

OFFERING QUESTIONNAIRE
Yates Electrospace Corporation

INSTRUCTIONS

This Questionnaire is being distributed to a select group of investors, each of whom the Yates Electrospace Corporation, a California Corporation (the "Company") believes may find investment in the Company suitable for such investor's long-range investment objectives. The primary purpose of the Questionnaire is to elicit information sufficient to permit the Company to reasonably conclude that you have sufficient investment sophistication and ability to take financial risk to meet the standards for availability of the private offering exemption from the registration requirements of the Securities Act of 1933, as amended (the "Act"), and the qualification requirements of any other applicable securities law. This questionnaire is not an offer to sell securities.

If, in completing this Questionnaire, you are in doubt regarding the meaning or implication of any of the terminology or regarding the significance of any particular question, please contact Marla Merhab Robinson, Esq. at 714-972-2333. If the answer to any question is "None" or "Not Applicable," please so state.

YOUR ANSWERS WILL AT ALL TIMES BE KEPT STRICTLY CONFIDENTIAL. EACH PERSON SIGNING THIS QUESTIONNAIRE AGREES, HOWEVER, THAT THE COMPANY MAY PRESENT THIS QUESTIONNAIRE TO SUCH PARTIES AS IT DEEMS APPROPRIATE IF CALLED ON TO ESTABLISH THE AVAILABILITY OF AN EXEMPTION FROM REGISTRATION OF THE SHARES UNDER THE ACT OR REGISTRATION OR QUALIFICATION OF THE SHARES UNDER THE LAW OR ANY OTHER SECURITIES LAW.

Unless you have already furnished a completed and signed Offering Questionnaire to the Company, or have otherwise furnished to the Company all of the information elicited by this Questionnaire, and unless the information furnished is still true and complete, please complete, sign, date and return one copy of this Questionnaire.

Note for Certain Employee Benefit Plans: If you are a self-directed plan that believes it is an "accredited investor" because investment decisions are made solely by persons that are accredited investors (see Part E, category (3)), please furnish a separate Questionnaire with respect to you and each such person participating in making the investment decision.

Note for Trusts: If you are a trust that believes it is an "accredited investor" described in Part E, category (4), please furnish a separate Questionnaire with respect to you and each person participating in making the investment decision (except that persons participating in making the investment decision need not complete Parts C, E and F).

Note for Certain Entities: If you are an entity that believes it is an "accredited investor" by virtue of the accredited investor status of each equity owner thereof (see part E, category 13)), please furnish a separate Questionnaire with respect to you and each such equity owner.

A. Identifying Information

Full Name

Date of Birth

Marital Status

of Dependents

Full Name of Spouse

Spouse DOB

Home Address

Street

City

State

Zip

Home Phone:

In what state do you maintain your primary residence?

of Years

Do you plan to change your state of residence?

If you have plan to change your state of residence, or have been in your current state of residence for less than 1 year, please use the space below to provide further detail

Are you considered a resident of any other state?

If you may be considered a resident by a state other than the state selected above, please provide fan explanation below

Entity Type

Individual

Partnership

Trust

Association

Corporation

Other (Please explain)

Entity Jurisdiction In which jurisdiction are you organized and existing

Jurisdiction: Location of principal place of business

B. Employment and Background (Individuals Only)

Current Occupation

Spouse /Co-investor Current Occupation

C. Financial Information

General Instructions: If you are an entity (corporation, partnership, trust, etc.), complete the section below entitled "Entities." In addition, each partner of an investor that is a partnership, each beneficiary of an investor that is a trust and each shareholder of an investor that is a closely held corporation should complete the section below entitled "Individuals." If you are acting as custodian for a minor, the minor's financial information (not the custodian's) should be given.

Entities

Entity Type

Individual Partnership Trust Association Corporation

Other (Please specify)

Number of partners, shareholders, or beneficiaries

Is investor an "employee benefit plan" within the meaning of the Employment Retirement Income Security Act of 1974, as amended? Yes No

If the investor is a trust other than such an "employee benefit plan" is the trust "revocable" pursuant to its trust agreement? Yes No

Investor's approximate net worth?

Individuals (including certain partners, shareholders, and beneficiaries). See general instructions for assistance.

Was your gross income from all sources (check appropriate boxes):

Alone Greater Than:	Calendar Year Prior to Last Year	Last Year	Reasonably Expected Current Year
\$100,000	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
\$200,000	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
\$300,000	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Jointly with spouse greater than			
\$100,000	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
\$200,000	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
\$300,000	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

What is your individual or joint net worth with your spouse (excluding personal residence, furnishings and automobiles), as of the date hereof

Does it exceed \$1,000,000?

