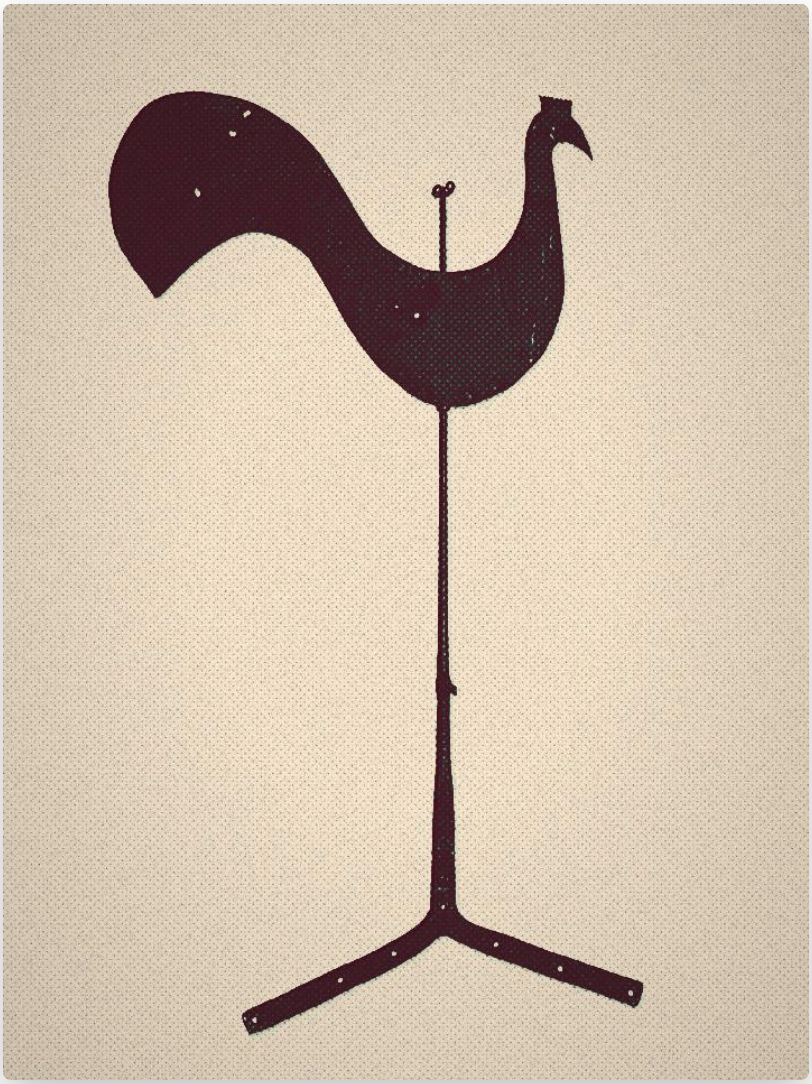
FORM S-1 · REGISTRATION STATEMENT

Bankrate Inc

IPO priced 1999-05-17 · $13.00 a share



From S1 Directory · www.s1directory.com/s1/bankrate-inc/ · Source: https://www.sec.gov/Archives/edgar/data/1080866/000093176399000707/0000931763-99-000707.txt

AS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION ON MARCH 11, 1999 REGISTRATION NO. 333- SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 FORM S-1 REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933 INTELLIGENT LIFE CORPORATION (EXACT NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

Florida	7375	65-0423422
(State or other Jurisdiction of Incorporation or Organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

11811 U.S. HIGHWAY ONE, SUITE 101 NORTH PALM BEACH, FLORIDA 33408 (561) 627-7330 (ADDRESS, INCLUDING ZIP CODE AND TELEPHONE NUMBER, INCLUDING AREA CODE, OF REGISTRANT'S PRINCIPAL EXECUTIVE OFFICES) WILLIAM P. ANDERSON, III PRESIDENT AND CHIEF EXECUTIVE OFFICER INTELLIGENT LIFE CORPORATION 11811 U.S. HIGHWAY ONE, SUITE 101 NORTH PALM BEACH, FLORIDA 33408 (561) 630-1200 (NAME, ADDRESS, INCLUDING ZIP CODE, AND TELEPHONE NUMBER, INCLUDING AREA CODE, OF AGENT FOR SERVICE)

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APPROXIMATE DATE OF COMMENCEMENT OF PROPOSED SALE TO THE PUBLIC: AS SOON AS PRACTICABLE AFTER THIS REGISTRATION STATEMENT IS DECLARED EFFECTIVE.

IF ANY OF THE SECURITIES BEING REGISTERED ON THIS FORM ARE OFFERED ON A DELAYED OR CONTINUOUS BASIS PURSUANT TO RULE 415 UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") PLEASE CHECK THE FOLLOWING BOX. [_] IF THIS FORM IS FILED TO REGISTER ADDITIONAL SECURITIES FOR AN OFFERING PURSUANT TO RULE 462(B) UNDER THE SECURITIES ACT, PLEASE CHECK THE FOLLOWING BOX AND LIST THE SECURITIES ACT REGISTRATION STATEMENT NUMBER OF THE EARLIER EFFECTIVE REGISTRATION STATEMENT FOR THE SAME OFFERING. [_] IF THIS FORM IS A POST-EFFECTIVE AMENDMENT FILED PURSUANT TO RULE 462(C) UNDER THE SECURITIES ACT, PLEASE CHECK THE FOLLOWING BOX AND LIST THE SECURITIES ACT REGISTRATION STATEMENT NUMBER OF THE EARLIER EFFECTIVE REGISTRATION STATEMENT FOR THE SAME OFFERING. [_] IF THIS FORM IS A POST-EFFECTIVE AMENDMENT FILED PURSUANT TO RULE 462(D) UNDER THE SECURITIES ACT, CHECK THE FOLLOWING BOX AND LIST THE SECURITIES ACT REGISTRATION STATEMENT NUMBER OF THE EARLIER EFFECTIVE REGISTRATION STATEMENT FOR THE SAME OFFERING. [_] IF DELIVERY OF THE PROSPECTUS IS EXPECTED TO BE MADE PURSUANT TO RULE 434, PLEASE CHECK THE FOLLOWING BOX. [_]

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities Registered	Proposed Maximum Aggregate Offering Price (1)	Amount of Registration Fee
COMMON STOCK, $0.01 PAR VALUE.....	$46,000,000	$12,788

(1) ESTIMATED SOLELY FOR THE PURPOSE OF COMPUTING THE REGISTRATION FEE IN ACCORDANCE WITH RULE 457 UNDER THE SECURITIES ACT OF 1933, AS AMENDED.

THE REGISTRANT HEREBY AMENDS THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL THE REGISTRANT SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(A) OF THE SECURITIES ACT OF 1933 OR UNTIL THE REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE COMMISSION, ACTING PURSUANT TO SECTION 8(A), MAY DETERMINE.

++
+The information in this prospectus is not complete and may be changed. We may +
+not sell these securities until the registration statement filed with the   +
+Securities and Exchange Commission is effective. This prospectus is not an   +
+offer to sell these securities, and we are not soliciting offers to buy these +
+securities, in any state where the offer or sale is not permitted.   +
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SUBJECT TO COMPLETION, DATED , 1999

PROSPECTUS

SHARES

[COMPANY LOGO]

COMMON STOCK

INTELLIGENT LIFE CORPORATION IS THE LEADING PROVIDER OF INDEPENDENT, OBJECTIVE RESEARCH REGARDING CONSUMER BANKING AND CREDIT PRODUCTS AND A SIGNIFICANT PUBLISHER OF ORIGINAL EDITORIAL CONTENT RELATING TO PERSONAL FINANCE MATTERS. WE PROVIDE THIS INFORMATION THROUGH OUR INTERNET SITES BANKRATE.COM, THEWHIZ.COM, CONSEJERO.COM AND CPNET.COM AND IN PRINT THROUGH BANK RATE MONITOR AND CONSUMER MORTGAGE GUIDE.

[LOGO]	[LOGO]	[LOGO]	[LOGO]
Bankrate.com	theWhiz.com	Consejero.com	CPNet.com

This is our initial public offering, and we are offering shares of our common stock. We anticipate that the initial public offering price will be between $ and $ per share. We have applied to list the common stock on the Nasdaq National Market under the symbol "ILIF."

SEE "RISK FACTORS" BEGINNING ON PAGE 7 FOR A DISCUSSION OF CERTAIN FACTORS THAT YOU SHOULD CONSIDER BEFORE YOU INVEST IN THE COMMON STOCK BEING SOLD WITH THIS PROSPECTUS.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR PASSED UPON THE ADEQUACY OR ACCURACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

	PER SHARE	TOTAL
Public Offering Price	$	$
Underwriting Discounts and Commissions	$	$
Proceeds to Intelligent Life Corporation	$	$

THE UNDERWRITERS MAY PURCHASE UP TO AN ADDITIONAL SHARES OF COMMON STOCK FROM INTELLIGENT LIFE CORPORATION AT THE PUBLIC PRICE LESS UNDERWRITING DISCOUNTS SOLELY TO COVER OVER-ALLOTMENTS.

THE UNDERWRITERS ARE SEVERALLY UNDERWRITING THE SHARES BEING OFFERED. THE UNDERWRITERS ARE OFFERING THE SHARES WHEN, AS AND IF DELIVERED TO AND ACCEPTED BY THEM, SUBJECT TO VARIOUS PRIOR CONDITIONS, INCLUDING THEIR RIGHT TO REJECT ORDERS IN WHOLE OR IN PART. THE UNDERWRITERS EXPECT TO DELIVER THE SHARES AGAINST PAYMENT IN NEW YORK, NEW YORK ON , 1999.

ING BARING FURMAN SELZ LLC THIS PROSPECTUS IS DATED , 1999.

CERTAIN PERSONS PARTICIPATING IN THIS OFFERING MAY ENGAGE IN TRANSACTIONS THAT STABILIZE, MAINTAIN OR OTHERWISE AFFECT THE PRICE OF THE COMMON STOCK. SPECIFICALLY, THE UNDERWRITERS MAY OVERALLOT IN CONNECTION WITH THE OFFERING, AND MAY BID FOR, AND PURCHASE, SHARES OF THE COMMON STOCK IN THE OPEN MARKET. FOR A DESCRIPTION OF THESE ACTIVITIES, SEE "UNDERWRITING" ON PAGE 50.

Prospectus Summary

You should read the following summary together with the more detailed information and financial statements and notes thereto appearing elsewhere in this prospectus. Except where noted otherwise, all information in this prospectus, including share and per-share information, assumes (1) the conversion of a promissory note issued by Intelligent Life into 6,738 shares of Series B Preferred Stock, (2) the conversion of all outstanding shares of Series A Preferred Stock and Series B Preferred Stock into shares of common stock immediately prior to completion of this offering, (3) no exercise of the underwriters' over-allotment option, and (4) a stock dividend of four shares to be paid on each issued and outstanding share of Intelligent Life's common stock immediately prior to completion of this offering. See "Description of Capital Stock" on page 45 and "Underwriting" on page 50.

The Company

Overview

We are the leading provider of independent, objective research regarding consumer banking and credit products and a significant publisher of original editorial content relating to personal finance matters. Since 1984, we have provided this information to leading newspapers and magazines and through our publication Bank Rate Monitor. Today, we publish our data online through our principal web site, Bankrate.com, and through arrangements with more than 60 distribution (or syndication) partners such as Yahoo!, Quicken.com, America Online and Money.com. Information is presented for 120 geographic markets and nationally and includes data regarding mortgage and home equity loans, credit cards, automobile loans, checking accounts, ATM fees and yields on savings instruments. Our unique information, which is compiled by 38 researchers, is accompanied by extensive editorial content designed to assist consumers with their decision-making process. We believe Bankrate.com's audience, which may search for information by product and geographic area using this web site, represents a highly desirable group of target customers for our advertisers. As a result, we believe we are able to obtain premium rates for advertising on Bankrate.com.

