHM). Previously, he has worked with Brazos Fund and Lone Star Fund as general counsel. For Lone Star, Mr. Greene was responsible for negotiation and structuring of asset acquisitions from foreign entities. Prior to that time, he also worked on resolution and management of the assets of American Savings and Loan Association after the acquisition of American Savings Bank by the Robert M. Bass Group. Mr. Greene has also acted as a principal in real estate and operating company acquisitions. Mr. Greene resides in California. We believe that Roger S. Greene's experience serving as a director of two publicly traded companies, his work in mergers and acquisitions as an investment banker, his work as an attorney, his intelligence and educational background, and his familiarity with the medical field which has in the past and is currently providing candidates for potential acquisitions by the Corporation, qualifies him to serve as a director of the Corporation.

James S. Jacobs, M.D., age 57, has been a member of our board of directors since July 2007. He is a Physician in the Department of Radiation Oncology, at St. Joseph Hospital in Denver, Colorado. He was previously the Resident Physician in Radiation Oncology at Rush Medical Center in Chicago, Illinois. We believe that James S. Jacobs, M.D.'s experience serving as a director of the Corporation since 2007, his intelligence and educational background, and his familiarity with the medical field which has in the past and is currently providing candidates for potential acquisitions by the Corporation, qualifies him to serve as a director of the Corporation.

Dr. Jacobs did a residency in Radiation Oncology at Rush Medical Center in Chicago, Illinois and an internal medicine internship and residency at the University of Colorado Medical Center in Denver, Colorado. Dr. Jacobs received a BA in Neuroscience from Amherst College in Amherst, Massachusetts in 1976.

Michael D. McCaffrey, age 65, has been a member of our board of directors since July 2007. He is an attorney practicing in Irvine, California and specializing in commercial and business litigation. Mr. McCaffrey has tried more than 100 jury and non-jury trials, representing numerous large companies, institutional lenders, real estate developers, contractors and various public and private corporations, partnerships and sole proprietorships. He has had sole or primary responsibility for defense and prosecution of significant matters including real property secured transactions;

real estate syndication/fraud; partnership disputes/accounting/dissolution actions; corporate control; insurance (policyholders' interests and insurers' interests); employment litigation; prosecution, defense and expert witness on professional liability claims involving attorneys and accountants; construction, including prosecution and defense of major defect cases; and various business tort cases. We believe that Michael D. McCaffrey's experience serving as a litigator and advisor to corporations, and his intelligence and educational background, qualifies him to serve as a director of the Corporation.

Mr. McCaffrey received his Juris Doctor in 1974 from the University of Denver College of Law where he was a member of the University of Denver Law Review (qualified by class rank, top 5%) and received a B.S. in Engineering from UCLA in 1968.

Richard E. Morrissy, age 56, has been a member of our board of directors since July 2007. He is the Senior Research Specialist and project coordinator in the Pharmaceutical Sciences, School of Pharmacy, University of Illinois at Chicago. Mr. Morrissy is a project coordinator for the School of Pharmacy. His duties include serving as project coordinator on four clinical trial research projects funded by the National Institutes of Health's National Cancer Institute. The School of Pharmacy projects have involved multiple research projects utilizing Lycopene in restoring DNA damage in men's prostates. The project at UIC's internationally acclaimed Occupational Therapy School involved the setup and running of focus groups with impaired individuals to create a movement and activity computer survey for the World Health Organization. During his tenure, Mr. Morrissy has managed clinical research trials including the submission of institutional review board documents and grant proposals, recruitment of subjects and data management and storage. He has also designed and led focus groups, designed and critiqued research surveys, edited manuscripts and scientific journals. We believe that Richard E. Morrissy's experience serving as a director of the Corporation since 2007, his intelligence and educational background, and his familiarity with the medical field which has in the past and is currently providing candidates for potential acquisitions by the Corporation, qualifies him to serve as a director of the Corporation. He received a B.A. in History from Western Illinois University in 1976.

Vincent J. Mesolella, age 62, has been a member of our board of directors since October 2009. He has served for the last fifteen years as the Chairman of the Narragansett Bay Commission, Providence, Rhode Island, one of the largest wastewater treatment utilities in the U.S. Mr. Mesolella also served for over twenty years as a member of the Rhode Island House of Representatives, including serving as the Majority Whip. Mr. Mesolella is the founder and Chief Executive Officer of REI, Inc., a diversified real estate investment firm. Mr. Mesolella has served on the board of directors of Think Partnership Inc., an American Stock Exchange company. Mr. Mesolella has raised a great deal of money for charities including the Make-A-Wish Foundation. Mr. Mesolella resides in Rhode Island. We believe that Vincent J. Mesolella's experience serving as a director of two publicly traded companies including service as Chairman of the Audit Committee of both, his work as a developer and business owner, his experience as an elected public official, his Chairmanship of a major wastewater treatment organization that has been nationally recognized for its excellence, his intelligence and educational background, and his familiarity with the real estate industry which has in the past and is currently providing candidates for potential acquisitions by the Corporation, qualifies him to serve as a director of the Corporation.

There are no agreements or understandings for any of our executive officers or director to resign at the request of another person and no officer or director is acting on behalf of nor will any of them act at the direction of any other person. Directors are elected until their successors are duly elected and qualified.

Board Membership of Acquired Sales and Cogility Before and After the Proposed Acquisition.

Cogility board of directors pre-Merger: The board of directors of Cogility currently consists of three people: Matthew Ghourdjian, Gerard M. Jacobs, and Roger S. Greene. Matthew Ghourdjian and Gerard M. Jacobs currently are serving as the Co-Chairmen of Cogility.

Cogility board of directors after Merger: Upon the closing of the Merger, the board of directors of Cogility will be increased to ten people, and will consist of the existing three directors of Cogility (Matthew Ghourdjian and Gerard M. Jacobs, Co-Chairmen, and Roger S. Greene), plus seven new members: Joshua A. Bloom, M.D., James S. Jacobs, M.D., Michael D. McCaffrey, Vincent J. Mesolella, Richard E. Morrissy, General Robert Mixon (if he agrees to so serve, and if he does not, then another person designated by Matthew Ghourdjian and acceptable to Gerard M. Jacobs), and one other person designated by Matthew Ghourdjian and acceptable to Gerard M. Jacobs.

Acquired Sales board of directors pre-Merger: The board of directors of Acquired Sales currently consists of seven people: Gerard M. Jacobs, Joshua A. Bloom, M.D., Roger S. Greene, James S. Jacobs, M.D., Michael D. McCaffrey, Vincent J. Mesolella, and Richard E. Morrissy. Gerard M. Jacobs serves as the Chairman of Acquired Sales. Matthew Ghourdjian is not currently a director of Acquired Sales.

Acquired Sales board of directors after Merger: Pursuant to the terms of the November 4, 2010 Agreement, at the Closing of the Merger the Acquired Sales board of directors will be increased to ten people and will consist of the existing seven directors of Acquired Sales (Gerard M. Jacobs, Joshua A. Bloom, M.D., Roger S. Greene, James S. Jacobs, M.D., Michael D. McCaffrey, Vincent J. Mesolella, and Richard E. Morrissy) plus three new members: Matthew Ghourdjian, General Robert Mixon (if he agrees to so serve, and if he does not, then another person designated by Matthew Ghourdjian and acceptable to Gerard M. Jacobs), and one other person designated by Matthew Ghourdjian and acceptable to Gerard M. Jacobs. Gerard M. Jacobs and Matthew Ghourdjian will serve as the Co-Chairmen of Acquired Sales following the closing of the Merger. By signing the November 4, 2010 Agreement, Matthew Ghourdjian consented to serve as a director and Co-Chairman of Acquired Sales following the closing of the Merger.

Board Leadership Structure

Prior to the closing of our acquisition of Cogility, our board of directors has seven members. Gerard M. Jacobs is serving as both our principal executive officer and as the Chairman of our board of directors. Mr. Jacobs, who is a Phi Beta Kappa graduate of Harvard College and attended the University of Chicago Law School as a Weymouth Kirkland Law Scholar, has extensive experience serving as the Chief Executive Officer of several publicly traded companies, and as an independent member of the board of directors of other publicly traded companies, in several industries. Our company presently is a shell corporation, does not pay Mr. Jacobs any salary, and cannot afford any full-time paid employees. While our company, operating as a shell corporation, does not have any formally designated lead independent director, Mr. Jacobs regularly consults with several of our independent directors, and especially with Vincent J. Mesolella and Roger S. Greene, in regard to all aspects of our company’s affairs.

Mr. Mesolella has served on the boards of directors of publicly traded companies, and for the past twenty years has served as the Chairman of the Narragansett Bay Commission, a large wastewater treatment agency in Rhode Island that has won national awards under his leadership. Mr. Mesolella has been actively involved in our evaluation of Cogility as a potential acquisition candidate, and in our negotiations of the terms of our pending acquisition of Cogility. For example, Mr. Mesolella has met twice with Mr. Jacobs, Matthew Ghourdjian and other Cogility employees at Cogility’s office in Alexandria, Virginia. Mr. Mesolella also receives and reviews a copy of each of our monthly bank statements. Mr. Greene, who is a Phi Beta Kappa graduate of Harvard College and attended Harvard Law School, has also served on the boards of publicly traded companies and has extensive experience with mergers and acquisitions, capital raising, and operations. Mr. Greene introduced Cogility to us, and has been actively involved in our evaluation of Cogility as a potential acquisition candidate, and in our negotiations of the terms of our pending acquisition of Cogility. For example, Mr. Greene has met once with Mr. Jacobs and Mr. Ghourdjian at Cogility’s office in Alexandria, Virginia, and once with Mr. Jacobs and Mr. Ghourdjian at Cogility’s office in Anaheim, California.

We believe that our current leadership structure is appropriate given the limited financial resources of our shell corporation, the extensive experience of our directors, and the collaborative decision-making style of Mr. Jacobs. The board of directors' role in the risk oversight of our company involves periodic telephonic board meetings, and one-on-one and conference telephone calls and email correspondence questioning Mr. Jacobs regarding his decision-making thought process, reviewing available financial and other documents as appropriate, and brainstorming with Mr. Jacobs as to how to best advance and protect our shareholders' interests in regard to potential acquisitions and capital raises.