Yes No

E. "Accredited Investor"

If you are an "accredited investor" as that term is defined in Regulation D under the Act and under the rules of the California Commissioner of Corporations under section 25102(f) of the Law, please indicate by check mark(s) in the appropriate space(s) below the category or categories that accurately describe your situation:

- (1) A natural person (not an entity) whose individual net worth, or joint net worth with his or her spouse, at the time of his or her purchase exceeds \$1,000,000 excluding the value of any personal residence (including any negative value).
- (2) A natural person (not an entity) who had an individual income in excess of \$200,000 in each of the preceding two years or joint income with his or her spouse in excess of 300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year.
- (3) An employee benefit plan within the meaning of Title I of the Employee Retirement income security act of 1974, if the investment decision is made by a plan fiduciary, as defined in section 3(21) thereof, which is either a bank, savings and loan association, insurance company or registered investment adviser, or if the employee benefit plan has total assets in excess of \$5,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors.
- (4) A trust, with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the securities of the company being offered, whose purchase is directed by a person who has such knowledge and experience in financial and business matters that he or she is capable of evaluating the merits and risks of the prospective investment in the company.
- (5) A bank as defined in section 3(a)(2) of the Act, or a savings and loan association or other institution as defined in section 3(a)(5)(a) of the act, whether acting in its individual or fiduciary capacity.
- (6) A broker or dealer registered pursuant to section 15 of the Securities Exchange act of 1934.
- (7) An insurance company as defined in section 2(13) of the Act.

Accredited Investor, Cont.

- (8) An investment company registered under the Investment Company Act of 1940 or a business development company as defined in section 2(a)(48) of the investment company act of 1940.
- (9) A Small Business Investment Company licensed by the U.S. Small Business Administration under section 301(c) or (d) of the small business investment act of 1958.
- (10) A private business development company as defined in section 202(a)(22) of the investment advisers act of 1940.
- (11) An organization described in section 501(c)(3) of the Internal Revenue Code, a corporation, a Massachusetts or similar business trust, or a partnership not formed for the specific purpose of acquiring the securities of the company being offered, with total assets in excess of \$5,000,000.
- (12) A director or executive officer of the Company; or
- (13) An entity in which all the equity owners are accredited investors.

For purposes of categories (1) and (2) above, you will be considered an accredited investor only if you also meet one of the following tests:

- (a) You or your professional adviser can be reasonably assumed to have the capacity to protect your own interests in connection with the transaction by reason of your business or financial experience or the business or financial experience of your adviser (who is unaffiliated with or who is not compensated by the Company or any affiliate or selling agent of the Company, directly or indirectly); and
- (b) You can reasonably be assumed to be able to bear the economic risk of your investment in the Company; or
- (c) Your investment in the Company does not exceed ten percent of your net worth.

If you have indicated category (3) above and if you are a self-directed employee benefit plan with investment decisions made solely by persons that are accredited investors, or if you have indicated category (13) above, please list below the names and categories of accreditation of the accredited investors making the investment decisions (category (3)) or who are the equity owners (category (13)) (attach additional pages if necessary):

Person Making Decision / Equity Owner	Accredited Investor Category
<input type="text"/>	<input type="text"/>
<input type="text"/>	<input type="text"/>

F. Purchaser Representative

You will be eligible to invest in the Company only if you, either alone or together with your "purchaser representative" (such as an investment adviser, attorney, accountant or other consultant), have such knowledge and experience in financial and business matters that you are capable of evaluating the merits and risks of an investment in the Company and have the capacity to protect your own interests in connection with your proposed investment in the Company. Do you intend to have a "purchaser representative" advise you in order to meet this requirement? Yes No

If yes, please furnish the information indicated below:

Name	<input type="text"/>	Firm	<input type="text"/>
Street	<input type="text"/>	City	<input type="text"/>
State	<input type="text"/>	Zip	<input type="text"/>
		Phone Number	<input type="text"/>

In accordance with federal and state securities laws, your representative must satisfy the following conditions:

(1) He or she may not be an affiliate, director, officer or other employee of the Company or a beneficial owner of ten percent or more of any class of the equity securities of the Company, except where you are:

(i) A relative of the representative by blood, marriage or adoption not more remote than first cousin;

(ii) A trust or estate in which the representative and any persons related to him or her as specified in clause (i) above or clause (iii) below collectively have more than fifty percent of the beneficial interest (excluding contingent interest) or of which the representative serves as trustee or executor or in any similar capacity;

or

(iii) A corporation or other organization of which the representative and any persons related to him or her as specified in clause (i) or (ii) above collectively are the beneficial owners of more than fifty percent of the equity securities (excluding directors' qualifying shares) or equity interests; and

(2) The representative must have such knowledge and experience in financial and business matters that he or she is capable of evaluating, alone or together with your other representatives or together with you, the merits and risks of the prospective investment in the Company.

If you are engaging a Purchaser Representative, your subscription cannot be accepted by the Company until you furnish to the Company a copy of a completed and signed Purchaser Representative Questionnaire and Investor Acknowledgment in the form of Appendix II to the Subscription Agreement. That document must be dated prior to the date of your subscription.

To the best of my knowledge and belief, the above information supplied by me is true and correct in all respects. I agree that I will notify the Company immediately of any material change in any of the foregoing information prior to consummation of my purchase of Shares. I understand that the information being furnished in this Questionnaire is required to enable the Company to determine whether offers and sales to me of Shares of the Common Stock of the Company may be made without registration under federal and state securities laws.

Date

Signature

Name (Typed)