We are currently using the resources of Bankrate.com to create new online publications that provide personal finance information to additional targeted audiences. These publications include: theWhiz.com, which targets an audience that is younger, more female and more ethnically diverse than typical personal finance publications; Consejero.com, which targets a Spanish-speaking audience; CPNet.com, which targets the college market; and Garzarelli.com, a subscription-based service. Our goal is to develop a broad base of loyal users of our network of web sites who believe our information can improve their personal financial lives.

The "Business and Finance Report" compiled by Media Metrix, Inc. for the quarter ended December 31, 1998 indicated that we had 1.3 million unique visitors, compared to 1.1 million for the quarter ended September 30, 1998. Unique visitors are the number of different web users that visited our sites over the course of the reporting period.

Our Opportunity

We believe many purchasers of financial products and services are relatively uninformed with respect to these products and services, and often rely upon personal relationships when making such purchases. We also believe many of these products and services are not well explained, and alternatives are not typically presented, when marketed to consumers through traditional media. As the sale of many of these products and services moves to the web, where there is little personal contact, we believe that consumers will seek sources of independent, objective information such as Bankrate.com to facilitate and support their buying decisions. Because of the interactive nature of the internet, where web technology allows us to display extensive research on financial products and services that was previously unavailable to consumers, we believe we are able to provide a superior vehicle to educate consumers about how to best select and purchase such products and services.

Additionally, we believe consumers are becoming more proactive managers of their financial affairs and, as a result, there is an increasing demand for financial information from a larger proportion of the population concerning a broader range of financial issues than in the past. We believe the majority of the financial information available on the web is oriented toward investment advice and providing business news and financial market information rather than personal and consumer finance data. Our publications are targeted to fulfill the market need for personal and consumer finance information.

By expanding our comparative data regarding financial products and related editorial content, we are creating a unique web-based service designed to enable our audience to keep abreast of personal finance developments and better manage their financial affairs. As a result, we believe we can assemble a loyal base of users made up of targeted audiences that are attractive to advertisers. We believe Intelligent Life will benefit significantly from the anticipated growth in internet usage and spending on internet advertising, direct marketing and electronic commerce.

Strategy

Our objective is to create a series of online publications that are trusted sources of editorial content for consumers in the area of personal finance. Elements of our strategy include:

Increase Awareness of Our Publications. We intend to aggressively promote our online publications. Developing greater awareness of our brand names should increase the value of our web sites to potential advertisers and distribution partners. Historically, we have had relatively low levels of promotional expenditures. With the proceeds of this offering, we anticipate increasing our marketing efforts substantially.

Expand Existing Publications. We plan to expand and improve our existing online publications by including additional editorial and research content. Recent additions to Bankrate.com include information regarding 30-year jumbo mortgages, VA mortgages, money market accounts, credit unions, Year 2000 issues and bank ratings. We expect forthcoming additions will include new content in the areas of investment and insurance on theWhiz.com and Consejero.com. These additions may incorporate opportunities for consumers to initiate transactions on our sites.

Grow Distribution Relationships. We intend to pursue new and expand existing distribution relationships in order to increase site traffic and raise the profile of our brand names. In particular, we intend to focus on increasing the number of distribution relationships we have for theWhiz.com and Consejero.com.

Add New Publications. We intend to use our expertise in producing online research and editorial content to develop new online publications similar in concept to Bankrate.com in complementary areas such as property and casualty insurance and tax planning. In addition to developing publications internally, and in order to accelerate our growth, we intend to pursue acquisitions of personal finance companies and products that will extend our network of web sites.

Provide High Value Added Solutions to Advertisers. Delivering audiences to our advertisers on a targeted demographic basis, segmented by geographic region and product of interest, provides high value added marketing solutions to advertisers. By expanding the breadth and depth of our online publications and adding to our advertising inventory, we believe we will be able to expand the scope of our services, thereby increasing sales to existing advertisers and attracting new advertisers.

Background

Intelligent Life commenced internet operations in 1995. In 1997, following the hiring of William P. Anderson, III, our President and Chief Executive Officer, our online activities became our principal focus. Mr. Anderson was formerly the Chief Financial Officer of H&R Block, Inc. and President and Chief Executive Officer of Block Financial Corporation, a subsidiary of H&R Block, Inc., engaged in consumer lending, software and online financial service delivery. Since commencing online operations, we have developed substantial online business capabilities, and now create and host a significant number of web sites and sell and deliver advertising relating to all of these sites. As a result of having developed this infrastructure, we believe we are well-positioned to grow our business.

Intelligent Life was incorporated in Florida in 1993 and acquired the assets of its predecessor at that time. Our principal executive office is located at 11811 U.S. Highway One, Suite 101, North Palm Beach, Florida 33408 and our telephone number is (561) 627-7330.

The Offering

Common stock offered by Intelligent Life..... shares Common stock outstanding after this offering..... shares(1) Use of proceeds..... For expansion of our business, including marketing and promotional expenditures, investment in editorial and content production resources, and possible future acquisitions, and for general corporate purposes, including working capital. See "Use of Proceeds" on page 13. Proposed Nasdaq Stock Market symbol..... ILIF (1) Includes: (1) conversion of a promissory note issued by Intelligent Life into 6,738 shares of Series B Preferred Stock; (2) 5,696,250 shares of common stock to be issued upon conversion of our Series A and Series B Convertible Preferred Stock at the time this offering is completed; and (3) a change in accounting converting 189,238 shares of redeemable common stock into common stock. Excludes: 807,500 shares

of common stock issuable upon the exercise of stock options outstanding as of March 10, 1999, at the weighted average exercise price of $2.51 per share. See "Management--Stock Option and Other Compensation Plans" on page 41.

Summary Financial and Operating Data

	Year Ended June 30,			Six Months Ended December 31,	
	1996	1997	1998	1997	1998
	in thousands, except share and per share data			in thousands, except share and per share data	
Statement of Operations Data:					
Online publishing revenue	$ 70	$ 485	$ 1,282	$ 508	$ 1,809
Print publishing and licensing revenue	1,558	2,058	2,559	1,180	1,660
Total revenue	1,628	2,543	3,841	1,688	3,469
Loss from operations	(619)	(879)	(2,828)	(939)	(2,287)
Net loss	(672)	(956)	(2,782)	(904)	(2,095)
Basic and diluted net loss per share	$ (0.67)	$ (1.24)	$ (3.62)	$ (1.18)	$ (2.58)
Weighted average shares outstanding used in basic and diluted per share calculation(1)	1,000,000	769,240	769,240	769,240	810,640

As of December 31, 1998	Actual	As Adjusted(2)
	in thousands	
Balance Sheet Data:		
Cash and cash equivalents	$ 1,633	$
Working capital	658	
Total assets	3,099	
Long-term liabilities	263	
Redeemable convertible preferred stock	12,198	
Total stockholders' equity (deficit)	(10,985)	

(1) Includes: (1) conversion of a promissory note issued by Intelligent Life into 6,738 shares of Series B Preferred Stock; (2) 5,696,250 shares of common stock to be issued upon conversion of our Series A and Series B Convertible Preferred Stock at the time this offering is completed; and (3) a change in accounting converting 189,238 shares of redeemable common stock into common stock. Excludes: 807,500 shares of common stock issuable upon the exercise of options outstanding at March 10, 1999, at a weighted average exercise price of $2.51 per share. See "Management--Stock Option and Other Compensation Plans" on page 41. (2) As adjusted to give effect to the sale by Intelligent Life of the shares of common stock offered hereby at an assumed initial public offering price of $ per share and the receipt of the estimated net proceeds therefrom. See "Use of Proceeds" on page 13 and "Capitalization" on page 14.

Selected Monthly Financial and Operating Data

	Online Publishing Revenue in thousands	Number of Online Advertisement Views in millions
1998		
January	$112	3.0
February	100	4.0

March	116	5.8
April	156	4.9
May	164	5.2
June	125	6.2
July	183	6.7
August	286	7.4
September	348	13.9
October	334	18.0
November	333	14.8
December	325	13.8
1999		
January	$458	18.7
February		
March		

Risk Factors

An investment in our common stock involves a high degree of risk. In addition to the other information in this prospectus, you should carefully read and consider the following risk factors before investing in our common stock. The words "may," "will," "intends," "plans," "expects," "anticipates," "estimates" and similar expressions identify forward-looking statements. Forward-looking statements are subject to a number of risks and uncertainties. Actual results could differ materially from those anticipated by such forward- looking statements as a result of the risk factors set forth in this section and the other information provided in this prospectus. We do not intend to update any forward-looking statements.

Dependence on Internet Advertising Revenue We expect to derive a substantial amount of our revenues for the foreseeable future through the sale of advertising space on our internet web pages. Any factors that limit the amount advertisers are willing to spend on advertising either on the internet generally or on our web sites in particular could have a material adverse effect on our business. These factors may include: lack of standards for measuring web site traffic or effectiveness of web site advertising; lack of established pricing models for internet advertising; failure of traditional media advertisers to adopt internet advertising; introduction of alternative advertising sources; and lack of significant growth in web site traffic.

The internet is a new medium for advertising and its effectiveness as compared with traditional advertising media is unproven. Currently, there are no widely accepted standards to measure the effectiveness of internet advertising, and we cannot be certain that such standards will develop sufficiently to support our growth through internet advertising. We must demonstrate to advertisers that our web sites are an effective means of reaching consumers in order to convince such advertisers to reallocate their budgets from traditional forms of advertising to our web sites. Actual or perceived ineffectiveness of our web sites as advertising vehicles would limit the growth of our revenue and have a material adverse effect on our business.

Currently, a number of different pricing models are used to sell advertising on the internet. It is difficult to predict which pricing model, if any, will emerge as the industry standard and we cannot be certain that any other forms of internet advertising will be developed or accepted by the market. Therefore, it is difficult for us to project our future advertising rates and revenues. For instance, banner

advertising, from which we currently derive most of our online revenue, may not be an effective advertising method in the future. If we are unable to adapt to new forms of internet advertising and pricing models our business could be adversely affected.

Financial services companies account for a substantial majority of our advertising revenues. We will need to sell advertising to customers outside of the financial services industry in order to significantly increase our revenues. To date, relatively few advertisers from industries other than the technology and financial services industries have devoted a significant portion of their advertising budgets to internet advertising. If we do not attract advertisers from other industries, our business could be adversely affected.

Dependence on Interest Rate Activity and Mortgage Refinancing A significant majority of our advertisement views and page views are attributable to the Bankrate.com site. Given the profile of the site's visitor traffic and its prominence as a leading source of interest rate information, visitor traffic increases with interest rate movements and decreases with interest rate stability. Factors that have caused significant visitor fluctuations in the past have been Federal Reserve actions and general market conditions affecting home mortgage interest rates. Approximately 40% of visits to Bankrate.com are to its mortgage pages. This traffic is heavily dependent on interest rates and mortgage refinancing activity. A slowdown in mortgage refinancings could have a material adverse effect on our business.

We believe that as we continue to develop web sites of broader interest, the percentage of overall site traffic seeking mortgage information will decline. To accelerate the growth of traffic to our other sites, we are working with our syndication partners to program web sites other than Bankrate.com more intensively, and we are promoting these sites aggressively. We cannot assure you that we will be successful in these efforts.

Dependence on Distribution Arrangements Our business strategy includes the distribution of our content through the establishment of co-branded web pages with high-traffic business and personal finance sections of online services and web sites, such as America Online, Quicken.com and Money.com. Providing access to these co-branded web pages is a significant part of the value we offer to our advertisers. Although we currently have over 60 co-branded relationships, we compete with other internet content providers to maintain our current relationships and establish new relationships. As a result, we may not be able to maintain these relationships on favorable economic terms or at all. In addition, we cannot assure you that our distribution arrangements will attract a sufficient number of users to support our current advertising model. Moreover, our payments to our distribution partners represent a significant portion of our advertising revenue. In addition, many companies we pursue for distribution arrangements offer competing services. As a result, these competitors may be reluctant to enter into distribution arrangements with us.