The leadership structure of our board of directors will change following the closing of our acquisition of Cogility. Our board of directors will expand to ten members. New members of our board of directors will include Matthew Ghourdjian, the Chief Executive Officer of Cogility, General Robert Mixon (if he agrees to so serve, and if he does not, then another person designated by Mr. Ghourdjian and acceptable to Mr. Jacobs), and one other person designated by Mr. Ghourdjian and acceptable to Mr. Jacobs. Gerard M. Jacobs will continue to serve as our principal executive officer, but he will share the role of Chairman of our board of directors with Mr. Ghourdjian, as Mr. Jacobs and Mr. Ghourdjian will become Co-Chairmen. Mr. Ghourdjian has a very different background than Mr. Jacobs, having spent years as a partner in the major consulting firms of Arthur Andersen and KPMG Consulting, with his focus being on technology and automation of business processes. We expect that Mr. Jacobs and Mr. Ghourdjian will spend a significant portion of their time and efforts collaborating with each other in regard to the evaluation and negotiation of potential acquisition candidates, and in regard to the planning for the growth and management of Cogility and subsequent acquisitions. We believe that this leadership collaboration by our Co-Chairmen is appropriate and needed to address challenges in regard to the anticipated future growth of our company. In this context, Mr. Jacobs and Mr. Ghourdjian expect to rely upon several of our independent directors for careful advice, especially Mr. Mesolella, Mr. Greene, and the two new independent directors whom Mr. Ghourdjian will designate and Mr. Jacobs will approve. If General Robert Mixon agrees to serve on our board of directors, he will bring a wealth of experience in dealing with federal contracting and military matters, important facets of Cogility’s business.

If we decide to make a future acquisition in the medical industry, which we are considering, Mr. Jacobs and Mr. Ghourdjian will also look for advice from our independent directors Dr. Joshua A. Bloom and Richard E. Morrissy, and from non-independent director Dr. James S. Jacobs. At the present time, we do not anticipate formally designating any of our independent directors as our lead outside director, and instead expect to draw upon the knowledge, experience and contacts of all of them. We believe that this anticipated leadership structure, with two Co-Chairmen and several strong independent directors providing counsel to them, is appropriate given the experience of our directors and the collaborative decision-making style of Mr. Jacobs and Mr. Ghourdjian. It is anticipated that, following the closing of our acquisition of Cogility, the board of directors’ role in the risk oversight of our company will involve periodic telephonic board meetings, and one-on-one and conference telephone calls and email correspondence questioning Mr. Jacobs and Mr. Ghourdjian, as the co-leaders of our company, regarding their decision-making thought process, reviewing available financial and other documents as appropriate, and brainstorming with Mr. Jacobs and Mr. Ghourdjian as to how to best advance and protect our shareholders’ interests in regard to potential acquisitions and capital raises, and in regard to operational and growth issues that may face Cogility.

Family Relationships

Gerard M. Jacobs and James S. Jacobs, MD are brothers. There is no other family relationship among any of our officers or directors.

Certain Relationships And Related Transactions

The following describes all transactions executed or performed in 2010 and currently proposed transactions in which we are a participant and the amount involved exceeds $ 120,000, and in which any related person had or will have a direct or indirect material interest.

Subsequent to December 31, 2010, the Company issued promissory notes totaling $920,000 accruing interest at a rate of 3% per year in a private placement, $400,000 of which notes were issued to related parties. The Company’s private placement offering documents said that investors would have to put up their investment money in the form of cash, excepting only that (a) Michael Ottele would be permitted to exchange the $20,000 loan which he made to Cortez

Systems on December 1, 2010 for a $20,000 investment in the private placement, and (b) The Roberti Jacobs Family Trust, an affiliate of Gerard M. Jacobs, our chief executive officer and a director, would be permitted to exchange its $200,000 note from Cogility dated December 13, 2010 for a $200,000 investment in the private placement.

Here is a summary of the Company's private placement, subsequent to December 31, 2010, and the re-loaning of a portion of the proceeds of the Company's private placement to Cogility:

(1) On January 31, 2011:

(a) the Roberti Jacobs Family Trust invested $225,000 in the private placement: $25,000 in the form of cash, plus $200,000 in the form of an assignment of its $200,000 note from Cogility dated December 13, 2010; this $225,000 investment was evidenced by a Company 3% Secured Promissory Note dated January 31, 2011, plus the Company Warrant No. 1 to purchase 2,250,000 shares of the Company common stock at $0.10 per share;

(b) Roger S. Greene, one of our directors, invested $25,000 in the private placement: $25,000 in the form of cash; this $25,000 investment was evidenced by a Company 3% Secured Promissory Note dated January 31, 2011, plus the Company Warrant No. 2 to purchase 250,000 shares of the Company common stock at $0.10 per share; and

(c) the Company loaned Cogility $50,000 in cash, and received from Cogility its Secured Promissory Note No. 1 payable to the Company in the principal amount of $250,000, covering the $50,000 loaned in cash plus the $200,000 note from Cogility dated December 13, 2010 that had been assigned to the Company by the Roberti Jacobs Family Trust;

(2) On February 11, 2011:

(a) Vincent J. Mesolella, one of our directors, invested $25,000 in the private placement: $25,000 in the form of cash; this $25,000 investment was evidenced by a Company 3% Secured Promissory Note dated February 11, 2011, plus the Company Warrant No. 3 to purchase 250,000 shares of the Company common stock at $0.10 per share; and

(b) the Company loaned Cogility $25,000 in cash, and received from Cogility its Secured Promissory Note No. 2 payable to the Company in the principal amount of $25,000, covering the $25,000 loaned in cash;

(3) On February 15, 2011:

(a) the Roberti Jacobs Family Trust invested $50,000 in the private placement: $50,000 in the form of cash; this $50,000 investment was evidenced by a Company 3% Secured Promissory Note dated February 11, 2011, plus the Company Warrant No. 4 to purchase 500,000 shares of the Company common stock at $0.10 per share; and

(b) the Company loaned Cogility $50,000 in cash, and received from Cogility its Secured Promissory Note No. 3 payable to the Company in the principal amount of $50,000, covering the $50,000 loaned in cash;

(4) On February 28, 2011:

(a) the Roberti Jacobs Family Trust invested $75,000 in the private placement: $75,000 in the form of cash; this $75,000 investment was evidenced by a Company 3% Secured Promissory Note dated February 28, 2011, plus the Company Warrant No. 5 to purchase 750,000 shares of the Company common stock at $0.10 per share; and

(b) the Company loaned Cogility $75,000 in cash, and received from Cogility its Secured Promissory Note No. 4 payable to the Company in the principal amount of $75,000, covering the $75,000 loaned in cash;

(5) On March 1, 2011:

(a) Nicholas M. Keller III invested $50,000 in the private placement: $50,000 in the form of cash; this $50,000 investment was evidenced by a Company 3% Secured Promissory Note dated March 1, 2011, plus the Company Warrant No. 6 to purchase 500,000 shares of the Company common stock at $0.10 per share; and

(b) the Company loaned Cogility $50,000 in cash, and received from Cogility its Secured Promissory Note No. 5 payable to the Company in the principal amount of $50,000, covering the $50,000 loaned in cash;

(6) On March 11, 2011:

(a) Joseph S. Keller invested $250,000 in the private placement: $250,000 in the form of cash; this $250,000 investment was evidenced by a Company 3% Secured Promissory Note dated March 11, 2011, plus the Company Warrant No. 7 to purchase 2,500,000 shares of the Company common stock at $0.10 per share;

(b) Michael Ottele invested $20,000 in the private placement: $20,000 in the form of an assignment of the $20,000 loan which he made to Cortez Systems on December 1, 2010; this $20,000 investment was evidenced by a Company 3% Secured Promissory Note dated March 11, 2011, plus the Company Warrant No. 8 to purchase 200,000 shares of the Company common stock at $0.10 per share; and

(c) the Company loaned Cogility $200,000 in cash, and received from Cogility its Secured Promissory Note No. 7 payable to the Company in the principal amount of $220,000, covering the $200,000 loaned in cash plus the $20,000 loan to Cortez Systems that had been assigned to the Company by Michael Ottele (to balance the transaction, Cogility received $20,000 in notes from Cortez Systems); and

(7) On March 15, 2011:

(a) John and Susan Heider invested $150,000 in the private placement: $150,000 in the form of cash; this $150,000 investment was evidenced by a Company 3% Secured Promissory Note dated March 15, 2011, plus the Company Warrant No. 9 to purchase 1,500,000 shares of the Company common stock at $0.10 per share;

(b) Glendenning Capital, Inc. invested $50,000 in the private placement: $50,000 in the form of cash; this $50,000 investment was evidenced by a Company 3% Secured Promissory Note dated March 15, 2011, plus the Company Warrant No. 10 to purchase 500,000 shares of the Company common stock at $0.10 per share and

(c) the Company loaned Cogility $150,000 in cash, and received from Cogility its Secured Promissory Note No. 7 payable to the Company in the principal amount of $150,000, covering the $150,000 loaned in cash.

The Roberti Jacobs Family Trust loaned $200,000 to Cogility on December 13, 2010, evidenced by a Cogility note payable to the Roberti Jacobs Family Trust dated December 13, 2010.

Michael Ottele loaned $20,000 to Cortez Systems on December 1, 2010. No note was ever prepared.

In the November 4, 2010, Agreement which contains the letter of intent for the Company to acquire Cogility, the following options were granted to related parties: (1) The Company issued 12,100,000 options at $0.10 per share of the Company's common stock to Gerard M. Jacobs, our Chief Executive Officer and a director, with vesting contingent upon the closing of the Company's acquisition of Cogility; (2) The Company issued 100,000 options at $0.10 per share of the Company's common stock to each of five of our directors: Joshua A. Bloom, Roger S. Greene, Michael D. McCaffrey, Vincent J. Mesolella and Richard E. Morrissy, with vesting contingent upon the closing of the Company's acquisition of Cogility; (3) Cogility issued 2,500,000 options at $0.377 per share of Cogility's common stock, and 530,000 options at $0.001 per share of Cogility's common stock, to Gerard M. Jacobs, with vesting contingent upon the closing of a $500,000 private placement by the Company and/or Cogility, which closing occurred in March, 2011; and (4) Cogility issued 132,500 options at $0.001 per share of Cogility's common stock to each of Roger S. Greene and Vincent J. Mesolella, with vesting contingent upon the closing of a $500,000 private placement by the Company and/or Cogility, which closing occurred in March, 2011.

The November 4, 2010, Agreement which contains the letter of intent for the Company to acquire Cogility also provides that, contingent upon the closing of the Company's acquisition of Cogility, the Company will issue an aggregate of 1,500,000 options at $5.00 per post-reverse split share of the Company's common stock to directors, officers, employees and consultants of Cogility, which may include one or more of the Company's directors or officers.