Occasionally, we enter into agreements with advertisers, content providers or other web sites that require us to feature such parties exclusively in certain sections of our web sites. Existing and future exclusivity arrangements may prevent us from entering into other content, advertising or distribution arrangements.

In January 1999, 44% of our traffic originated from co-branded sites. Our business could be adversely affected if we do not establish and maintain distribution arrangements on favorable economic terms.

Need to Increase Brand Awareness Although Intelligent Life and its predecessors have been in business since 1976, we commenced our internet operations by introducing Bankrate.com in 1995. Due to the limited operating history of our internet operations, it is important that we develop brand awareness of our web sites in order for them to be attractive to advertisers. The importance of brand recognition will increase as competition in the internet advertising market increases. As a result, developing and maintaining awareness of our web sites by promoting our brand names is critical to maintaining our growth. As competing web sites become established on the internet, the cost of developing brand awareness increases significantly.

Successfully promoting and positioning our web sites and brand names will depend largely on the effectiveness of our marketing efforts and our ability to develop favorable traffic patterns to our web sites. Therefore, we may need to increase our financial commitment to creating and maintaining brand awareness among users. We intend to use a portion of the proceeds of this offering to increase our marketing efforts and promote our brand awareness. If we fail to successfully promote our web sites and brand names or if we incur significant expense in doing so, it could have a material adverse effect on our business.

Competition

We compete for internet advertising revenues with a number of finance- related web sites, such as MarketWatch.com, CNNfn.com and Quicken.com, and traditional publishers and distributors of personal finance content such as MSNBC, CNN, Money Magazine and USA Today. Many of our existing competitors, as well as a number of potential new competitors, have longer operating histories, greater name recognition, larger customer bases and significantly greater financial, technical and marketing resources than us. Many competitors, such as Quicken.com, also have complementary products or services that drive traffic to their web sites. Increased competition could result in price reductions, reduced margins or loss of market share, any of which would adversely affect our business. We cannot be certain that we will be able to compete successfully against current or future competitors.

Potential for Technical Problems and Service Interruptions In the past, our web sites have experienced significant increases in traffic in response to interest rate movements and other business or financial news events. The number of our users has continued to increase over time, and we are seeking to further increase our user base. As a result, our internet servers must accommodate spikes in demand for our web pages in addition to potential significant growth in traffic. Our web sites have in the past and may in the future experience slower response times or other technical problems as a result of increased traffic. These delays or other technical problems could frustrate users and reduce our future web site traffic, which could have a material adverse effect on our business.

All of our communications and network equipment is located at our corporate headquarters in North Palm Beach, Florida. Any system failure at this location could lead to interruptions or delays in service for our web sites, which could have a material adverse effect on our business. Our operations are dependent upon our ability to protect our systems against damage from fires, hurricanes, earthquakes,

power losses, telecommunications failures, break-ins, computer viruses, hacker attacks and other events beyond our control. Although we maintain business interruption insurance, it may not adequately compensate us for losses that may occur due to failures of our systems.

Risks Related to Our Intellectual Property Our intellectual property consists of the content of our web sites and print publications. We rely on a combination of copyrights, trademarks, trade secret laws and our user policy and restrictions on disclosure to protect our intellectual property. We may also enter into confidentiality agreements with our employees and consultants and seek to control access to and distribution of our proprietary information. Despite these precautions, it may be possible for other parties to copy or otherwise obtain and use the content of our web sites or print publications without authorization. A failure to protect our intellectual property in a meaningful manner could have a material adverse effect on our business.

We license certain software, data and content from third parties. In these license agreements, the licensors have generally agreed to defend, indemnify and hold us harmless with respect to any claim that the licensed software or content infringes any person's proprietary rights. We cannot assure you that the outcome of any litigation between a licensor and a third party or between us and a third party will not lead to royalty obligations for which we are not indemnified or for which such indemnification is insufficient, or that we will be able to obtain any additional license on commercially reasonable terms or at all.

Because we license some of our data and content from other parties, our exposure to copyright infringement actions may increase because we must rely upon such parties for information as to the origin and ownership of the licensed content. Generally, we obtain representations as to the origin and ownership of licensed content and obtain indemnification to cover any breach of any such representations. However, we cannot assure you that such representations will be accurate or that such indemnification will be sufficient to provide adequate compensation for any breach of such representations.

Any future infringement or other claims or prosecutions related to our intellectual property could have a material adverse effect on our business. Any such claims, with or without merit, could be time-consuming, result in costly litigation and diversion of technical and management personnel or require us to introduce new content or trademarks, develop new technology or enter into royalty or licensing agreements. Such royalty or licensing agreements, if required, may not be available on acceptable terms, if at all.

Liability for Information on our Web Sites Much of the information published on our web sites relates to the competitiveness of financial institutions' rates, products and services. We may be subjected to claims for defamation, negligence, copyright or trademark infringement or other theories relating to the information we publish on our web sites. These types of claims have been brought, sometimes successfully, against online services as well as print publications. Our insurance may not adequately protect us against these types of claims.

Uncertainties Relating to Government Regulation of the Internet As internet commerce continues to evolve, increasing regulation by federal or state agencies or foreign governments may occur. Such regulation is likely in the areas of user privacy, pricing, content and quality of products and services. Additionally, taxation of internet use or electronic commerce transactions may be imposed. Any regulation imposing fees for internet use or electronic commerce transactions could result in a decline in the use of the internet and the viability of internet commerce, which could have a material adverse effect on our business.

Concentration of Ownership Our officers and directors will beneficially own approximately % of Intelligent Life's outstanding common stock after this offering. Peter C. Morse, our largest shareholder, will beneficially own approximately % of Intelligent Life's outstanding common stock after this offering. As a result, our officers and directors will be able to exercise control over all matters requiring shareholder approval. In particular, these controlling shareholders will have the ability to elect all of our directors and approve or disapprove significant corporate transactions. This control could be used to prevent or significantly delay another company or person from acquiring or merging with us.

Need to Manage Growth Since we began our internet operations in 1995, we have expanded our operations significantly, and we intend to continue to do so. This expansion may come through internal growth, acquisitions, or both, all of which may place a significant strain on our management. To manage the expected growth of our operations and personnel, we must develop our existing management, operational and financial systems. If we fail to implement and improve these systems in a timely manner, such failure could have a material adverse effect on our business.

New Management Team and Dependence Upon Key Employees We have recently added a number of key managerial, technical and operations personnel. We are also significantly increasing our employee base. Our success depends largely upon hiring and training additional employees as well as retaining the continued services of our executive officers and other key management and development personnel. In particular, we rely on William P. Anderson, III, our President and Chief Executive Officer. We maintain key- person life insurance for Mr. Anderson. We also have a number of key employees on whom we depend and who may be difficult to replace. A failure to retain our current key employees or to hire enough qualified employees to sustain our growth could have a material adverse effect on our business.

History of Losses

We incurred net losses of approximately $2,782,000, $956,000 and $672,000 for the years ended June 30, 1998, 1997 and 1996 and a net loss of $2,095,000 for the six months ended December 31, 1998. We had an accumulated deficit of approximately $10,712,000 as of December 31, 1998. We anticipate that we may incur operating losses in the future due to a high level of planned expenditures. Although our revenue has grown rapidly in recent periods, such growth may not continue and may not lead to profitability.

Anti-Takeover Provisions Certain provisions of our Articles of Incorporation and Bylaws may have the effect of delaying or preventing a merger or acquisition, or making such a transaction less desirable to a potential acquirer, even when shareholders may consider the acquisition or merger favorable. For

example, our Articles of Incorporation and Bylaws provide that: the board of directors has the authority, without shareholder approval, to issue up to 10,000,000 shares of preferred stock and to determine the rights (including voting rights) associated with such preferred stock (which issuance may adversely affect the market price of the common stock and the voting rights of the holders of common stock); the board of directors is classified and directors have three-year terms; cumulative voting for the election of directors is prohibited; approval by 66 2/3% of the shareholders is required for certain amendments to the Articles of Incorporation or Bylaws; and certain procedures must be followed before matters can be proposed by shareholders for consideration at shareholder meetings. Florida law also contains provisions that may also delay, prevent, or discourage an acquisition of or merger with Intelligent Life.

Discretion in the Use of Proceeds from this Offering The net proceeds from the sale of the common stock will become part of our general working capital upon completion of this offering, and we may use these funds in a variety of ways, including increasing our sales and marketing activities, increasing our content development activities and pursuing strategic acquisitions and partnerships. We will have considerable discretion in the application of the net proceeds of this offering to these uses. In addition, the timing of our use of the net proceeds will depend on a number of factors, including the amount of our future revenues.

Risks Relating to Possible Future Acquisitions A part of our business strategy is to acquire web sites and other content providers that will be complementary to our current activities. Acquisitions typically involve a number of risks, including the following: acquisitions could divert our management's attention from other business operations; we may not be successful in integrating the operations of acquired companies in a timely and cost-effective manner; we may not be successful in retaining key personnel of acquired companies; acquired companies may be subject to legal liabilities that we could be required to assume; and acquisitions may result in adverse accounting effects.

Some or all of these risks could result in a material adverse effect on our business. In addition, we cannot assure you that we will be able to identify suitable acquisition candidates that are available for sale at reasonable prices. We may elect to finance future acquisitions using some or all of the proceeds of this offering. We may also elect to finance future acquisitions with debt financing, which would increase our debt service requirements, or through the issuance of additional common or preferred stock, which could result in dilution to our shareholders. There can be no assurance that we will be able to arrange adequate financing on acceptable terms.

Results of Operations Subject to Significant Fluctuations Our results of operations may fluctuate significantly in the future as a result of a variety of factors, many of which are beyond our control. These factors include: changes in the amount of our advertising revenue; changes in fees paid by advertisers; traffic levels on our web sites, which can fluctuate significantly as a result of financial news events; changes in the demand for internet products and services; changes in fee or revenue-sharing arrangements with our distribution partners; our ability to enter into or renew key distribution agreements; the introduction of new internet advertising services by us or our competitors; changes in our capital or operating expenses as we expand our operations; and general economic conditions.

Our future revenues and results of operations may be difficult to forecast due to these factors. As a result, we believe that period-to-period comparisons of our results of operations may not be meaningful, and you should not rely on past periods as indicators of future performance. In future periods, our results of operations may fall below the expectations of securities analysts and investors, which could adversely affect the trading price of the common stock.

Possible Volatility of our Stock Price We cannot predict the extent to which investor interest in Intelligent Life will lead to the development of a trading market for our common stock or how liquid that market might become. The initial public offering price for the common stock has been determined by negotiations between us and ING Baring Furman Selz LLC and may not be indicative of prices that will prevail in the trading market. Significant price and volume fluctuations have occurred with respect to the securities of internet-related companies. In the past, following periods of downward volatility in the market price of a company's securities, class action litigation has often been pursued against companies. If such litigation were pursued against Intelligent Life, it could result in substantial costs and a diversion of our management's attention and resources.

Shares Eligible for Future Sale Could Adversely Affect Stock Price in the Future Sales of significant amounts of common stock in the public market after this offering, or the perception that such sales may occur, could materially affect the market price of the common stock.

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   We will have     shares of common stock outstanding after this offering. Of
these shares, the     million shares offered hereby will be eligible for
immediate sale in the public market without restriction, except shares
purchased by our "affiliates" within the meaning of Rule 144 under the
Securities Act.
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The remaining 9,938,688 shares are held by existing stockholders and are "restricted securities" within the meaning of Rule 144 under the Securities Act. Restricted securities may be sold in the public market only if registered or if the sale transaction qualifies for an exemption from registration under the Securities Act. Our directors and officers and certain of our existing stockholders have agreed that they will not sell, directly or indirectly, any common stock without the prior consent of ING Baring Furman Selz LLC for a period of 180 days from the date of this prospectus. As a result, additional shares may become available for sale to the public as follows: 576,000 shares may be eligible for sale pursuant to Rule 144 beginning 90 days after the date of this prospectus; 878,750 and 336,900 shares may be eligible for sale pursuant to Rule 144 on November 25, 1999 and March 9, 2000, respectively; and 8,147,038 shares may be eligible for sale pursuant to Rule 144 upon the expiration of lock-up agreements 180 days after the date of this prospectus. Certain holders of these shares, representing approximately 5,885,488 shares of common stock, have the right, subject to certain conditions, to include their shares in future registration statements relating to our securities and/or to cause us to register certain shares of common stock owned by them.