On October 12, 2010, the Company issued a demand promissory note to The Roberti Jacobs Family Trust in the amount of $20,000. This note bears interest at 10% per annum and is unsecured.

During April 2010, the Company issued a demand promissory note to Miss Mimi Corporation, an affiliate of our chief executive officer, in the amount of $4,000. This note bears interest at 10% per annum and is unsecured. During the year ended December 31, 2010, the Company incurred interest expense of $181 and made cash payments for interest in the same amount.

During January 2009 and November 2009, we issued demand promissory notes to CEO and Director Gerard M. Jacobs' spouse in the amount of $10,000 each. The notes bear interest at 10% per annum and are unsecured. During the three months ended December 31, 2010 and the years ended September 30, 2010 and 2009, the Company incurred interest expense of $504, $1,892 and $667, respectively, and made cash payments for interest in the amounts of $504, $1,974 and $585, respectively.

During December 2006, we borrowed $100,000 pursuant to an unsecured promissory note due on demand and bearing interest at 10% per annum, from the Roberti Jacobs Family Trust, an entity related to Mr. Jacobs. During the same month, we repaid $95,000 of the principal due under the note. During July 2007, we sold 1,166,497 shares of our common stock at $0.086 per share, which was equal to the market value at that date, to the lender. The lender paid $95,000 of the purchase price of these shares in cash; the other shares were issued in full satisfaction of the remaining $5,000 principal due under the note, and the lender waived the $42 of interest that had accrued on this debt.

Involvement in Certain Legal Proceedings

To the best of our knowledge, none of our directors or executive officers has been convicted in a criminal proceeding, excluding traffic violations or similar misdemeanors, or has been a party to any judicial or administrative proceeding during the past ten years that resulted in a judgment, decree or final order enjoining the person from future violations of, or prohibiting activities subject to, federal or state securities laws, or a finding of any violation of federal or state

securities laws, except for matters that were dismissed without sanction or settlement. Except as set forth in our discussion below in Item 13, “Certain Relationships and Related Transactions, and Director Independence,” none of our directors, director nominees or executive officers has been involved in any transactions with us or any of our directors, executive officers, affiliates or associates which are required to be disclosed pursuant to the rules and regulations of the SEC.

Board Composition and Committees

Our board of directors is currently composed of 7 members: Messrs. G. Jacobs, Bloom, Greene, J. Jacobs, McCaffrey, Morrissy and Mesolella. Our board of directors has determined that Messrs. Bloom, Greene, McCaffrey, Morrissy and Mesolella are independent directors at this time, under the rules of the American Stock Exchange Company Guide, or the AMEX Company Guide, because they do not currently own a significant percentage our shares, are not currently employed by the Company, have not been actively involved in the management of the Company and do not fall into any of the enumerated categories of people who cannot be considered independent directors under the AMEX Company Guide.

Audit Committee and Audit Committee Financial Expert

We have an audit committee consisting of Joshua A. Bloom, Roger S. Greene, Michael D. McCaffrey, Vincent J. Mesolella and Richard E. Morrissy as members. We have not adopted an Audit Committee charter. Vincent J. Mesolella serves as our audit committee chairman and financial expert. Our audit committee performs the following functions including: (1) selection and oversight of our independent accountant; (2) establishing procedures for the receipt, retention and treatment of complaints regarding accounting, internal controls and auditing matters; and (3) engaging outside advisors. Our Board of Directors has determined that each of its members is able to read and understand fundamental financial statements and has substantial business experience that results in that member's financial sophistication. Accordingly, the Board of Directors believes that each of its members has the sufficient knowledge and experience necessary to fulfill the duties and obligations that an audit committee member should have for a business such as the Company.

Board Meetings; Nominating and Committee

Due to the current size and scope of our operations and size and geographic diversity of our Board of Directors, much of the Board’s decision making is made through telephone calls and intermittent informal meetings; when formalization is necessary, the Board conducts formal meetings or acts by written consent. In the three month transitional period and the year ended December 31, 2010, we held only telephonic Board Meetings and there were no on ground Board Meetings attended by all directors.

We have a nominating committee consisting of Joshua A. Bloom, Roger S. Greene, Michael D. McCaffrey, Vincent J. Mesolella and Richard E. Morrissy as members. Mr. McCaffrey is the nominating committee Chairman.

Code of Ethics

We currently have not adopted a code of ethics due to our limited size and operations. Upon completion of acquisition of assets and expansion of our business in 2011, we intend to adopt a code of ethics consisting of written standards that are designed to deter wrongdoing and to promote (a) Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships; (b) Full, fair, accurate, timely, and understandable disclosure in reports and documents that we files with, or submit to, the Commission and in other public communications made by us; (c) Compliance with applicable governmental laws, rules and regulations; (d) The prompt internal reporting of violations of the code to an appropriate person or persons identified in the code; and (e) Accountability for adherence to the code.

Section 16(a) Beneficial Ownership Compliance.

Section 16(a) of the Securities Exchange Act of 1934, as amended, requires our executive officers and directors and persons who own more than 10% of a registered class of our equity securities to file with the Securities and Exchange Commission initial statements of beneficial ownership, reports of changes in ownership and annual reports concerning their ownership of our common stock and other equity securities, on Forms 3, 4 and 5 respectively. Executive officers, directors and greater than 10% shareholders are required by the Securities and Exchange Commission regulations to furnish us with copies of all Section 16(a) reports they file. Such persons are further required by SEC regulation to furnish us with copies of all Section 16(a) forms (including Forms 3, 4 and 5) that they file. Based solely on our review of the copies of such forms received by us with respect to fiscal year 2010, or written representations from certain reporting persons, we believe all of our directors, executive officers and 10% holders have met all applicable filing requirements, except as described in this paragraph:

The following persons are holders of 10% of our common stock and have not filed a Form 3: L. Dee Hall and the Roberti Jacobs Family Trust. The following persons are directors of the Company and have been awarded options which will vest upon acquisition of Cogility which ownership may have already triggered a requirement to file Form 3s or Form 4s which are not known to have been filed: Gerard M. Jacobs, Joshua Bloom, M.D., Roger Greene, Michael McCaffrey, Richard Morrissy, and Vincent Mesolella. The following persons are directors of the Company and hold warrants to purchase shares of our common stock and have not filed Form 3s or Form 4s, as applicable: Gerard M. Jacobs, Roger Greene, and Vincent Mesolella.

COMPENSATION OF DIRECTORS AND OFFICERS

As a result of its continued status as a shell corporation and the non-completion of the Cogility acquisition as of December 31, 2010, we did not experience any cash flow event as a result of any payment to an executive. We have not provided retirement benefits or severance or change of control benefits to our named executive officer, Gerard M. Jacobs. Unexercised options or warrants were held by our executive officers at the three month transitional period and year ended 2010 are set out in the following table. Other than the options issuance described herein, no equity awards were made during the three month transitional period and year ended December 31, 2010.

[table follows on next page]

Name and Principal Position (a)	Year (b)	Salary ($) (c)	Bonus ($) (d)	Stock Awards ($) (e)	Option Awards ($) (f)	NonEquity Incentive Plan Compensation ($) (g)	Nonqualified Deferred Compensation Earnings ($)(h)	All Other Compensation ($) (i)	Total ($) (j)
Gerard M. Jacobs,	2010	$ -	$ -	$ -	$769,560(2)	$ -	$ -	$ -	$769,560
CEO(1)	2009	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -

(1) Mr. Jacobs has been issued options to purchase 12,100,000 shares of our common stock at a purchase price of $0.10 per share. These options will vest upon closing of the Cogility acquisition and expire on November 4, 2020.

(2) The weighted-average grant-date fair value of options granted during the three months ended December 31, 2010 was $0.0636 per share. The Company recognizes compensation expense for stock-based awards expected to vest on a straight-line basis over the requisite service period of the award based on their grant date fair value. The Company estimates the fair value of stock options using a Black-Scholes option pricing model which requires management to make estimates for certain assumptions regarding risk-free interest rate, expected life of options, expected volatility of stock and expected dividend yield of stock.

Compensation of Directors

The table below sets forth the compensation of our directors for the three month transitional period and fiscal year ended December 31, 2010.

Name	Fees earned or paid in cash ($)	Stock awards ($)	Option awards ($)(1)(2)	Non-equity incentive plan compensation ($)	Nonqualified deferred compensation earnings ($)	All other compensation ($)	Total ($)(3)
Gerard M. Jacobs(4)	-	-	-	-	-	-	-
Joshua A. Bloom	-	-	$6,360	-	-	-	$6,360
Roger S. Greene	-	-	$6,360	-	-	-	$6,360
Michael McCaffrey	-	-	$6,360	-	-	-	$6,360
Vincent J. Mesolella	-	-	$6,360	-	-	-	$6,360
Richard E. Morrissy	-	-	$6,360	-	-	-	$6,360

(1) These options entitle the holder to purchase shares of our common stock at a purchase price of $0.10 per share. These options will vest upon closing of the Cogility acquisition and expire on November 4, 2020.

(2)

The weighted-average grant-date fair value of options granted during the three months ended December 31, 2010 was $0.0636 per share. The Company recognizes compensation expense for stock-based awards expected to vest on a straight-line basis over the requisite service period of the award based on their grant date fair value. The Company estimates the fair value of stock options using a Black-Scholes option pricing model which requires management to make estimates for certain assumptions regarding risk-free interest rate, expected life of options, expected volatility of stock and expected dividend yield of stock.

(3) The current market price of the underlying common stock shares as of the date of this filing is approximately $0.10 per common share.
(4) Mr. Jacobs' option compensation described in the preceding table is deemed to be executive compensation.

Compensation Discussion and Analysis

The Company does not have any full time employees and has not entered into long term executive or non-executive employment agreements, so as to limit the Company's exposure and liability. As indicated elsewhere in this Report, the Company regularly engages outside consultants, accountants and other professional service providers for purposes of providing services to the Company. The Company endeavors, where able, to issue options in lieu of cash compensation, so as to preserve capital where needed and limit cash risk exposure.

Historically, funding for the Company was sourced from management affiliates which have loaned $44,000 during the past years. The Corporation limits cash compensation to outside or internal directors and does not have a cash compensation policy. The Corporation believes that, given the extensive experience of Mr. Jacobs and the rest of the board of directors, and the current opportunity cost factor for each of them, as combined with the fact that each of them has continued to provide services without cash compensation, that the amount of compensation provided in the form of options, which must be purchased for cash, is fair and reasonable for the Corporation. Additionally, the Corporation has, in the past, sought to retain management, which would require that the Corporation enter into long term, inflexible employment arrangements with persons that may have a limited stake in the Corporation's success as compared to our principals.