In addition, we have outstanding options to purchase 807,500 shares of common stock, 39,135 of which will be vested and upon exercise will be eligible for sale in the public market beginning 180 days after the date of this prospectus.

Dilution

If you purchase common stock in this offering, you will incur immediate and substantial dilution in net tangible book value per share. Further dilution may result if options to purchase shares of common stock are exercised by option holders in the future.

Year 2000 Compliance Issues The Year 2000 computer problem refers to the potential for system and processing failures of date-related data as a result of computer-controlled systems using two digits rather than four to define the applicable year. For example, software programs that have time-sensitive components may recognize a date represented as "00" as the year 1900 rather than the year 2000. This could result in system failure, causing disruptions to our operations.

We may be affected by Year 2000 issues related to non-compliant internal systems developed by us or by third-party vendors. However, we have received assurances from our third-party vendors for certain of our material systems that such systems are Year 2000 compliant, and we intend to take steps to bring the other systems into compliance. We plan to complete remediation efforts and commence testing of all our systems for Year 2000 compliance by April 30, 1999. We do not believe that we have any material systems that contain embedded chips that are not Year 2000 compliant, or that we will not be able to bring into compliance in a timely fashion. Failure of our systems to be Year 2000 compliant could result in an inability of users to view our sites, which would have a material adverse effect on our business.

Use of Proceeds

   The net proceeds to Intelligent Life from the sale of the   shares of common stock offered hereby are estimated to be approximately $ ($ if the underwriters exercise their over-allotment option in full), assuming an initial public offering price of $ per share and after deducting estimated underwriting discounts and commissions and estimated expenses payable by Intelligent Life in connection with the offering.

We intend to use the net proceeds from the offering primarily for expansion of our business, including marketing and promotional expenditures, investment in editorial and content production resources, and possible future acquisitions, and for general corporate purposes, including working capital. We currently have no specific agreements, commitments or understandings with respect to any acquisition. The amounts we actually use for each purpose may vary significantly and are subject to change at our discretion depending upon certain factors, including economic or industry conditions, changes in the competitive environment and strategic opportunities that may arise. In addition, we believe that it is important to create a public market for our common stock to facilitate future access to public market funds and provide the availability of a publicly-traded stock if we decide to issue common stock in connection with future acquisitions. Pending application of the net proceeds as described above, we intend to invest the net proceeds of the offering in short- term, investment-grade, interest-bearing securities.

Dividend Policy

We have never declared or paid cash dividends on our capital stock and we do not anticipate declaring or paying any cash dividends for the foreseeable future. We currently expect to retain all earnings, if any, for investment in our business. Our Board of Directors has broad discretion as to whether to pay dividends. Any determination whether to pay dividends will depend on a number of factors, including our results of operations, financial position and capital requirements, general business conditions, restrictions imposed by financing arrangements, if any, legal and regulatory restrictions on the payment of dividends and other factors that our Board of Directors deems relevant.

Capitalization

The following table sets forth our capitalization at December 31, 1998, on an actual basis and as adjusted to reflect: (1) the issuance and sale by Intelligent Life of the shares of common stock offered hereby at an assumed offering price of $ per share, after deducting estimated underwriting discounts and commissions and offering expenses; (2) the conversion of all outstanding shares of Series A Preferred Stock and Series B Preferred Stock into shares of common stock immediately prior to completion of this offering; (3) the change in accounting of redeemable common stock for common stock; and (4) the application of the estimated net proceeds to Intelligent Life of the offering. This table should be read in conjunction with our financial statements and the notes thereto appearing elsewhere in this prospectus.

As of December 31, 1998 Actual Adjusted in thousands Current portion of capital lease obligations..... $ 113 $ Capital lease obligations, long term..... $ 263 $ Redeemable Convertible Series A Preferred Stock, noncumulative, par value $.01 per share, stated at redemption value--90,000 shares authorized, 89,612 shares issued and outstanding..... 10,216 Redeemable Convertible Series B Preferred Stock, par value $.01 per share, stated at redemption value -- 20,000 shares authorized; 17,575 shares issued and outstanding..... 1,983 Redeemable common stock, par value $.01 per share, redemption value $0.52 per share -- 454,170 shares issued and outstanding..... 236 Loan receivable for redeemable common stock..... (236)

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Stockholders' equity (deficit):
  Common stock, $.01 par value; 10,000,000 shares
   authorized, 4,053,200 shares issued (actual),     shares
   issued as adjusted (1).................................        41
  Unamortized stock compensation expense.....................      (281)
Additional paid-in capital...................................       --
Accumulated deficit.....................................   (10,712)
    Total stockholders' equity (deficit)...................   (10,985)
      Total capitalization.............................  $  1,510    $
```

(1) Excludes: 1,500,000 shares of common stock presently reserved for issuance upon exercise of options granted under the Equity Compensation Plan of which options to purchase 807,500 shares were outstanding as of the date of this prospectus at a weighted average exercise price of $2.51 per share. See "Management --Stock Option and Other Compensation Plans" on page 41.

Dilution

As of December 31, 1998, the net tangible book value of Intelligent Life was approximately $1,209,000, or $0.27 per share of common stock. Net tangible book value per share represents the amount of Intelligent Life's total tangible assets less total liabilities, divided by the number of shares of common stock outstanding. After giving effect to the sale by Intelligent Life of the shares of common stock offered hereby at an assumed initial public offering price of $ per share and the application of the estimated net proceeds therefrom after deducting the underwriting discounts and estimated offering expenses, the adjusted, net tangible book value of Intelligent Life at December 31, 1998, would have been approximately $, or $ per share of common stock. This represents an immediate increase in such net tangible book value of $ per share to existing shareholders and an immediate decrease in net tangible book value of $ per share to new investors. The following table illustrates this unaudited per-share dilution to new investors:

```
Assumed initial public offering price per share.................       $
  Net tangible book value per share as of December 31, 1998..... $0.27
  Increase in net tangible book value per share attributable to
   new investors.............................................. $
Adjusted net tangible book value per share after the offering...       $
Dilution per share to new investors.............................       $
```

The following table sets forth, as of December 31, 1998, the number of shares of common stock previously issued by Intelligent Life, the total consideration reflected in the accounts of Intelligent Life and the average price per share to the existing shareholders and new investors, assuming the sale by Intelligent Life of shares of common stock at an assumed initial public offering price of $ per share, before deducting estimated underwriting discounts and commissions and offering expenses:

Shares Purchased Total Consideration ---------- ---------- Average Price Number Percent Amount Percent Per Share

```
Existing shareholders..                 % $                   %    $
New investors..........
  Total.................            100.0%    $           100.0%    $
```

Assuming full exercise of the underwriters' over-allotment option, the percentage of shares held by existing shareholders would be decreased to % of the total number of shares of common stock to be outstanding after the offering, and the number of shares held by new shareholders would be increased to shares, or % of the total number of shares of common stock to be outstanding after the offering.

The foregoing tables and other information excludes shares of common stock issuable upon exercise of options held by certain officers, directors and employees of Intelligent Life.

Immediately following completion of this offering, there will be outstanding options to acquire approximately 807,500 shares of common stock at exercise prices ranging from $1.30 to $2.97 per share and a weighted average exercise price of $2.51 per share. The exercise of these options will have the effect of increasing the net tangible book value dilution of new investors in this offering. See "Shares Eligible for Future Sale" on page 48.

Selected Financial Data

Our selected financial data set forth below should be read in conjunction with our financial statements, including the notes thereto, and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 17 of this prospectus. The statement of operations data for the years ended June 30, 1994 and 1995, and the balance sheet data as of June 30, 1994 and 1995, are derived from unaudited financial statements not included in this prospectus. The statement of operations data for the years ended June 30, 1996 and 1997, and the balance sheet data as of June 30, 1996 and 1997, are derived from, and are qualified by reference to, the financial statements included elsewhere in this prospectus, which have been audited by Thomas & Clough Co., P.A. The statement of operations data for the year ended June 30, 1998, and the balance sheet data as of June 30, 1998 are derived from, and are qualified by reference to, the financial statements included elsewhere in the prospectus, which have been audited by KPMG LLP. The statement of operations data for the six-month periods ended December 31, 1997 and 1998 and the balance sheet data as of December 31, 1998 are derived from unaudited financial data. In the opinion of our management, the unaudited financial statements have been prepared on a basis consistent with the financial statements which appear elsewhere in this prospectus, and include all adjustments, consisting only of normal recurring adjustments, necessary for a fair statement of the financial position and results of operations for such unaudited periods. Historical results are not necessarily indicative of results to be expected in the future.

Six Months Ended Year Ended June 30, December 31, 1994 1995 1996 1997 1998 1997 1998 in thousands, except share and per share data in thousands, except share and per share data

Statement of Operations Data:							
Revenue:							
Online publishing.....	$ 0	$ 0	$ 70	$ 485	$ 1,282	$ 508	$ 1,809
Print publishing and licensing.....	871	1,109	1,558	2,058	2,559	1,180	1,660
Total revenue.....	871	1,109	1,628	2,543	3,841	1,688	3,469
Cost of operations:							
Online publishing.....	0	0	16	582	862	321	979
Print publishing and licensing.....	668	884	971	1,186	1,962	957	1,101
Sales.....	0	0	98	90	665	117	817
Marketing.....	14	23	34	1	145	18	305
Product research.....	258	274	508	721	1,216	493	916
General and administrative.....	288	404	522	768	1,663	695	871
Depreciation and amortization.....	95	69	98	74	67	25	98
Stock based compensation.....	0	0	0	0	89	0	669
Total cost of operations.....	1,323	1,654	2,247	3,422	6,669	2,627	5,756
Loss from operations....	(452)	(545)	(619)	(879)	(2,828)	(939)	(2,287)
Other income (expense)..	(13)	(410)	(53)	(77)	46	35	192
Loss before income taxes.....	(465)	(955)	(672)	(956)	(2,782)	(904)	(2,095)
Income taxes.....	--	--	--	--	--	--	--
Net loss.....	$ (465)	$ (955)	$ (672)	$ (956)	$(2,782)	$ (904)	$(2,095)
Basic and diluted net							

loss per share.....	$ (0.48)	$ (0.95)	$ (0.67)	$ (1.24)	$ (3.62)	$ (1.18)	$ (2.58)
Weighted average shares outstanding used in basic and diluted per-share calculation.....	964,384	1,000,000	1,000,000	769,240	769,240	769,240	810,640

	As of June 30,					As of December 31,
	1994	1995	1996	1997	1998	1998
	in thousands					in thousands
Balance Sheet Data:						
Cash and cash equivalents.....	$ 0	$ (4)	$ 0	$1,763	$ 910	$ 1,633
Working capital.....	(424)	(597)	(1,649)	887	164	658
Total assets.....	695	273	311	2,193	1,768	3,099
Obligations under capital leases, long term.....	379	700	0	0	14	263
Redeemable preferred stock.....	--	--	--	--	--	12,198
Total stockholders' equity (deficit).....	(140)	(1,096)	(1,508)	1,035	657	(10,985)

Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion should be read in conjunction with the financial statements and related notes contained in this prospectus. The following discussion contains forward-looking statements that involve risks and uncertainties. Any statements contained herein that are not statements of historical fact may be deemed to be forward-looking statements. For example, the words "may," "will," "intends," "plans," "expects," "anticipates," "estimates" and similar expressions identify forward-looking statements. Intelligent Life's actual results may differ significantly from those anticipated by such forward-looking statements. Factors that might cause such a discrepancy include, but are not limited to, those discussed in "Risk Factors" and "Business" and elsewhere in this prospectus. Intelligent Life's fiscal year ends on June 30. The fiscal year ended June 30, 1996 is referred to as fiscal 1996, the fiscal year ended June 30, 1997 is referred to as fiscal 1997 and the fiscal year ended June 30, 1998 is referred to as fiscal 1998.

Overview

Intelligent Life is the leading provider of independent, objective research regarding consumer banking and credit products and a significant publisher of original editorial content relating to personal finance matters. We provide this information through our internet sites Bankrate.com, theWhiz.com, Consejero.com and CPNet.com and in print through Bank Rate Monitor and Consumer Mortgage Guide. Our online operations are the principal focus of our activities today. Prior to 1995, our principal businesses were the publication of print newsletters and syndication of bank and credit product research to newspapers and magazines. In 1995, we introduced the Consumer Mortgage Guide, which is an advertisement for newspapers consisting of product and rate information in tabular form from local mortgage companies that pay a weekly fee for inclusion in the table.

In fiscal 1996, we commenced our online operations by displaying our research through an internet site, Bankrate.com. By putting our information online, we were able to create new revenue opportunities through the sale of graphical and hyperlink advertising associated with our rate and yield tables. In fiscal 1997, we determined that we would concentrate principally on our online operations. Since that time, we have significantly expanded the scope and depth of Bankrate.com and made investments in four new online publications: theWhiz.com, Bankrate.com en Espanol, Consejero.com and CPNet.com. These new publications have not yet created significant revenues.

In order to focus on our online activities, we have reduced the number of print newsletters we publish from five to three and eliminated active marketing of our print publications. We have also ceased marketing Consumer Mortgage Guide as a separate product. We now provide this product to newspapers as a part of a broader relationship that is primarily directed toward online activities.

We believe that recognition of our research as the leading source of independent, objective information on banking and credit products is essential to our success. As a result, we have sought to maximize distribution of our research to gain brand recognition as a research authority. We are currently seeking to increase traffic to Bankrate.com in order to build our brand awareness and reach among online users.

The following are descriptions of the revenue and expense components of our statement of operations:

Online publishing revenue represents the sale of advertising, sponsorships and hyperlinks in connection with our web sites. Such advertising is generally sold to advertisers according to the cost per thousand impressions, or CPM, the advertiser receives. The amount of advertising we sell is a function of (1) the number of advertisements we have per page, (2) the number of visitors viewing our pages, and (3) the capacity of our sales force. Revenue from advertising sales is invoiced monthly based on the expected number of advertisement impressions, or number of times that an advertisement is viewed.

Revenue is recognized monthly based on the percentage of impressions received to the total number of impressions purchased. Revenue for impressions that have been invoiced but not delivered is deferred. Hyperlinks to various third-party web sites are sold for a fixed monthly fee, which is recognized as revenue in the month earned. For our revenue sharing distribution arrangements with online partners, revenue is recorded on a gross basis, with partner payments being included in online publishing costs.

Print publishing and licensing revenue represents advertising revenue from the sale of advertising in Consumer Mortgage Guide rate tables, newsletter subscriptions, and licensing of research information. We charge a commission for placement of Consumer Mortgage Guide in a print publication. Advertising revenue and commission income is recognized when Consumer Mortgage Guide runs in the publication. Revenue from our newsletters is recognized ratably over the period of the subscription, which is generally up to one year. Revenue from the sale of research information is recognized ratably over the contract period.

Online publishing costs represent expenses directly associated with the creation of online publishing revenue. These costs include contractual revenue sharing obligations resulting from our distribution arrangements (partner payments), editorial costs, and allocated overhead. Partner payments are made to distribution partners for visitors directed to our web sites. These costs increase with gains in traffic

to our sites. Editorial costs relate to writers and editors who create original content for our online publications and associates who build web pages. These costs have increased as we have added online publications and co-branded versions of our sites under distribution arrangements. These sites must be maintained on a daily basis.

Print publishing and licensing costs represent expenses directly associated with print publishing revenue. These costs include contractual revenue sharing obligations with newspapers related to Consumer Mortgage Guide, personnel costs, printing and allocated overhead.

Sales costs represent direct selling expenses, principally for online advertising, and include sales commissions, personnel costs and allocated overhead.

Marketing costs represent expenses associated with expanding brand awareness of our products and services to consumers and include advertising, including banner advertising, marketing and promotion costs.

Product research costs represent expenses related to gathering data on banking and credit products and include compensation and benefits, facilities costs, telephone costs and computer systems expenses.

General and administrative costs represent compensation and benefits for administration, advertising management, accounting and finance, facilities expenses, professional fees and non-allocated overhead.

Depreciation and amortization represents the cost of capital asset acquisitions spread over their expected useful lives. These expenses are spread over three to seven years and are calculated on a straight line basis.

Stock based compensation represents expenses associated with stock grants to our officers and employees as additional compensation for their services.

Other income (expense) is comprised of interest income and expense and gains and losses on the sale of assets.

Results of Operations We have compared our financial results for the year ended June 30, 1996, 1997 and 1998 as well as the six months ended December 31, 1997 and 1998.

The following tables displays our results of operations expressed as a percentage of total revenues:

	Year Ended June 30,			Six Months Ended December 31,	
	1996	1997	1998	1997	1998
Revenue:					
Online publishing	4.3 %	19.1 %	33.4 %	30.1 %	52.1 %
Print publishing and licensing revenue	95.7	80.9	66.6	69.9	47.9
Total revenue	100.0	100.0	100.0	100.0	100.0
Cost of operations:					
Online publishing	1.0	22.9	22.4	19.0	28.2
Print publishing and licensing revenue	59.6	46.6	51.1	56.7	31.7
Sales	6.0	3.5	17.3	6.9	23.6
Marketing	2.1	0.0	3.8	1.1	8.8

Product research.....	31.2	28.4	31.7	29.2	26.4
General and administrative..	32.1	30.3	43.3	41.2	25.1
Depreciation and amortization.....	6.0	2.9	1.7	1.5	2.8
Stock based compensation....	0.0	0.0	2.3	0.0	19.3
Total cost of operations.....	138.0	134.6	173.6	155.6	165.9
Loss from operations.....	(38.0)	(34.6)	(73.6)	(55.6)	(65.9)
Other income (expense).....	(3.3)	(3.0)	1.2	2.1	5.5
Net loss.....	(41.3)%	(37.6)%	(72.4)%	(53.5)%	(60.4)%

Six Months Ended December 31, 1998 Compared to Six Months Ended December 31, 1997 Revenues Total revenue increased to $3,469,000 for the six months ended December 31, 1998 from $1,688,000 for the six months ended December 31, 1997, representing a 106% increase.

Online publishing revenue increased to $1,809,000 for the six months ended December 31, 1998 from $508,000 for the six months ended December 31, 1997, representing a 256% increase. This increase was due to an increase in internet traffic to our web sites resulting primarily from higher overall internet traffic, as well as a greater number of distribution arrangements, sale of more advertisements and higher advertising rates.

Print publishing and licensing revenue increased to $1,660,000 for the six months ended December 31, 1998 from $1,180,000 for the six months ended December 31, 1997, representing a 41% increase. This increase resulted from higher advertising sales for Consumer Mortgage Guide.

Cost of Operations

Online publishing costs increased to $979,000 for the six months ended December 31, 1998 from $321,000 for the six months ended December 31, 1997, representing a 205% increase. The increase was due to greater revenue sharing obligations and personnel costs related to expanded online publishing operations.

Print publishing and licensing costs increased to $1,101,000 for the six months ended December 31, 1998 from $957,000 for the six months ended December 31, 1997, representing a 15% increase. The increase resulted from higher payments to newspapers principally because of higher revenues from Consumer Mortgage Guide.

Sales costs increased to $817,000 for the six months ended December 31, 1998 from $117,000 for the six months ended December 31, 1997, representing a 598% increase. The increase was primarily the result of an increase in sales personnel, opening of sales offices in California and New York and implementation of a more aggressive sales commission structure.

Marketing costs increased to $305,000 for the six months ended December 31, 1998 from $18,000 for the six months ended December 31, 1997. The increase resulted from hiring a public relations firm to promote our online activities, creating and producing sales materials for online advertising and purchasing banner advertising to test the effectiveness of using such advertising to increase visitors to Bankrate.com.

Product research costs increased to $916,000 for the six months ended December 31, 1998 from $493,000 for the six months ended December 31, 1997, representing a 86% increase. The increase resulted from additional personnel relating to an expanded number of products in which we conduct research and additional quality control personnel.

General and administrative costs increased to $871,000 for the six months ended December 31, 1998 from $695,000 for the six months ended December 31, 1997, representing a 25% increase. The increase was principally related to expenses incurred to allow for anticipated growth, including additional compensation and benefits for new personnel, facilities costs and professional costs.