The Company endeavors to enter into performance based compensation consulting packages with members of the Company's board of directors. Performance based compensation tends to be conditioned on achieving milestones such as achieving certain minimum net revenue streams from sources introduced by the director, securing contracts or other specific activities or items for which a particular board member may have skills.

Compensation Committee

Our directors and officers do not receive remuneration from us unless approved by the Board of Directors. No such payment shall preclude any director from serving us in any other capacity and receiving compensation in connection with that service. Notwithstanding the foregoing, in the three month transitional period and year ended December 31, 2010, no remuneration was paid any of our directors for services as director. We have a compensation committee consisting of Joshua A. Bloom, Roger S. Greene, Michael D. McCaffrey, Vincent J. Mesolella and Richard E. Morrissy as members. Roger Greene as serves as the committee's chairman.

Aggregate Option Exercise of Last Fiscal year and Fiscal Year-End Option Values

No shares of common stock were acquired upon the exercise of options during the three month transitional period and fiscal year ended December 31, 2010. The table below sets forth unexercised options, stock that has not yet vested and equity incentive plan awards for each named executive officer outstanding as of December 31, 2010. The 12,100,000 options are exercisable at $0.10 per share. They expire on November 4, 2020. The market value of the options based the weighted-average grant-date fair value of options granted during the three months ended December 31, 2010 was $0.0636 per share or $769,560.

[table follows on next page]

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Outstanding Equity Awards At Fiscal Year End
(see description of columns (a) through (j) below)

Option Awards						Stock Awards			
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)
Gerard M. Jacobs CEO	12,100,000	-	-	$0.10	11/4/20	12,100,000	$769,560	-	-

Description of Columns (a) through (j):

(a) The name of the named executive officer (column (a));

(b) On an award-by-award basis, the number of securities underlying unexercised options, including awards that have been transferred other than for value, that are exercisable and that are not reported in column (d) (column (b));

(c) On an award-by-award basis, the number of securities underlying unexercised options, including awards that have been transferred other than for value, that are unexercisable and that are not reported in column (d) (column (c));

(d) On an award-by-award basis, the total number of shares underlying unexercised options awarded under any equity incentive plan that have not been earned (column (d));

(e) For each instrument reported in columns (b), (c) and (d), as applicable, the exercise or base price (column (e));

(f) For each instrument reported in columns (b), (c) and (d), as applicable, the expiration date (column (f));

(g) The total number of shares of stock that have not vested and that are not reported in column (i) (column (g));

(h) The aggregate market value of shares of stock that have not vested and that are not reported in column (j) (column (h));

(i) The total number of shares of stock, units or other rights awarded under any equity incentive plan that have not vested and that have not been earned, and, if applicable the number of shares underlying any such unit or right (column (i)); and

(j) The aggregate market or payout value of shares of stock, units or other rights awarded under any equity incentive plan that have not vested and that have not been earned (column (j)).

INDEPENDENT PUBLIC ACCOUNTANTS

Registered Independent Public Accounting Firm

Hansen, Barnett & Maxwell, P.C. have served as our auditors since 2007. Representatives of Hansen, Barnett & Maxwell, P.C. are expected to be present at our next Annual Meeting of Shareholders with the opportunity to make a statement, if they so desire, and will be available to respond to appropriate questions from shareholders.

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The following table presents fees for all professional services provided by Hansen, Barnett & Maxwell, P.C. for the audit of our consolidated financial statements for the years ended September 30, 2010 and 2009 and the transitional period ended December 31, 2010, and fees billed for other services rendered by Hansen, Barnett & Maxwell, P.C. during those periods.

Audit Fees. Fees for audit services totaled $20,439 in 2010 and $5,630 in 2009, including fees associated with the annual audit, the review of our quarterly reports on Form 10-Q, comfort letters, consents, assistance with and review of documents to be filed with the SEC and Section 404 consultation services.

Tax Fees. Fees for tax services, including tax compliance, tax advice and tax planning totaled $0 in 2010 and $0 in 2009.

COMPENSATION PLANS

In connection with the letter of intent with Cogility, during the three months ended December 31, 2010 the Company issued to its director and sole officer and five of its non-officer directors, options to purchase an aggregate of 12,600,000 shares of its common stock at an exercise price of $0.10 per share. The options vest upon the acquisition of Cogility and expire on November 4, 2020. The consideration paid for the options is deemed to be a compensation expense. The market value of the options based on the current stock price is $0 due to the fact that the exercise price is $0.10 per share and current market price of the Company's common stock is also $0.10. There was no income tax benefit recognized by Acquired Sales in connection with the granting (or exercise) of the options. The options may trigger taxable income to the option holders both as a result of issuance and upon exercise.

Equity Compensation Plan Information

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by security holders	12,600,000(1)	$0.06	1,117,925(2)
Equity compensation plans not approved by security holders	-	-	-
Total	12,600,000(3)(4)	$0.06	1,117,925(5)
	-	-	

1. In November 2010, Acquired Sales granted these stock options to the members of management and directors that participated in structuring the financing and the merger with Cogility. Those stock options were for the purchase of 12,600,000 pre-split common shares at $0.10 per share, or 630,000 post-split common shares at $2.00 per share. The options vest upon the occurrence of the merger, which as of the date of this filing, has not occurred. The grant-date fair value of these stock options of $801,762 less $308,787 already included in Acquired Sales' operations is recognized as compensation expense.

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2. Prior to the merger, Cogility had stock options outstanding that permit the holders thereof to purchase 5,925,000 Cogility common shares at prices ranging from $0.001 to $1.40 per share. In the merger transaction, the Cogility option holders are to exchange these stock options for 1,117,925 Acquired Sales stock options exercisable at prices ranging from $0.001 to $5.00 per share. The exchange of these stock options is considered to be part of the recapitalization of Cogility and is not a modification of the Cogility stock options. There are 3,295,000 of these Cogility stock options that are exchangeable for 621,698 Acquired Sales stock options that vested during 2011 upon Acquired Sales obtaining at least $500,000 of financing and the remaining Cogility stock options vest upon occurrence of the merger with the Acquired Sales subsidiary.
3. Gerard M. Jacobs is the only executive officer of the Company. He has received 12,100,000 options.
4. The current directors who are not executive officers have collectively received 500,000 options.
5. Of the 1,117,925 Cogility options, Gerard M. Jacobs holds options that are to be exchanged for 571,698 Acquired Sales options should the acquisition of Cogility be completed. This would increase the number of post-reverse split Acquired Sales options held by Mr. Jacobs to 1,176,698 from 605,000 presently held. Roger S. Greene and Vincent J. Mesolella each hold Cogility options that are to be exchanged for 25,000 Acquired Sales options should the acquisition of Cogility be completed. This would increase the number of post-reverse split Acquired Sales options held by each of Mr. Greene and Mr. Mesolella to 30,000 from 5,000 presently held.

Option Plan

The letter of intent date November 4, 2010 and stockholder resolution dated November 11, 2010 authorized Acquired Sales to adopt a stock option plan or plans contemplating, among other things, the issuance of the options to purchase Acquired Sales Stock. Since November 2010, Acquired Sales has issued 12,600,000 options with an exercise price of $0.10 per share to members of Acquired Sales board and executive team, and issued 1,117,925 options in connection with, and exchange for, outstanding Cogility options. In addition, Acquired Sales may issue 1,500,000 options exercisable at $5.00 per share as compensation to employees, consultants, executives, and/or directors of Cogility. However, Acquired Sales has not adopted a formal option or equity compensation plan as of the date of this filing.

AUTHORIZATION OR ISSUANCE OF SECURITIES
OTHERWISE THAN FOR EXCHANGE

Description Of Securities

General

We are authorized to issue 50,000,000 shares of common stock, par value $0.001 per share, of which 5,832,482 shares are issued and outstanding. We are authorized to issue 10,000,000 shares of preferred stock, par value $0.001 per share. Approximately 4,801,287 shares of the 5,832,482 shares of common stock presently issued and outstanding are "restricted securities" as that term is defined in Rule 144 adopted under the Securities Act. The remaining 1,031,195 shares are believed to be free-trading.

Common Stock

Holders of common stock are entitled to one vote per share on each matter submitted to a vote at any meeting of stockholders. Shares of common stock do not carry cumulative voting rights and, therefore, holders of a majority of the outstanding shares of common stock will be able to elect the entire board of directors, and, if they do so, minority stockholders would not be able to elect any members to the board of directors. Our board of directors has authority, without action by the stockholders, to issue all or any portion of the authorized but unissued shares of common stock,

which would reduce the percentage ownership of the stockholders and which may dilute the book value of the common stock.

Shareholders have no pre-emptive rights to acquire additional shares of common stock. The common stock is not subject to redemption and carries no subscription or conversion rights. In the event of liquidation, the shares of common stock are entitled to share equally in corporate assets after satisfaction of all liabilities. The shares of common stock, when issued, will be fully paid and non-assessable. We currently do not accumulate money on a regular basis in a separate custodial account, commonly referred to as a sinking fund, to be used to redeem debt securities.

Holders of common stock are entitled to receive dividends as the board of directors may from time to time declare out of funds legally available for the payment of dividends. We have not paid dividends on common stock and do not anticipate that we will pay dividends in the foreseeable future.

Preferred Stock

We are authorized to issue preferred stock, but no shares of preferred stock have been designated or issued. The authorized but unissued shares of preferred stock may be divided into and issued in designated series from time to time by one or more resolutions adopted by the Board of Directors. The Directors in their sole discretion shall have the power to determine the relative powers, preferences, and rights of each series of preferred stock. In the event we designate shares of preferred stock, we intend that such shares will be entitled to preference over the common stock with respect to the distribution of our assets in the event of our liquidation, dissolution, or winding-up, whether voluntarily or involuntarily, or in the event of any other distribution of our assets of among our shareholders for the purpose of winding-up our affairs.

We may consider it desirable to have one or more classes of preferred stock to provide us with greater flexibility in the future in the event that we elect to undertake an additional financing and in meeting corporate needs that may arise. If opportunities arise that would make it desirable to issue preferred stock through either public offerings or private placements, the provision for these classes of stock in our certificate of incorporation would avoid the possible delay and expense of a stockholders' meeting, except as may be required by law or regulatory authorities. Issuance of the preferred stock would result, however, in a series of securities outstanding that may have certain preferences with respect to dividends, liquidation, redemption, and other matters over the common stock which would result in dilution of the income per share and net book value of the common stock. Issuance of additional common stock pursuant to any conversion right that may be attached to the preferred stock may also result in the dilution of the net income per share and net book value of the common stock. The specific terms of any series of preferred stock will depend primarily on market conditions, terms of a proposed acquisition or financing, and other factors existing at the time of issuance. As a result, it is not possible at this time to determine the respects in which a particular series of preferred stock will be superior to our common stock. The board of directors does not have any specific plan for the issuance of preferred stock at the present time and does not intend to issue any such stock on terms which it deems are not in our best interest or the best interests of our stockholders.

Nature and Approximate Amount of Consideration to be Received by Us in Exchange for our Share Issuance to Cogility.

In connection with the proposed acquisition of Cogility, Cogility's shareholders will exchange all of the outstanding 11,530,493 shares of Cogility common shares outstanding and receive 2,175,564 shares of our common stock.

Reasons for the proposed issuance and general effect on the rights of our security holders.

Our long stated objectives have been to seek, investigate and, if warranted, acquire an interest in one or more businesses, particularly focusing upon existing privately held businesses whose owners are willing to consider merging their businesses into our company in order to establish a public trading market for their common stock, and whose managements are willing to operate the acquired businesses as divisions or subsidiaries of our company. Cogility fits into that longtime objective. The general effect on the rights of our security holders will be a dilution of their relative ownership, but an anticipated increase in the value and liquidity of their shares.

MODIFICATION OR EXCHANGE OF SECURITIES

Reverse Stock Split

Our board of directors adopted resolutions and a majority of our stockholders approved such resolutions providing for a recapitalization pursuant to which the issued and outstanding shares of our common stock are to be reverse split, or consolidated, on a 1-for-20 basis, so that stockholders will own one share of common stock for each 20 shares of common stock now held by the stockholder. The reverse split shall be effected on a date not later than December 31, 2011. No fractional shares will be issued in connection with such recapitalization and fractional shares will be rounded down to the nearest whole number. Under the recapitalization, the 5,832,482 issued and outstanding shares of our common stock will be reverse split resulting in 291,624 shares of common stock being issued and outstanding after the recapitalization.

Reasons For The Reverse Split

Our management believes that the reverse split is in the best interest of the company by reducing the perceived depressive effect of a large number of shares may have on the public market for our common stock. In addition, the reverse split, along with increasing our authorized shares of common stock to 100,000,000 will make available a substantial number of additional authorized, but unissued shares of common stock which will provide increased flexibility in structuring possible future financing, in taking advantage of future business opportunities such as acquisitions, and in meeting corporate needs as they arise, all without the delay and expense of calling a meeting of our stockholders to authorize an increase in authorized capital.

Furthermore, it is ultimately our goal to have our securities listed on the NASDAQ or on a national stock exchange. Our management believes that such listings can more readily be accomplished with a higher stock price and, since the reverse split will reduce the number of outstanding shares of our common stock, it should have the effect of increasing the price of our common stock in the over-the-counter-market.

The rights of existing stockholders will not be altered and no stockholder will be eliminated as a result of the reverse split. Fractional shares will not be issued and will be rounded down to the nearest whole share, not to be reduced below one share. It is possible that stockholders holding less than 100 shares of our common stock may have larger commissions charged to sell such shares and may even result in a larger commission than the value of the shares being sold.

Certificate Transfer

In order to effectuate the reverse split, each stockholder will be entitled to submit his or her old stock certificate (any certificate issued prior to the effective date of the reverse split), to our transfer agent, Colonial Stock Transfer Co., Inc., 66 Exchange Place, Salt Lake City, Utah 84111, and be issued in exchange therefore, one new certificate representing one share for each twenty shares reflected in the old certificates, rounded down to the nearest share.

The terms of the additional shares of Common Stock will be identical to those of the currently outstanding shares of Common Stock. However, because holders of our Common Stock have no preemptive rights to purchase or subscribe for any unissued stock, the issuance of additional shares will reduce the current stockholders' percentage ownership interest in the total outstanding shares of Common Stock.

FINANCIAL AND OTHER INFORMATION

Changes In And Disagreements With Accountants On Accounting And Financial Disclosure

None.

Management Discussion and Analysis

Please refer to the section of this information statement entitled “Management's Discussion and Analysis of Financial Condition and Results of Operations of Cogility” for an analysis of our business post-merger with Cogility. For an Management Discussion and Analysis of Acquired Sale’s business pre-merger, please refer to the Company’s transitional report on Form 10-K filed on or about March 31, 2011.

Financial Statements

The full text of our audited consolidated and pro forma financial statements begins on page F-1 of This Information Statement and include the following:

Acquired Sales Corp. And Subsidiaries
Unaudited Pro Forma
Condensed Consolidated Financial Information

Acquired Sales Corp.
Unaudited Condensed Consolidated Financial Statements
March 31, 2011

Acquired Sales Corp.
Report Of Independent Registered Public Accounting Firm
And Financial Statements
December 31, 2010, September 30, 2010 And 2009

Cogility Software Corporation
Unaudited Condensed Consolidated Financial Statements
March 31, 2011

Cogility Software Corporation
Report Of Independent Registered Public Accounting Firm
And Financial Statements
December 31, 2010 And 2009

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ACQUIRED SALES CORP. AND SUBSIDIARIES
UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION

On November 4, 2010, Acquired Sales Corp. (“Acquired Sales”) entered into an agreement with Cogility Software Corporation (“Cogility”) wherein Acquired Sales, through a to-be-formed, wholly-owned subsidiary, is to acquire Cogility in a stock-for-stock merger (the “transaction” or the “merger”). Cogility is a developer of Model-Driven Complex Event Processing software technology for the U.S. defense and intelligence communities and private sector corporations which have complex information management requirements. Acquired Sales was obligated to use commercially reasonable efforts to obtain at least $500,000 of financing and provide the related proceeds to Cogility, which was completed during the three months ended March 31, 2011. Closing of the transaction is subject to a number of conditions, including the completion of a 1-for-20 reverse split of Acquired Sales' common stock, an increase in the authorized common shares of Acquired Sales to 100,000,000 shares, completion of mutually acceptable due diligence, delivery of audited financial statements, execution of definitive merger documents, obtaining necessary third party approvals, and completion of all necessary securities filings.

The following unaudited pro forma financial information includes adjustments to the historical financial statements of Acquired Sales and Cogility that give effect to events that are directly attributable to the transaction and factually supportable. The following unaudited pro forma condensed consolidated balance sheet has been prepared to present the effects on the historical financial position of Acquired Sales and Cogility as though the merger, the changes to Acquired Sales’ authorized capital and obtaining the required financing had occurred on March 31, 2011. The unaudited pro forma condensed consolidated statement of operations for the three months ended March 31, 2011 and for the year ended December 31, 2010 have been prepared to present the effects on the historical results of operations of Acquired Sales and Cogility assuming the merger and obtaining the required financing had occurred at the beginning of each period.

Acquired Sales intends to continue its private placement offering of 3% promissory notes with detachable warrants. The accompanying pro forma financial information includes only the issuance of such securities issued through June 19, 2011 and management has no obligation to update this pro forma information for events or transactions occurring after that date. However, if additional securities are issued, the effects of those issuances would affect the pro forma information included herein. The unaudited pro forma consolidated financial information is presented for illustrative purposes only and is not necessarily indicative of the combined results of operations to be expected in any future period or the results that actually would have been realized had the entities been combined during the three months ended March 31, 2011 or during the year ended December 31, 2010.

ACQUIRED SALES CORP. AND SUBSIDIARIES
UNAUDITED PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET
MARCH 31, 2011

	Cogility	Acquired Sales	Pro Forma Adjustments		Pro Forma Consolidated
ASSETS					
Current Assets					
Cash and cash equivalents	$ 34,526	$ 92,266			$ 126,792
Accounts receivable	129,736	-			129,736
Receivables and prepaid expenses	7,107	-			7,107
Prepaid expenses	1,695	-			1,695
Total Current Assets	173,064	92,266			265,330
Property and Equipment, net	70,308	-			70,308
Note Receivable from Related Party	30,588	820,000	$ (820,000)	D	30,588
Deposits	12,535	-			12,535
Total Assets	$ 286,495	$ 912,266	$ (820,000)		$ 378,761
LIABILITIES AND SHAREHOLDERS' DEFICIT					
Current Liabilities					
Trade accounts payable	$ 326,531	$ 39,648			$ 366,179
Accrued liabilities	176,813	-			176,813
Billings in excess of costs on uncompleted contracts	86,225	-			86,225
Unearned revenue	41,572	-			41,572
Accrued compensation	358,496	-			358,496
Notes payable, current portion	450,376	-			450,376
Short-term notes payable to related parties	73,558	44,000	$ (73,558)	E	44,000
Total Current Liabilities	1,513,571	83,648	(73,558)		1,523,661
Long-Term Liabilities					
Notes payable - related parties, net of discount	820,000	274,084	(820,000)	D	274,084
Notes payable, net of discount	-	351,834			351,834
Total Long-Term Liabilities	820,000	625,918	(820,000)		625,918
Shareholders' Deficit					
Preferred stock, $0.001 par value; 10,000,000 shares authorized, no shares outstanding	-	-	-		-
Common Stock, $0.001 par value 100,000,000 shares authorized; 2,467,188 shares outstanding, pro forma	11,530	5,833	(9,354)	A	
			(5,541)	B	2,467
Additional paid-in capital	3,967,016	1,032,609	9,354	A	
			(830,201)	B	

						73,558	E		4,252,337
Deficit accumulated prior to the development stage		-		(69,151)		69,151	B		-
Deficit accumulated during the development stage		-		(766,591)		766,591	B		-
Accumulated deficit		(6,025,622)		-					(6,025,622)
Total Shareholders' Deficit		(2,047,076)		202,700		73,558			(1,770,818)
Total Liabilities and Shareholders' Deficit	$	286,495	$	912,266	$	(820,000)		$	378,761

ACQUIRED SALES CORP. AND SUBSIDIARIES
UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE THREE MONTHS ENDED MARCH 31, 2011