Depreciation and amortization increased to $98,000 for the six months ended December 31, 1998 from $25,000 for the six months ended December 31, 1997, representing a 292% increase. The increase was mainly attributable to higher expenses for software, computer systems and components.

Stock-based compensation increased by $669,000 as a result of shares issued in conjunction with the hiring of our President and Chief Executive Officer and stock issued to an employee.

In December 1998, we sold one of our print publications, Bank Advertising News, resulting in a gain of $186,000 which is included in other income (expense). The sale was the result of management's assessment that this publication no longer fit our strategy.

Year Ended June 30, 1998 Compared to Year Ended June 30, 1997 Revenues Total revenue increased to $3,841,000 in fiscal 1998 from $2,543,000 in fiscal 1997, representing a 51% increase.

Online publishing revenue increased to $1,282,000 in fiscal 1998 from $485,000 in fiscal 1997, representing a 164% increase. This increase was due to increased internet traffic to our web sites resulting primarily from higher overall internet traffic, as well as a greater number of distribution arrangements, sale of more advertisements and higher advertising rates. A change of site design for Bankrate.com to allow for a larger number of advertisements per page also contributed to the revenue growth.

Print publishing and licensing revenue increased to $2,559,000 in fiscal 1998 from $2,058,000 in fiscal 1997, representing a 24% increase. The increase resulted primarily from growth in the number of newspapers participating in Consumer Mortgage Guide and a gain in the amount of associated advertising sold.

Cost of Operations

Online publishing costs increased to $862,000 in fiscal 1998 from $582,000 in fiscal 1997, representing a 48% increase. The increase resulted from higher partner payments and additional editorial staff.

Print publishing and licensing costs increased to $1,962,000 in fiscal 1998 from $1,186,000 in fiscal 1997, representing a 65% increase. The increase was substantially a result of higher payments to newspapers given the higher level of Consumer Mortgage Guide revenues.

Sales costs increased to $665,000 in fiscal 1998 from $90,000 in fiscal 1997, representing a 639% increase. The increase was due to additional sales staff, higher commissions resulting from increased revenues and higher commission rates for our online sales staff.

Marketing costs increased to $145,000 in fiscal 1998 from $1,485 in fiscal 1997. The increase was due to the hiring of a public relations firm to promote our expanded online activities and the costs of creating and producing sales materials for online advertising. Additional costs were incurred in fiscal 1998 when we purchased such advertising to test its effectiveness in increasing visitors to Bankrate.com.

Product research costs increased to $1,216,000 in fiscal 1998 from $721,000 in fiscal 1997, representing a 69% increase. The increase was principally related to the addition of 20 local markets in which we conducted research and an expansion in the number of products for which we gathered data.

General and administrative costs increased to $1,663,000 in fiscal 1998 from $768,000 in fiscal 1997, representing a 117% increase. The increase was principally related to the hiring of new senior management, expansion of office space and additional professional fees.

Depreciation and amortization decreased to $67,000 in fiscal 1998 from $74,000 in fiscal 1997, representing a 9% decrease.

Year Ended June 30, 1997 Compared to Year Ended June 30, 1996 Revenues Total revenue increased to $2,543,000 in fiscal 1997 from $1,628,000 in fiscal 1996, representing a 56% increase.

Online publishing revenue increased to $485,000 in fiscal 1997 from $70,000 in fiscal 1996, representing a 593% increase. In fiscal 1996, Intelligent Life initiated its online publishing operations. In fiscal 1997, Intelligent Life conducted online publishing operations for the full year.

Print publishing and licensing revenue increased to $2,058,000 in fiscal 1997 from $1,558,000 in fiscal 1996, representing a 32% increase. The increase was primarily due to the growth of Consumer Mortgage Guide's activities.

Cost of Operations

Online publishing costs increased to $582,000 in fiscal 1997 from $16,000 in fiscal 1996. The increase was primarily due to higher payments to distribution partners resulting from growth of online publishing revenue.

Print publishing and licensing costs increased to $1,186,000 in fiscal 1997 from $971,000 in fiscal 1996, representing a 22% increase. The increase was primarily due to higher payments to newspapers due to growth in Consumer Mortgage Guide revenues.

Sales costs decreased to $90,000 in fiscal 1997 from $98,000 for fiscal 1996, representing a 8% decrease. The decrease was primarily due to reduced sales costs while we were changing the focus of our operations.

Marketing costs decreased to $1,485 in fiscal 1997 from $34,000 in fiscal 1996. The decrease was due to suspension of marketing activities in anticipation of increased online activities.

Product research costs increased to $721,000 in fiscal 1997 from $508,000 in fiscal 1996, representing a 42% increase. The increase was due to conducting research in a greater number of local markets.

General and administrative costs increased to $768,000 in fiscal 1997 from $522,000 in fiscal 1996, representing a 47% increase. The increase was principally related to recruiting costs associated with identifying and retaining a new President and Chief Executive Officer, implementing a new accounting system and the costs associated with the acquisition of MoneyWhiz, which subsequently became theWhiz.com.

Depreciation and amortization was $74,000 in fiscal 1997, compared to $98,000 in fiscal 1996, representing a decrease of 24%. The decrease was principally related to the elimination of amortization of certain subscription costs and depreciation related to certain assets.

Quarterly Results of Operations The following table presents certain unaudited quarterly statement of operations data for each of our last ten quarters through the period ending December 31, 1998. The information has been derived from our unaudited financial statements. In the opinion of our management, the unaudited financial statements have been prepared on a basis consistent with the financial statements which appear elsewhere in this prospectus and include all adjustments, consisting only of normal recurring adjustments, necessary for a fair statement of the financial position and results of operations for such unaudited periods. Historical results are not necessarily indicative of results to be expected in the future.

Three Months Ended Sept. 30 Dec. 31 Mar. 31 June 30 Sept. 30 Dec. 31 Mar. 31 June 30 Sept. 30 Dec. 31 1996 1996 1997 1997 1997 1997 1998 1998 1998 1998 in thousands

Revenues:										
Online publishing.....	$ 58	$ 88	$ 166	$ 173	$ 224	$ 284	$ 328	$ 446	$ 817	$ 992
Print publishing and licensing.....	488	490	515	565	592	588	622	757	766	894
Total revenue.....	546	578	681	738	816	872	950	1,203	1,583	1,886
Cost of operations:										
Online publishing.....	89	144	154	195	115	206	210	331	458	521
Print publishing and licensing.....	288	277	278	343	448	510	536	468	495	606
Sales.....	25	23	18	24	47	70	139	409	442	375
Marketing.....	0	0	0	1	7	11	47	80	49	256
Product research.....	174	186	162	199	210	283	286	437	435	481
General and administrative.....	99	88	93	488	284	411	422	546	426	445
Depreciation and amortization.....	13	17	20	24	4	21	21	21	42	56
Stock based compensation.....	0	0	0	0	0	0	0	89	409	260
Total cost of										

operations.....	688	735	725	1,274	1,115	1,512	1,661	2,381	2,756	3,000
Loss from operations...	(142)	(157)	(44)	(536)	(299)	(640)	(711)	(1,178)	(1,173)	(1,114)
Other income (expense)..	(15)	(16)	(31)	(15)	18	17	8	3	5	187
Net loss.....	$ (157)	$ (173)	$ (75)	$ (551)	$ (281)	$ (623)	$ (703)	$(1,175)	$(1,168)	$ (927)

Liquidity and Capital Resources We have funded Intelligent Life using capital raised from shareholders. As of December 31, 1998, we had working capital of $658,000 and cash and cash equivalents of $1,633,000.

Cash used in operating activities during the six months ended December 31, 1998 was $1,207,000 and during the years ended June 30, 1998, 1997 and 1996 was $2,761,000, $834,000 and $345,000, respectively. The cash used in operating activities was for funding operating losses arising from the expansion of Bankrate.com and the creation of four new online publications.

In September 1997, we completed a private placement of Series A Preferred Stock, resulting in gross proceeds of $2,750,000. In October 1997 and June 1998, we completed additional private placements of Series A Preferred Stock, resulting in gross proceeds of $1,575,000. In November 1998, we completed a private placement of Series B Preferred Stock, resulting in gross proceeds of $1,982,000. Each share of Series A and Series B Preferred Stock is convertible into 50 shares of common stock.

Peter C. Morse, our Chairman of the Board and a principal stockholder, made loans to Intelligent Life during the years ended June 30, 1997 and 1998 in the amounts of $687,000 and $200,000, respectively. Interest rates for the loans were between 6.5% and 7%. The loans have subsequently been contributed to capital.

We believe our existing liquidity and capital resources, and the proceeds resulting from the sale of common stock in this offering, will be sufficient to satisfy our cash requirements for the next twelve months. To the extent that such amounts are insufficient, we will be required to raise additional funds through equity or debt financing. There can be no assurance that we will be able to raise such funds on favorable terms, or at all.

Recent Accounting Pronouncements In June 1997, SFAS No. 130, "Reporting Comprehensive Income," was issued and was adopted by Intelligent Life as of July 1, 1998. SFAS 130 establishes standards for reporting and display of comprehensive income and its components in a full set of general-purpose financial statements. This statement requires that an enterprise (1) classify items of other comprehensive income by their nature in financial statements and (2) display the accumulated balance of other comprehensive income separately from retained earnings and additional paid-in capital in the equity section of statements of financial position. Comprehensive income is defined as the change in equity during the financial reporting period of a business enterprise resulting from non-owner sources such as accretion in the redemption value of preferred stock and preferred stock dividends. Comprehensive income equals the net loss for all periods presented.

In June 1997, SFAS No. 131, "Disclosures about Segments of an Enterprise with Related Information," was issued. SFAS No. 131 establishes standards for the way public business enterprises report information about operating segments in annual financial statements and requires those enterprises to report selected information about operating segments in interim financial reports issued to stockholders. SFAS No. 131 is effective for financial statements for periods beginning after December 31, 1997. Intelligent Life will determine the applicability of SFAS No. 131 and apply it in the future if necessary.

In June 1998, SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities," was issued. SFAS No. 133 establishes accounting and reporting standards requiring that every derivative instrument (including certain derivative instruments embedded in other contracts) be recorded in the balance sheet as either an asset or liability measured at its fair value. SFAS No. 133 requires that changes in the derivative's fair value be recognized currently in the statement of operations unless specific hedge accounting criteria are met. Special accounting for qualifying hedges allows a derivative's gains and losses to offset related results on the hedged item in the statement of operations, and requires that a company formally document, designate, and assess the effectiveness of transactions that receive hedge accounting. SFAS No. 133 is effective for fiscal years beginning after June 15, 1999. A company may also implement the provision of SFAS No. 133 as of the beginning of any fiscal quarter after issuance. SFAS No. 133 cannot be applied retroactively, and must be applied to (1) derivative instruments and (2) certain derivative instruments embedded in hybrid contracts that were issued acquired, or substantively modified after December 31, 1997. Intelligent Life has not yet adopted SFAS No. 133 and presently does not have any derivative instruments.

Income Taxes

Intelligent Life's effective tax rate differs from the statutory federal income tax rate, primarily as a result of the uncertainty regarding Intelligent Life's ability to utilize its net operating loss carryforwards. Due to the uncertainty surrounding the timing or realization of the benefits of its net operating loss carryforwards in the future tax returns, Intelligent Life has placed a valuation allowance against its otherwise recognizable deferred tax assets. As of June 30, 1998 and December 31, 1998, Intelligent Life had approximately $1,196,000 and $2,036,000 of federal net operating loss carryforwards for tax reporting purposes available to offset future taxable income. Intelligent Life's federal net operating loss carryforwards expire beginning 2012 through 2018 The Tax Reform Act of 1986 imposes substantial restrictions on the utilization of net operating losses and tax credits in the event of an "ownership change" of a corporation. Due to the change in Intelligent Life's ownership interests in the third quarter of 1997, future utilization of Intelligent Life's net operating loss carryforwards will be subject to certain limitations or annual restrictions. See note 7 of the notes to the financial statements appearing elsewhere in this prospectus.

Impact of Year 2000 Computer Issues The Year 2000 computer problem refers to the potential for system and processing failures of date-related data as a result of computer-controlled systems using two digits rather than four to define the applicable year. For example, software programs that have

time-sensitive components may recognize a date represented as "00" as the year 1900 rather than the year 2000. This could result in a system failure causing disruptions to our operations.

We may be affected by Year 2000 issues related to non-compliant internal systems developed by us or by third-party vendors. However, we have received assurances from our third-party vendors for certain of our material systems in use by us that such systems are Year 2000 compliant, and we intend to take steps to bring the other systems into compliance. We plan to complete remediation efforts and commence testing of all such systems for Year 2000 compliance by April 30, 1999. We do not believe that we have any material systems that contain embedded chips that are not Year 2000 compliant or that we will not be able to bring into compliance in a timely fashion.

Our internal operation and business is also dependent upon the computer- controlled systems of third parties such as suppliers, customers and service providers. A systemic failure outside our control, such as a prolonged loss of electrical or telephone service could have a material impact on us.

Based on our assessment to date, we do not anticipate that costs associated with remediating our non-compliant internal systems will be material.

Our failure to make our computer systems Year 2000 compliant could result in an inability of users to view our sites which would cause a reduction in revenues and the value of the Company. We do not currently have a contingency plan for handling Year 2000 problems that are not detected and corrected prior to their occurrence. There is general uncertainty inherent in the Year 2000 computer problem, resulting from the uncertainty of the Year 2000 readiness of third-party suppliers and vendors. The consequences of Year 2000 failures could have a material adverse effect on our business.

Business

Overview

We are the leading provider of independent, objective research regarding consumer banking and credit products and a significant publisher of original editorial content relating to personal finance matters. Since 1984, we have provided this information to leading newspapers and magazines and through our publication Bank Rate Monitor. Today, we publish our data online through our principal web site, Bankrate.com, and through arrangements with more than 60 distribution (or syndication) partners such as Yahoo!, Quicken.com, America Online and Money.com. Information is presented for over 120 geographic markets and nationally and includes data regarding mortgage and home equity loans, credit cards, automobile loans, checking accounts, ATM fees and yields on savings instruments. Our unique information, which is compiled by 38 researchers, is accompanied by extensive editorial content designed to assist consumers with their decision-making process. We believe Bankrate.com's audience, which may search for information by product and geographic area using this web site, represents a highly desirable group of target customers for our advertisers. As a result, we believe we are able to obtain premium rates for advertising on Bankrate.com.

We are currently using the resources of Bankrate.com to create new online publications that provide personal finance information to additional targeted audiences. These publications include: theWhiz.com, which targets an audience that is younger, more female and more ethnically diverse than typical personal finance publications; Consejero.com, which targets a Spanish-speaking audience; CPNet.com, which targets the college market; and Garzarelli.com, a subscription-based service. Our goal is to develop a broad base of loyal users of our network of web sites who believe our information can improve their personal financial lives.

The "Business and Finance Report" compiled by Media Metrix, Inc., for the quarter ended December 31, 1998 indicated that we had 1.3 million unique visitors, compared to 1.1 million for the quarter ended September 30, 1998. Unique visitors are the number of different web users that visited our sites over the course of the reporting period.

Our Opportunity

We believe many purchasers of financial products and services are relatively uninformed with respect to these products and services, and often rely upon personal relationships when making such purchases. We also believe many of these products and services are not well explained, and alternatives are not typically presented, when marketed to consumers through traditional media. As the sale of many of these products and services moves to the web, where there is little personal contact, we believe that consumers will seek sources of independent, objective information such as Bankrate.com to facilitate and support their buying decisions. Because of the interactive nature of the internet, where web technology allows us to display extensive research on financial products and services that was previously unavailable to consumers, we believe we are able to provide a superior vehicle to educate consumers about how to best select and purchase such products and services.

We believe consumers are becoming more proactive managers of their financial affairs and, as a result, there is an increasing demand for financial information from a larger proportion of the population concerning a broader range of financial issues than in the past. Also, we believe the majority of the financial information available on the web is oriented toward investment advice and providing business news and financial market information, rather than personal and consumer finance data. Our publications are targeted to fulfill the market need for personal and consumer finance information.

By expanding our comparative data regarding financial products and related editorial content, we are creating a unique web-based service designed to enable our audience to keep abreast of personal finance developments and better manage their financial affairs. As a result, we believe we can assemble a loyal base of users made up of targeted audiences that are attractive to advertisers.

We believe that advertising spending by financial products and services components is growing relatively rapidly as compared to advertising spending in other categories. According to Advertising Age, advertising spending by financial products and services companies grew at an annual rate of 17% from 1996 to 1997.

We believe Intelligent Life will benefit significantly from the anticipated growth in internet usage and spending on internet advertising, direct marketing and electronic commerce. The following table highlights anticipated growth in these areas.

Internet Growth in the United States 1998 2000 2002 in millions

Number of internet users	67	92	123
Advertising spending	$1,873	$ 4,352	$ 7,672
Direct marketing spending	$ 190	$ 632	$ 1,335
Electronic commerce	$7,100	$15,600	$37,500

Source: Jupiter Communications, LLC Strategy Our objective is to create a series of online publications that are trusted sources of editorial content for consumers in the area of personal finance. Elements of our strategy include:

Increase Awareness of Our Publications. We intend to aggressively promote our online publications. Developing greater awareness of our brand names should increase the value of our web sites to potential advertisers and distribution partners. Historically, we have had relatively low levels of promotional expenditures. With the proceeds of this offering, we anticipate increasing our marketing efforts substantially.

Expand Existing Publications. We plan to expand and improve our existing online publications by including additional editorial and research content. Recent additions to Bankrate.com include information regarding 30-year jumbo mortgages, VA mortgages, money market accounts, credit unions, Year 2000 issues and bank ratings. We expect forthcoming additions will include new content in the areas of investment and insurance on theWhiz.com and Consejero.com. These additions may incorporate opportunities for consumers to initiate transactions on our sites.

Grow Distribution Relationships. We intend to pursue new and expand existing distribution relationships in order to increase site traffic and raise the profile of our brand names. In particular, we intend to focus on increasing the number of distribution relationships we have for theWhiz.com and Consejero.com.

Add New Publications. We intend to use our expertise in producing online research and editorial content to develop new online publications similar in concept to Bankrate.com in complementary areas such as property and casualty insurance and tax planning. In addition to developing publications internally, and in order to accelerate our growth, we intend to pursue acquisitions of personal finance companies and products that will extend our network of web sites.

Provide High Value Added Solutions to Advertisers. Delivering audiences to our advertisers on a targeted demographic basis, segmented by geographic region and product of interest, provides high value added marketing solutions to advertisers. By expanding the breadth and depth of our online publications and adding to our advertising inventory, we believe we will be able to expand the scope of our services, thereby increasing sales to existing advertisers and attracting new advertisers.

Bankrate.com

Bankrate.com, our flagship web site, provides editorial and research information on banking and credit products to assist consumers in making informed financial decisions. Bankrate.com has its roots in our print publications and content syndication activities, which have provided surveys of interest rate data to consumers and institutions for over 16 years. Our online surveys have been expanded to include data on 46 products collected from more than 3,500 institutions nationwide. This information is gathered and presented by metropolitan area, which provides more valuable information to consumers than aggregated national information and allows advertisers to target prospective customers geographically. Media Metrix, Inc., an independent research firm, lists Bankrate.com as the business site with the twenty-first and fifteenth highest volume of traffic during the third and fourth calendar quarters, respectively, of 1998, with 1.1 million and 1.3 million unique visitors. We believe that Bankrate.com compares favorably to other editorial sites in terms of pages viewed by a visitor during each visit and the resulting time devoted to the site. Bankrate.com may be compared to comparable editorial sites during the third and fourth calendar quarters of 1998 as follows:

Comparison of Personal Finance Editorial Sites in 1998

	Third Quarter			Fourth Quarter		
Site	Unique Visitors(1) in thousands	Reach(2)	Average Pages Viewed(3)	Unique Visitors(1) in thousands	Reach(2)	Average Pages Viewed(3)
Money (Pathfinder).....	1,964	3.7%	5	1,783	3.3%	16
Bankrate.com.....	1,070	2.0	26	1,323	2.4	21
Forbes.....	917	1.7	15	860	1.6	70
Business Week.....	680	1.3	15	897	1.7	6
Red Herring.....	652	1.2	3	436	0.8	9
Fortune (Pathfinder)....	592	1.1	17	828	1.5	10
Smart Money (Wall Street Journal).....	484	0.9	20	261	0.5	52
Kiplinger's.....	279	0.5	5	189	0.3	20

Source: Media Metrix, Inc.

(1) Unique Visitors means the estimated number of different web users that visited the site over the course of the reporting period. (2) Reach means the number of unique web users that visited the site at least once over the course of the reporting period, expressed as a percentage of the total web audience. (3) Average pages viewed means the average number of pages visited during the reporting period per user.

Bankrate.com is structured in channels, which are typically organized around banking or credit products and include original content and research. The following chart illustrates how Bankrate.com is structured:

[A screen of Bankrate.com's web site. A banner along with a navigation bar is at the top of the page and a navigation bar is on the left side of the page. Balloons are inserted throughout the page with text describing the channels, the information presented on the page and the updating features of the home page.]

Users may search for information on the mortgage pages of Bankrate.com by product of interest and geographic location.

[A screen of Bankrate.com's web site. An advertisement along with a navigation bar is at the top of the page. A banner is on the left side of the page. Balloons are inserted throughout the page with text explaining the page's features.]

Bankrate.com also includes pages in which distribution partners may preview upcoming features to assist with planning advertising campaigns.

[A screen of Bankrate.com's web site. A banner along with a navigation bar is at the top of the page and a navigation bar is on the left side of the page. Text in a balloon explains how the site can be utilized].

Bankrate.com also distributes electronic newsletters daily and weekly to approximately 90,000 subscribers covering topics such as mortgages, credit cards, banking, small businesses, CD rates and Federal Funds rates. We also maintain message boards where visitors can post questions for members of the Bankrate.com community to answer. Topics parallel the channels offered by Bankrate.com.

Distribution Arrangements A significant portion of the traffic to Bankrate.com, as well as our other web sites, is attributable to the distribution (or syndication) arrangements we have with other web site operators. In January 1999, approximately 44% of the total traffic to Bankrate.com and our other web sites originated from the web sites of our distribution partners.

Our distribution arrangements fall into two categories: (1) those in which we establish a "co-branded" site with the distribution partner, and (2) those in which we provide content to the distribution partner's web site together with a hyperlink to our own site. We have found co-branding to be more effective in driving traffic to our sites.

A co-branded site is typically a custom version of Bankrate.com with the graphical look and feel of the distribution partner and the partner's navigation. Co-branded sites are created pursuant to agreements with our distribution partners. Generally, agreements relating to co-branded sites provide for us to host, sell and serve advertisements to and collect revenues from the co-branded sites. Distribution partners are paid a percentage of revenues generated by the related co-branded sites.

Under distribution arrangements that do not include co-branded sites, we contract to provide content in exchange for a fee. The content identifies Bankrate.com as its source and typically includes a link to Bankrate.com. Our content partners include Yahoo!, SecureTax.com, MicroSoft's MoneyCentral, CNNfn and Standard & Poor's.

We believe our distribution network for personal finance information is one of the broadest and deepest on the internet. Intelligent Life has distribution relationships with the seven highest-volume business networks as of the fourth calendar quarter of 1998, as identified by Media Metrix, Inc. According to Media Metrix, business networks and sites reach about 49% of web users, and our distribution partners include every financial site that reaches 4% or more of web users. The table below lists parties with which we have distribution agreements as of March 10, 1999:

Access Atlanta	Fiera Inc.	Providian Online
America Online	Forbes	Quicken.com
AT&T Worldnet	Go Carolinas	RealTimes
Austin 360	Go Hamptons Roads	Realtor.com
Auto-by-Tel	Go PBI	San Antonio Express

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Auto Connect              Hispanic Online         San Diego Insider
Auto Site                 HomeFair                ScarsdaleNet.com
Black Families            Housenet.com            SecureTax.com
Business Today            Houston Chronicle       Sign on San Diego
Business Week Enterprise  Inman New Features      Sign on San Diego en
Business Week Online      Inside New Orleans       Espanol
CarBuyer.com              Intellichoice           Smackem.com
CarPrices.com             Kiplinger's             Smart Money Magazine
Classified Ventures       MarketWatch.com         SoFla.com
CNNfn.com                 Microsoft Network       Spring Street
Compare.net                (Carpoint & Money      Standard & Poor's
Compuserve                 Central)               Tegris
Concerto Technologies     Milwaukee Journal       US News & World Report
Credit Info Corp           Sentinel               Yahoo! (Loan Center & Tax
Discover Omaha            MindSpring               Center)
Dollar Stretcher          Money Magazine          Your New House
Edmunds                   Monster Board           YUPI Internet
Family Money              Motley Fool             Zack's
                          NandoNet                ZDTV.com
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Financial Product Research Our research staff is made up of 38 people who track weekly comparative information on 46 financial products and services, including checking accounts, consumer loans, lines of credit, mortgages, certificates of deposit, savings accounts, credit cards, money market accounts and online accounts. We cover both personal and small business accounts offered through individual offices and on the internet by banks, thrifts, credit unions, credit card issuers, mortgage bankers and mortgage brokers. Over 150,000 items of data are gathered each week for over 120 markets across the United States and Puerto Rico from over 3,500 institutions. The information obtained includes not only rates and yields but related data such as lock periods, fees, points, and loan sizes for mortgages and grace period, late penalties, cash advance fees, minimum payments and terms and conditions for credit cards.

We adhere to a strict methodology in developing our markets and our institutional survey group. The market universe includes the 100 largest U.S. markets, as defined by the U.S. Census Bureau's Metropolitan Statistical Area categories, along with the largest market in each state that does not include one of the largest 100 markets. We provide a comparative analysis of data by market as well as on a national basis.

Institutions in the survey group include the largest banks and thrifts within each market area based on total deposits. The number of institutions tracked within a given market is based on product availability and number of institutions in the market area. In each of the largest 50 markets, ten institutions are tracked. In each of the smaller markets, four or more institutions are tracked. The institutions included in the survey group are verified, and adjusted if necessary, on a quarterly basis using FDIC data. Credit unions are not included in the market survey group since product availability is based on membership. The largest 50 U.S. credit unions are tracked as a separate survey group for comparison purposes.