	Cogility	Acquired Sales	Pro Forma Adjustments		Pro Forma Results
Revenue					
Maintenance and support services	$ 18,388	$ -			$ 18,388
Total Revenue	18,388	-			18,388
Cost of Revenue					
Cost of services	88	-			88
Total Cost of Revenue	88	-			88
Gross Profit	18,300	-			18,300
Selling, General and Administrative Expense	1,197,056	304,667	$ 436,268	C	1,937,991
Loss from Operations	(1,178,756)	(304,667)	(436,268)		(1,919,691)
Interest Income	-	3,921	(3,921)	D	-
Interest Expense	(10,376)	(18,502)	(592)	D	(29,470)
Loss before Income Taxes	(1,189,132)	(319,248)	(440,781)		(1,949,161)
Provision for Income Taxes	(800)	-			(800)
Net Loss	$ (1,189,932)	$ (319,248)	$ (440,781)		$ (1,949,961)
Basic and Diluted Loss per Share	$ (0.10)	$ (0.05)			$ (0.79)

ACQUIRED SALES CORP. AND SUBSIDIARIES
UNAUDITED PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2010

	Cogility	Acquired Sales	Pro Forma Adjustments		Pro Forma Results
Revenue					
Software licensing and hardware sales	$ 524,527	$ -			$ 524,527
Consulting Services	4,215,775	-			4,215,775
Maintenance and support services	110,888	-			110,888
Total Revenue	4,851,190	-			4,851,190
Cost of Revenue					
Hardware and software costs	510,427	-			510,427
Cost of services	1,996,982	-			1,996,982
Total Cost of Revenue	2,507,409	-			2,507,409
Gross Profit	2,343,781	-			2,343,781
Selling, General and Administrative Expense	2,467,872	344,057	1,495,714	C	4,307,643
Loss from Operations	(124,091)	(344,057)	(1,495,714)		(1,963,862)
Interest Expense	(63,110)	(2,715)	(88,978)	D	(154,803)
Loss before Income Taxes	(187,201)	(346,772)	(1,584,692)		(2,118,665)
Provision for Income Taxes	(13,523)	-			(13,523)
Net Loss	$ (200,724)	$ (346,772)	$ (1,584,692)		$ (2,132,188)
Basic and Diluted Loss Per Share	$ (0.02)	$ (0.06)			$ (0.86)

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ACQUIRED SALES CORP. AND SUBSIDIARIES
NOTES TO THE UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION

Through March 31, 2011, Acquired Sales has been a non-operating public shell corporation with no significant assets. During the first quarter of 2011, Acquired Sales issued notes payable and warrants in a private placement offering and loaned most of the proceeds to Cogility. Under current accounting guidance Acquired Sales is not a business for purposes of determining whether a business combination would occur upon the merger of Cogility into a newly-formed subsidiary of Acquired Sales. The shareholders and management of Cogility will gain operating control of the combined company after the transaction. Accordingly, Cogility is, under current accounting guidance, considered the accounting acquirer and the results of its operations will be the historical results of operations of the combined company, restated for the effects of the restructured capital structure discussed herein.

The transactions required to accomplish the merger are recognized as follows: (1) the recapitalization of Cogility by recognizing the Acquired Sales common shares issued in exchange for the Cogility shares in a manner equivalent to a 1-for-5.3 reverse stock split, (2) the Acquired Sales common shares that remain outstanding, on a 1-for-20 reverse split basis, are recognized as the issuance of common shares by Cogility for the net liabilities of Acquired Sales at their fair values, (3) the issuance of stock options to the members of management of the combined company recognized as compensation expense based on the fair value of the stock options, and (4) the issuance of notes payable and warrants by the combined company. All references hereafter are to Acquired Sales post-split common shares unless stated otherwise. The specific transactions and their effects on the unaudited pro forma condensed consolidated financial statements are as follows:

A – Cogility shareholders owning the outstanding 11,530,493 Cogility common shares receive 2,175,564 Acquired Sales common shares, or one Acquired Sales common share for each 5.3 Cogility common shares outstanding. The historical Cogility financial statements are restated on a retroactive basis for all periods presented for the effects of this 5.3-for-1 reverse stock split.

B –Acquired Sales reverse splits its common shares outstanding on a 1-for-20 basis, which results in the 5,832,482 Acquired Sales pre-split common shares currently outstanding becoming 291,624 Acquired Sales common shares. For financial reporting purposes, the 291,624 common shares are effectively issued in exchange for the assumption of the $202,700 of net assets of Acquired Sales and are recorded at the fair value of the net assets of $202,700.

C – Prior to the merger, Cogility had stock options outstanding that permit the holders thereof to purchase 5,925,000 Cogility common shares at prices ranging from $0.001 to $1.40 per share. In the merger transaction, the Cogility option holders exchange these stock options for 1,117,925 Acquired Sales stock options exercisable at prices ranging from $0.001 to $5.00 per share. The exchange of these stock options is considered to be part of the recapitalization of Cogility and is not a modification of the Cogility stock options. There are 3,295,000 of these Cogility stock options that are exchangeable for 621,698 Acquired Sales stock options that vested during 2011 upon Acquired Sales obtaining at least $500,000 of financing and the remaining Cogility stock options vest upon occurrence of the merger with the Acquired Sales subsidiary; accordingly. For purposes of these pro forma financial statements, the remaining unrecognized grant-date fair value of these Cogility stock options of $3,325 and $507,723 for the three months ended March 31, 2011 and the year ended December 31, 2010, respectively, is recognized as compensation expense.

In November 2010, Acquired Sales granted stock options to the members of management and the board of directors that participated in structuring the financing and the merger with Cogility. Those stock options were for the purchase of 12,600,000 pre-split common shares at $0.10 per share, or 630,000 post-split common shares at $2.00 per share. The options vest upon the occurrence of the merger. For purposes of these pro forma financial statements, the remaining unrecognized grant-date fair value of these Acquired Sales Corp. stock options of $224,123 and $492,975 for the three months ended March 31, 2011 and the year ended December 31, 2010, respectively, is recognized as compensation expense.

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ACQUIRED SALES CORP. AND SUBSIDIARIES
NOTES TO THE UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION

Cogility and Acquired Sales have authorized the grant, at the closing of the merger, of stock options for the purchase of 1,500,000 common shares at $5.00 per share. At that date, 750,000 of the stock options will be granted and the remaining 750,000 stock options are to be granted within twelve months of the closing of the merger. The stock options will vest to employees, directors or consultants that remain employed for three years from the date of the merger and the Company has earnings, before interest, taxes, depreciation and amortization expenses, of at least $1,000,000 in each of four consecutive calendar quarters during the first twelve calendar quarters following the closing date of the merger. For purposes of these pro forma financial statements, all 1,500,000 stock options are presumed to have been granted at the beginning of each period presented.

Cogility and Acquired Sales have authorized the grant to a consultant of stock options for the purchase of 75,000 common shares, with 25,000 options exercisable at $0.001 per share and 50,000 options exercisable at $2.00 per share. These options, which will be issued at the closing of the merger, vest immediately and are exercisable until the tenth anniversary of the closing of the merger.

The fair value of the 1,575,000 stock option granted or presumed to be granted is estimated on the grant dates or presumed grant dates using the Black-Scholes option pricing model, using the following assumptions. Expected volatilities are based on the historical volatility of an appropriate industry sector index, comparable companies in the index and other factors. The expected term of each option is based on the midpoint between the date the option vests and the contractual term of the option. The risk-free interest rate represents the U.S. Treasury bill rate for the expected term of the related option. Forfeitures due to employee termination are estimated based on historical experience rates. The weighted-average fair value was $0.80 per share, or $1,258,207 in total, and was based on the following weighted-average assumptions: 77.85% expected volatility; 0% expected dividend yield; 3. 96 years expected term; and 2.04% risk-free interest rate. The related compensation expense is being recognized over the period the options vest and, for purposes of these pro forma financial statements, $208,820 of compensation expense was recognized during the three months ended March 31, 2011 and $495,016 of compensation expense was recognized during the year ended December 31, 2010.

D – During the three months ended March 31, 2011, Acquired Sales issued $920,000 of 3% promissory notes and warrants to purchase 460,000 post-split shares of common stock at $2.00 per share. The promissory notes accrue interest at the stated rate of 3% per annum payable, mature on December 31, 2014 and are secured by all of the assets of Acquired Sales. The proceeds were allocated $610,998 to the notes payable and $309,002 to the warrants based on their relative fair values. The resulting $309,002 discount to the notes payable is being amortized over the term of the promissory notes using the interest method and is causing the notes payable to have an effective interest rate of 14.5%. The pro forma statements of operations have been adjusted to reflect interest expense on these promissory notes as though they had been issued at the beginning of each period.

During the three months ended March 31, 2011, Cogility issued $820,000 of 5% promissory notes to Acquired Sales Corp. Interest is payable quarterly, the notes are due December 31, 2014 and are secured by all of Cogility's assets. The pro forma statements of operations have been adjusted to eliminate the related intercompany interest income and interest expense.

E – On September 22, 2010, the majority shareholder of Cogility signed an agreement that in the event of the merger, $73,558 of accrued compensation payable would be forgiven. The accompanying pro forma financial statements recognize this transaction as the conversion of the $73,588 of accrued compensation to officers to additional paid-in capital without the issuance of additional common shares.

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ACQUIRED SALES CORP. AND SUBSIDIARIES
NOTES TO THE UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION

Pro Forma Loss per Share – Pro forma basic loss per common share is computed by dividing the pro forma net loss by the weighted-average number of common shares assumed to be outstanding during the year. Diluted loss per common share is computed by dividing the pro forma net loss by the weighted-average number of common shares and dilutive common share equivalents assumed to be outstanding during the period. When dilutive, the incremental potential common shares issuable upon exercise of stock options are determined by the treasury stock method.

The Cogility common shares outstanding have been restated to reflect the 2,175,564 common shares that the Cogility shareholders will receive in the merger. For purposes of computing basic and diluted loss per share those common shares are considered to have been outstanding during the entire three months ended March 31, 2011 and the year ended December 31, 2010. The 291,624 Acquired Sales common shares that remain outstanding are considered to have been issued on January 1, 2010 for purposes of computing basic loss per share. Pro forma basic and diluted loss per common share was computed as follows:

	Three Months Ended March 31, 2011	Year Ended December 31, 2010
Pro forma net loss	$ (1,949,961)	$ (2,132,188)
Weighted-average common shares outstanding	2,467,188	2,467,188
Pro forma basic and diluted loss per share	$ (0.79)	$ (0.86)

Stock options to acquire 3,323,868 common shares and warrants to acquire 460,000 common shares were excluded from the calculation of pro forma diluted loss per share as their effects would have been anti-dilutive.

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Acquired Sales Corp.
(a development stage enterprise)
Unaudited Condensed Balance Sheet

		March 31, 2011
Assets:		
Current Assets:		
Cash	$	92,266
Total Current Assets		92,266
Long-term related party note receivable		820,000
Total Assets	$	912,266
Liabilities and Stockholders' Equity (Deficit):		
Current Liabilities:		
Accounts payable	$	39,648
Note payable - related parties		44,000
Total Current Liabilities		83,648
Long-term Liabilities:		
Notes payable - related parties, net of discount		274,084
Notes payable, net of discount		351,834
Total Liabilities		709,566
Stockholders' Equity (Deficit):		
Preferred stock, $0.001 par value, 10,000,000 shares authorized, no shares issued and outstanding		-
Common stock, $0.001 par value, 50,000,000 shares authorized, 5,832,482 shares issued and outstanding		5,833
Additional paid-in capital		1,032,609
Deficit accumulated prior to the development stage		(69,151)
Deficit accumulated during the development stage		(766,591)
Total Stockholders' Equity (Deficit)		202,700
Total Liabilities and Stockholders' Equity (Deficit)	$	912,266

See accompanying notes to the condensed financial statements.

Acquired Sales Corp.
(a development stage enterprise)
Unaudited Condensed Statements of Operations

	For the Three Months Ended March 31, 2011	2010	For the period May 27, 2004 (Date of Inception of the Development Stage) through March 31, 2011
Operating Expense:			
General and administrative	$ (304,667)	$ (7,765)	$ (802,434)
Other Income (Expense):			
Interest income	3,921	-	3,921
Interest expense	(18,502)	(493)	(28,442)
Waiver of tax liability penalty	-	-	60,364
Total Other Income (Expense)	(14,581)	(493)	35,843
Net Loss	$ (319,248)	$ (8,258)	$ (766,591)
Basic and diluted loss per share	$ (0.05)	$ (0.00)	
Basic and diluted weighted average common sharess outstanding	5,832,482	5,832,482	

See accompanying notes to the condensed financial statements.

Acquired Sales Corp.
(a development stage enterprise)
Unaudited Condensed Statements of Cash Flows

	For the Three Months Ended March 31, 2011	For the Three Months Ended March 31, 2010	For the period May 27, 2004 (Date of Inception of the Development Stage) through March 31, 2011
Cash Flows from Operating Activities:			
Net loss	$ (319,248)	$ (8,258)	$ (766,591)
Adjustments to reconcile net loss to net cash used in operating activities:			
Amortization of discount on long-term notes payable	14,920	-	14,920
Expenses paid by capital contributed by officer	-	-	20
Share-based compensation	268,853	-	577,640
Waiver of tax liability penalty	-	-	(60,364)
Issuances of warrants for services	-	-	11,970
Changes in assets and liabilities:			
Prepaid expenses	-	19	-
Accounts payable	22,593	1,791	39,648
Payroll tax penalties and accrued interest	-	-	(8,787)
Net Cash Used in Operating Activities	(12,882)	(6,448)	(191,544)
Cash Flows from Investing Activities:			
Loans to related party	(600,000)	-	(600,000)
Net Cash Used in Investing Activities	(600,000)	-	(600,000)
Cash Flows from Financing Activities:			
Deficit in bank	-	125	-
Proceeds from issuance of notes payable and warrants to related parties	200,000	-	439,000
Proceeds from issuance of notes payable and warrants	500,000	-	500,000
	-	-	(95,000)

Principal payments on note payable to related party						
Proceeds from issuance of common stock		-		-		40,000
Redemption of common stock		-		-		(190)
Net Cash Provided by Financing Activities:		700,000		125		883,810
Net Increase (Decrease) in Cash		87,118		(6,323)		92,266
Cash at Beginning of Period		5,148		6,323		-
Cash at End of Period	$	92,266	$	-	$	92,266
Supplemental Cash Flow Information						
Cash paid for interest	$	3,582	$	493		
Noncash Investing and Financing Activities						
Note payable and warrants issued to related party in exchange for a note receivable from a related party	$	200,000	$	-		
Note payable and warrants issued in exchange for notes receivable from a related party	$	20,000	$	-		

See accompanying notes to the condensed financial statements.

Acquired Sales Corp.
(a development stage enterprise)
Notes to Unaudited Condensed Financial Statements

Note 1: Basis of Presentation

The accompanying unaudited condensed financial statements of Acquired Sales Corp. (the "Company") were prepared pursuant to the rules and regulations of the United States Securities and Exchange Commission. Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America have been condensed or omitted pursuant to such rules and regulations. Management of the Company ("Management") believes that the following disclosures are adequate and sufficient to make the information presented not misleading. These financial statements should be read in conjunction with the audited financial statements and the notes thereto included in the Company's Form 10-K report for the transition period from October 1, 2010 to December 31, 2010.

These unaudited condensed financial statements reflect all adjustments, consisting only of normal recurring adjustments that, in the opinion of Management, are necessary to present fairly the financial position and results of operations of the Company for the periods presented. Operating results for the three months ended March 31, 2011, are not necessarily indicative of the results that may be expected for the year ending December 31, 2011 or for any other period.

Note 2: Organization and Summary of Significant Accounting Policies

The Company was incorporated under the laws of the State of Nevada on January 2, 1986. In August 2001, the Company ceased all of its prior operations and remained dormant from then until May 27, 2004 when it began new development stage activities.

On November 15, 2010 the Company's Board of Directors approved and with a record date of November 23, 2010 a majority of the Company's stockholders approved by written consent the following actions: a) increase the number of shares of common stock authorized to be issued from 50,000,000 to 100,000,000; b) to change the fiscal year end from September 30 to December 31; c) a 1-for-20 reverse split of common stock and warrants; d) the acquisition of Cogility Software Corporation ("Cogility"); and e) a stock option plan relating to the options associated with the letter of intent with Cogility. The Company has undertaken to change its year end to December 31; however, none of the other approved actions have been consummated.

Development stage enterprise – The Company is a development stage enterprise and has only generated revenue in relation to interest earned on a long-term $820,000 loan made to Cogility. Otherwise, the Company's efforts have been devoted primarily to raising capital, borrowing funds and attempting to enter into a reverse acquisition with an operating entity. On November 4, 2010 the Company entered into a letter of intent with Cogility and commenced taking such other action as required by such letter of intent as further described in Note 5.

Fair value of financial instruments – The carrying amounts reported in the balance sheets for accounts payable approximate fair value because of the immediate or short-term maturity of these financial instruments. The carrying amounts reported for current liabilities: notes payable – related parties, approximate fair value because the underlying instruments are at interest rates which approximate current market rates. Long-term liabilities are described in Note 7.

Basic and diluted loss per share – Basic loss per share is computed by dividing the net loss by the weighted average number of common shares outstanding during the period. Diluted loss per share is computed by dividing the net loss by the weighted average number of common shares outstanding and potential dilutive common shares. There were

12,600,000 stock options outstanding at March 31, 2011 that are excluded from the calculation of diluted loss per share as their effect is anti-dilutive.

Acquired Sales Corp.
(a development stage enterprise)
Notes to Unaudited Condensed Financial Statements

Business condition – The Company’s financial statements have been prepared using accounting principles applicable to a going concern, which contemplates the realization of assets and liquidation of liabilities in the normal course of business. For the three months ended March 31, 2011, the Company sustained a net loss of $319,248 and generated revenue only incidental to interest collected in the amount of $3,921 from a long-term note receivable from Cogility. At March 31, 2011 the Company had $92,266 in cash and current liabilities of $83,648. Loans from related parties and others have provided the needed capital for the Company to date; however, substantial doubt remains about the Company’s ability to continue as a going concern. The accompanying financial statements do not include any adjustments that might result from the outcome of this uncertainty. The Company's ability to meet its ongoing financial requirements is dependent on management being able to obtain additional equity and/or debt financing, the realization of which is not assured. In addition, the Company is dependent on management being willing to continue to serve without monetary remunerations. In addition, the Company has entered into substantial long-term indebtedness as a result of the long-term liabilities described in Note 7.

Recently adopted accounting standards – Recent accounting standards that have been issued by the FASB (or rules and interpretive releases of the SEC) are not expected to have a material impact on the Company’s financial statements.

Note 3 – Related Party Transactions

During January and November 2009, the Company issued demand promissory notes to the spouse of the Company’s sole officer and one of its directors in the amount of $10,000 and $10,000, respectively. These notes bear interest at 10% per annum and are unsecured. During the three months ended March 31, 2011 and 2010 the Company incurred interest expense made cash payments for interest in the amounts of $493 and $493, respectively.

During April 2010, the Company issued a demand promissory note to an entity related to its sole officer and one of its directors in the amount of $4,000. This note bears interest at 10% per annum and is unsecured. During the three months ended March 31, 2011, the Company incurred interest expense of $101 and made cash payments for interest in the same amount.

On October 12, 2010, the Company issued a demand promissory note to an entity related to its sole officer and one of its directors in the amount of $20,000. This note bears interest at 10% per annum and is unsecured. During the three months ended March 31, 2011, the Company incurred interest expense of $493 and made cash payments for interest in the same amount.

During the January and February of 2011, the Company entered into long-term notes payable in the amount of $400,000 with several entities and individuals related to the Company. These long-term notes bear interest at 3% per annum and are due December 31, 2014. During the three months ended March 31, 2011, the Company incurred interest expense of $1,683 and made cash payments for interest in the same amount. These long-term notes have been discounted on the Company’s financial statements as described in Note 7.

During the three months ended March 31, 2011, the Company loaned $600,000 of cash to Cogility, assumed from Cogility a $200,000 note payable to an entity related to the sole officer of the Company and assigned and transferred to Cogility a $20,000 note receivable from Cortez Systems, all in exchange for $820,000 of promissory notes receivable from Cogility. The Cogility notes receivable bears interest at 5% per annum payable quarterly beginning March 31, 2011, are due December 31, 2014 and are secured by all of Cogility's assets.

Acquired Sales Corp.
(a development stage enterprise)
Notes to Unaudited Condensed Financial Statements

Note 4 – Waiver of Tax Liability Penalty

During the period from December 31, 1998 through December 31, 1999, the business operated by the Company prior to becoming dormant withheld payroll taxes and incurred payroll tax obligations that were not paid to the United States Department of the Treasury, Internal Revenue Service (“IRS”) in a timely manner. Subsequently, these taxes were paid; however, penalties for the Company’s failure to make these payments in a timely manner were assessed, including interest on the penalties. The Company accrued interest on the unpaid penalties through December 31, 2006. In January 2007, the Company filed with the IRS a request for a compromise and settlement with respect to these outstanding obligations, which was accepted in September 2007. As a result, the Company paid $12,000 to extinguish the liability, $2,838 for legal and filing fees, and $60,364 was recognized as income.

Note 5 – Letter of Intent

On November 4, 2010 the Company entered into an Agreement (the “November 4, 2010 Agreement”) which included a letter of intent with Cogility, a software technology company specializing in Model-Driven Complex Event Processing for the U.S. defense and intelligence communities and private sector corporations with complex information management requirements, for a wholly-owned subsidiary of the Company to acquire Cogility in a stock-for-stock merger (“Cogility Merger”). The closing of the Cogility Merger contemplated by the letter of intent is subject to a number of conditions including completion of mutually acceptable due diligence, execution of definitive merger documents and obtaining necessary third party approvals. In addition, Cogility will be required to deliver audited financial statements to the Company and the Company will be required to complete a 1-for-20 reverse split of its common stock, options and warrants as a condition precedent to the closing of the Cogility Merger and all necessary filings with the SEC.

Pursuant to the November 4, 2010 Agreement:

(1) on November 4, 2010, the Company issued to its director and sole officer and five of its non-officer directors options to acquire an aggregate of 12,600,000 pre-split shares of its common stock at an exercise price of $.10 per share (upon completion of the 1-for-20 reverse split, these options shall be converted into an aggregate of 630,000 options, each with an exercise price of $2.00 per share), with the vesting of such options being contingent upon the closing of the Cogility Merger;

(2) on November 4, 2010, Cogility issued to the Company’s sole officer options to acquire an aggregate of 2,500,000 shares of Cogility’s common stock at an exercise price of $0.377358 per share (upon completion of the 1-for-20 reverse split and the closing of the Cogility Merger, these options shall be converted into an aggregate of 471,698 options, each with an exercise price of $2.00 per share), with the vesting of such options being contingent upon the completion of a private placement of common stock, preferred stock, convertible preferred stock, debt, or convertible debt by Cogility or the Company either prior to, simultaneously with, or after the closing of the Merger in the amount of $500,000 or more;

(3) on November 4, 2010, Cogility issued to the Company’s sole officer and two of its directors options to acquire an aggregate of 795,000 shares of Cogility’s common stock at an exercise price of $0.001 per share (upon completion of the 1-for-20 reverse split of the Company’s common stock and the closing of the Cogility Merger, these options shall be converted into an aggregate of 150,000 Company options, each with an exercise price of $.001 per share), with the vesting of such options being contingent upon the completion of a private placement of common stock, preferred

stock, convertible preferred stock, debt, or convertible debt by Cogility or the Company either prior to, simultaneously with, or after the closing of the Merger in the amount of $500,000 or more;

Acquired Sales Corp.
(a development stage enterprise)
Notes to Unaudited Condensed Financial Statements

(4) at the closing of the Cogility Merger, the Company will issue an aggregate of 2,175,564 post-split shares of its common stock to Cogility stockholders (which include an affiliate of the Company's sole officer and one of the Company's directors);

(5) at the closing of the Cogility Merger, the Company will issue to Cogility's option holders (these being in addition to options mentioned in (2) and (3) above), options to acquire an aggregate of 497,170 post-split shares of the Company's common stock at exercise prices ranging from $1.06 to $5.00 per share; and

(6) at the closing of the Cogility Merger, the Company will issue options to acquire an aggregate of 1,500,000 post-split shares of the Company's common stock at an exercise price of $5.00 per share to the Company's current or future directors, officers, employees or consultants of or to Cogility.

Note 6 – Stock Options

In connection with the letter of intent described in Note 5, the Company issued to its director and sole officer and five of its non-officer directors on November 4, 2011, options to purchase an aggregate of 12,600,000 shares of its common stock at an exercise price of $0.10 per share.

The total value of the options issued was determined to be $801,762 and charged general and administrative expense for the period ended December 31, 2010, in the amount of $308,787. The Company used an estimated merger date of April 1, 2011, at December 31, 2010 for the purpose of recognizing the related compensation expense for the period then ended. The risk-free interest rate represents the U.S. Treasury bill rate for the expected life of the related option. Forfeitures are estimated based on historical experience rates. At March 31, 2011, the Company reevaluated the estimated merger date and determined it to be June 15, 2011. As a result, for the period ended March 31, 2011, the Company charged general and administrative expense in the amount of $268,852 and there is $224,123 of unrecognized compensation expense related to stock options granted, which is expected to be recognized during the three months ended June 30, 2011. There was no income tax benefit recognized for the three months ended March 31, 2011.

Note 7 – Long-term Liabilities

During the three months ended March 31, 2011, the Company issued $920,000 of 3% promissory notes and warrants to purchase 9,200,000 pre-split shares of common stock at $0.10 per share to accredited investors in a private placement offering. The notes payable and the warrants were issued in exchange for $700,000 in cash, the exchange and settlement of a $200,000 note payable to an entity related to the sole officer of the Company, which note payable had previously been assumed from Cogility, and the transfer and assignment from an unrelated third party of a $20,000 note receivable from Cortez Systems. Notes for $400,000 were issued to related parties, which included $200,000 of the cash received (see Note 3). The promissory notes accrue interest at the rate of 3% per annum payable quarterly on the last day of each calendar quarter beginning March 31, 2011, mature on December 31, 2014 and are secured by all of the assets of the Company. The warrants are exercisable through June 14, 2016.

The fair value of the warrants issued was evaluated based on an estimated closing date of June 15, 2011 and was estimated to be $465,275 using the Black-Scholes option pricing model using the following weighted-average assumptions: estimated future volatility of 82.46%; risk-free interest rate of 1.1%; dividend yield of 0% and an estimated term of 2.65 years. The warrants qualify to be recognized as stockholders' equity; therefore, the

consideration received was allocated to the notes payable and the warrants based on their relative fair values and resulted in $345,347 being allocated to the notes payable, $265,651 to notes payable – related party, and $309,002 allocated to the warrants. The resulting discount to the notes payable is being amortized over the term of the promissory notes using the interest method and cause the notes payable to have an effective interest rate of 14.5%. The Company recognized $14,920 of amortization of the discount on the notes payable as interest expense for the three months ended March 31, 2011.

Acquired Sales Corp.
(a development stage enterprise)
Notes to Unaudited Condensed Financial Statements

In addition to the 3% promissory notes and warrants described above, at any time during the first 90 days following the date of the completion of the proposed merger with Cogility, each investor in the private placement offering has the right to make a second loan to the Company in the same amount and on the same terms as the 3% promissory notes and warrants described above. Under current accounting guidance, none of the consideration received was allocated to the investors' rights to make additional loans.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and the Shareholders
Acquired Sales Corporation

We have audited the accompanying balance sheets of Acquired Sales Corporation as of December 31, 2010 and September 30, 2010 and 2009, and the related statements of operations, stockholders' deficit, and cash flows for the three months ended December 31, 2010, for the years ended September 30, 2010 and 2009, and for cumulative period from May 27, 2004 (date of inception of the development stage) through December 31, 2010. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Acquired Sales Corporation as of December 31, 2010 and September 30, 2010 and 2009, and the results of their operations and their cash flows for the three months ended December 31, 2010, for the years ended September 30, 2010 and 2009, and for the cumulative period from May 27, 2004 (date of inception of the development stage) through December 31, 2010, 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 1 to the financial statements, the Company is in the development stage and during the three months ended December 31, 2010 and the years ended September 30, 2010 and 2009, it incurred losses from operations and had negative cash flows from operating activities. As of December 31, 2010, the Company had not generated any revenue from operations since the date of inception of the development stage through December 31, 2010, and the Company had a capital deficit and a working capital deficit. These matters raise substantial doubt about the Company's ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 1. The financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or the amount and classification of assets and liabilities that might result should the Company be unable to continue as a going concern.

HANSEN, BARNETT & MAXWELL, P.C.
Salt Lake City, Utah
March 24, 2011

ACQUIRED SALES CORP.
(a development stage enterprise)
Balance Sheets

	December 31, 2010	September 30, 2010	September 30, 2009
ASSETS			
Current Assets:			
Cash	$ 5,148	$ -	$ 12
Prepaid expense	-	-	25
TOTAL ASSETS	$ 5,148	$ -	$ 37
LIABILITIES AND STOCKHOLDERS' DEFICIT			
Current Liabilities:			
Deficit in bank	$ -	$ 46	$ -
Accounts payable	17,055	14,389	2,371
Notes payable - related parties	44,000	24,000	10,000
Note interest payable - related party	-	-	82
Total Current Liabilities	61,055	38,435	12,453
Stockholders' Deficit:			
Preferred stock, $0.001 par value, 10,000,000 shares authorized, no shares issued and outstanding	-	-	-
Common stock, $0.001 par value, 50,000,000 shares authorized, 5,832,482 shares issued and outstanding	5,833	5,833	5,833
Additional paid-in capital	454,754	145,967	145,967
Deficit accumulated prior to the development stage	(69,151)	(69,151)	(69,151)
Deficit accumulated during the development stage	(447,343)	(121,084)	(95,065)
Total Stockholders' Deficit	(55,907)	(38,435)	(12,416)
TOTAL LIABILITIES AND STOCKHOLDERS' DEFICIT	$ 5,148	$ -	$ 37

See accompanying notes to the financial statements.

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ACQUIRED SALES CORP.
(a development stage enterprise)
Statements of Operations

	For the Three Months Ended December 31,		For the Years Ended September 30,		For the period May 27, 2004 (Date of Inception of the Development Stage) through December 31, 2010
	2010	2009 (Unaudited)	2010	2009	
Expenses:					
General and administrative	$ (325,210)	$ (5,099)	$ (23,946)	$ (11,669)	$ (497,767)
Waiver of tax liability penalty	-	-	-	-	60,364
Interest	(1,049)	(407)	(2,073)	(667)	(9,940)
Net Loss	$ (326,259)	$ (5,506)	$ (26,019)	$ (12,336)	$ (447,343)
Basic and diluted loss per share	$ (0.06)	$ (0.00)	$ (0.00)	$ (0.00)	
Basic and diluted weighted average common shares outstanding	5,832,482	5,832,482	5,832,482	5,832,482	

See accompanying notes to the financial statements.

ACQUIRED SALES CORP.
(a development stage enterprise)
Statements of Stockholders' Deficit
for the Period from May 27, 2004 (Date of Inception of the Development Stage) through September 30, 2007,
for the Years Ended September 30, 2008, 2009 and 2010 and for the Three Months Ended December 31, 2010