All products included in our database have closely defined criteria so that information provided by institutions is truly comparative in nature. Data undergo three levels of quality control prior to being accepted for inclusion in the database. The first level is automatically performed by our editing software, which tracks unusual changes, the second level is visual proofing, and the third level is a dedicated quality control staff. In addition, anonymous shopping is performed on a weekly basis to

validate data. Institutions providing invalid data are contacted by our quality control staff to ensure that future information will be accurate. In addition, institutions listed in our tables on Bankrate.com who purchase hyperlinks to their own sites or other advertising must comply with the criteria for product listings and quotes or they are removed. No special offers are listed on our internet sites. All of our new research employees are provided with a four-week program of classroom and on-the-job training to ensure consistency of data-gathering and validation techniques.

At the end of each weekly survey, data are archived as part of our 16 year old cumulative historical data file. This file provides a unique resource for our financial analysts and editorial team in developing trend graphs, charts and narrative analysis.

Editorial Content

In addition to our research department, we maintain an editorial staff of ten senior editors and 14 full-time reporters. We also have relationships with freelance writers. Most of our editorial staff are experienced journalists with newspaper or broadcast outlet experience. Our editorial staff produces original online content such as "A good deal of credit insurance may be bad for consumers" and "Do your homework before trying to buy that foreclosed home." We believe the quality of our original content plays a critical role in attracting visitors to our sites and co-branded partners to Intelligent Life.

While the majority of the content within our web sites is original and produced internally, we also include third-party content. This content is acquired under advertising revenue-sharing agreements which allow us to incorporate relevant information on our web site that would otherwise require additional resources for us to produce. An example of this type of arrangement is the incorporation in Bankrate.com of financial calculators created and owned by SmartMoney.

Print Publications

We continue to sell traditional print publications to absorb part of the cost of creating research and original content. These publications are as follows:

Consumer Mortgage Guide. Consumer Mortgage Guide began publication in May 1995 and generates revenue through the sale of mortgage rate listings in major metropolitan newspapers across the United States. We enter into agreements with the newspapers under which the newspapers provide us with print space in which we publish the mortgage rate listings at no charge. In turn, we sell advertising with the listings and split revenue with the newspapers on a percentage basis.

Newsletters. We publish three newsletters: 100 Highest Yields and Jumbo Flash Report, which target individual consumers, and Bank Rate Monitor, which targets an institutional audience. These newsletters provide rate information with minimal editorial content.

theWhiz.com

theWhiz.com provides original content about personal finance that is easy to understand and entertaining. We believe traditional and online personal finance publications and web sites target white males over 40 years old with relatively high incomes, who are interested in investing. theWhiz.com is designed to address the personal finance needs of a younger, more female and more ethnically diverse

audience. As with Bankrate.com, theWhiz.com is divided into channels, each of which includes original editorial content. All of theWhiz.com's stories are archived and easily accessible via our archive home page and site map. The following chart illustrates how theWhiz.com is structured.

[A screen of theWhiz.com's web site. A banner along with a navigation bar is at the top of the page and a navigation bar is on the left side of the page. Balloons are inserted throughout with text describing what is on the page].

theWhiz.com also has a community section which encourages readers to interact with other visitors, theWhiz.com's staff and financial experts. Our "Talk to theWhiz" forum allows readers to get expert advice on questions like "Can a credit repair agency help me with my student loan debt?" The questions and answers are archived so that new readers can research their interests. If the answer isn't there, readers can fill out ane-mail form and submit their question.

Since theWhiz.com publishes content on various topics and is not intended simply to provide objective information, we expect to use theWhiz.com as a platform for electronic commerce.

Other Online Publications Consejero.com Consejero.com provides personal finance information in Spanish and serves as a consumer guide to understanding local and international financial issues. Consejero.com features country-specific personal finance content for the United States as well as Argentina, Brazil, Chile, Colombia, Costa Rica, Mexico, Panama, Peru, Puerto Rico, Spain and Venezuela. Spanish is the second most common language found on the internet today, yet we believe that little useful content on financial topics in Spanish currently exists on the internet. We aim to satisfy the need for such data and capitalize on the anticipated rapid growth of internet use by people who speak Spanish.

Consejero.com provides twice-daily news and feature articles written by established journalists working from major cities in Latin America and Spain. The topics are picked from day-to-day issues consumers face in their particular countries. The site also provides general and entertainment news acquired through partnerships with traditional media. We also expect to add the capability to conduct transactions with distribution partners.

Consejero.com also includes information provided by Bankrate.com en Espanol, an extension of Bankrate.com. Bankrate.com en Espanol provides the same information and many of the services of Bankrate.com in Spanish but with supplementary articles and tables to facilitate understanding for those who may not be familiar with U.S. financial products and terms yet must maneuver in a mostly English-language financial system. Both Consejero.com and Bankrate.com en Espanol intend to partner with the small but growing number of internet companies that are emerging to serve Spanish-speaking markets in the United States, Latin America and Europe.

CPNet.com

Through CPNet.com, our online network of college newspaper web sites, we provide online content and advertising management to hundreds of college newspapers across the country. In addition to creating advertising relationships that will allow us to offer an integrated outlet for advertisers seeking to reach the college market, this gives us the ability to develop user relationships that allow us to cross-

promote our publications to young consumers. We believe that college students use the internet more than many other segments of the population. We believe that this network will be highly attractive to advertisers since very few online publications offer a mechanism for national advertisements to reach college students with one advertisement purchase. CPNet aims to fulfill this market need.

Garzarelli.com and Possible Future Publications We intend to use our online expertise and relationships to launch new online publications. In October 1998, we launched a new electronic subscription site for Wall Street investment advisor Elaine Garzarelli called Garzarelli.com. We are responsible for the site's design, electronic subscription fulfillment, partner linking, site management and advertising sales. Ms. Garzarelli owns the URL name and the rights to her content.

In addition, in March 1999 we entered into a letter of intent with MECA Software, LLC to create a new personal finance destination site and transaction platform using the name "Managing Your Money" and the internet address MYM.com.

Consumer Marketing

Our expenditures on marketing and promotion to date have been limited. We have principally relied on our co-branded distribution network to increase traffic to our web sites. This approach has been supplemented with public relations activities and limited direct-response expenditures. In addition, Intelligent Life's history of providing editorial content to newspapers and broadcasters has earned it a high level of awareness among journalists. As a result, Bankrate.com is often cited as an authority on banking and credit products in an editorial context. We intend to use part of the proceeds of this offering to further build consumer brand recognition of our web sites.

To date, our direct-response marketing has consisted of placing banner advertising on various web sites either by purchasing or bartering advertising impressions. Our strategy is to purchase advertising at either a fixed cost per clickthrough or at a low CPM. We believe that the advertising proceeds from one of our visitors generally allow us to recover much of the per visitor cost of placing our advertising. If substantially all of this cost can be recovered on an initial visit, we may build a substantial base of repeat users at a low cost. We anticipate the majority of our future advertising and promotional expenditures will be allocated to web-based advertising.

Advertising Sales

Our advertising sales staff consists of 14 salespeople and support staff. Five salespersons are located in our North Palm Beach corporate headquarters, with the remainder in our satellite offices in New York, Chicago and Los Angeles. Each salesperson is responsible for a designated geographic area covering the Southeast, Mid-Atlantic, New England, Great Lakes, Midwest, Great Plains, Northwest or Southwest regions of the United States. Salespeople sell advertising related to all of our publications. We believe our sales force is highly effective. In recent months, we have been able to sell up to approximately 75% of our advertising inventory.

Our salespeople present advertising solutions to potential advertisers using inventory created by our own web sites and co-branded web sites. We believe this combined network of sites enhances value for advertisers and direct marketers by (1) alleviating the need to purchase a series of advertising

campaigns from numerous web publishers, (2) providing advertisers and direct marketers with access to a wide variety of business and personal finance online content, and (3) providing targeted access to internet users with desirable demographics. Advertisers and direct marketers can enhance the effectiveness of their campaigns by customizing advertising delivery on our networks within a particular content channel or across an entire network.

Advertising Alternatives Our advertisers can target prospective customers using three different approaches:

. targeting specific geographic and product areas, for example, mortgage rates in Atlanta;

. targeting specific product channels, for example, all borrowers interested in the home equity channel; or . general rotation throughout a particular site, such as Bankrate.com.

Our most common graphical advertisement sizes are banners (486 x 60 pixels) and badges (125 x 125 pixels). Banners and badges are offered for general rotation or specific sites. List prices for banner and badge advertisements with premium placement may be as high as $90 CPM.

We also sell posters, which are oversize advertisements that contain more information than traditional advertisements. We position posters on certain pages so that they dominate the page. List prices average $75 CPM. Advertisers may also purchase sponsorship positions on the Bankrate.com home page and the main page for each product channel. The cost of the sponsorship is based on banner rates for impressions received. Advertisers can also sponsor an entire channel. In addition, we offer a reference bar above all rate tables. A reference bar is an advertising feature that contains tab references for consumers on such topics as insurance, credit reports, credit problems and moving rates. Users who click on the tabs are taken to an advertiser's web site for answers to their particular questions or needs. The cost of the advertisement is based on banner rates for number of impressions.

Providing effective tools for managing advertising campaigns is essential to maintaining advertising relationships. We use a state-of-the-art program under license that allows our advertisers to monitor their spending on our web sites in real-time for impressions received and clickthrough ratios generated.

Hyperlinks

Financial institutions that are listed in our rate tables have the opportunity to hyperlink their listings. By clicking on the hyperlink, users are taken to the institution's web site. A substantial benefit to advertisers with the hyperlink rate listing is that the hyperlinks are in fixed placement on the rate pages and are shown every time a user accesses a page. In contrast, banner advertisements are rotated based on the number of impressions purchased. Hyperlink fees are sold for three-month periods. The number of hyperlinked rate listings that can be added to a rate page is limited only by the number of institutions listed, while banner positions are limited by space available. Listed rates for hyperlinks are $45 CPM.

Rate Alert E-Mail Sponsorships We issue weekly updates on mortgage rates via e-mail to customers who have requested this free service. Rate alerts are issued for credit card and savings account updates on a less-frequent basis. Advertisers can sponsor the e-mails with text listings that are hyperlinked to

their web site. Banner advertisements to be included with each e-mail are under development. The cost for sponsoring a rate alert is $0.25 per subscriber.

Chat Room Sponsorships We offer advertisers chat rooms in Bankrate.com and theWhiz.com in which they may promote their spokespeople or products and acquire valuable real-time feedback from consumers. In these chat rooms, a moderator from the theWhiz.com's staff screens questions from visitors. The advertiser or host then answers questions and receives "virtual focus group" feedback from users. We generally charge advertisers $6,000 per session.

Advertisers

We market to local advertisers targeting a specific audience in a city or state and also to national advertisers targeting the entire country. No advertiser accounts for more than 10% of our revenues. As of January 31, 1999, we had approximately 192 advertisers. A representative sample of our national advertisers includes:

Aames Home Loans	General Motors
American Express	Household Finance
American Home Loans	Intuit, Inc.
Auto-by-Tel	M&I Mortgage Corp.
Barnes and Noble	Mackinac Savings
Capitol One	Microsoft
Countrywide Home Loans	Mortgage Expo
Crestar Mortgage Corp.	NationsBank
Cybermeals	NetBank
Downey Savings	NextCard
First Mortgage Network	Pacific Shore Funding
First Union	Providian Financial
First USA Visa	Superior Bank
Four Web sites	United Lending Group

Competition

Intelligent Life competes for advertising revenues across the broad category of personal finance information provided in traditional media such as newspapers, magazines, radio and television and in the developing market for online financial publications. There are many competitors that have substantially greater resources than Intelligent Life. Our online competition includes the following:

. personal finance sections of general interest sites such as Yahoo! and America Online;

. personal finance destination sites such as Quicken.com, MoneyCentral and Money.com; and . e-commerce sites that provide bank and credit product information such as e-Loan and GetSmart.

Competition in the online segment is generally directed at growing users and revenue using marketing and promotion to increase traffic to our web sites. We believe that original content and objective product information differentiate us from our competitors.

Operations

Our principal office in North Palm Beach, Florida is where our proprietary web sites are hosted and all of our network operations are controlled. Internet access is maintained through multiple T-1 connections with Cable & Wireless PLC. The computer equipment used to operate our web sites is

powered by uninterruptible power supply units and a generator.

Proprietary Rights

Our proprietary intellectual property consists of our unique research and editorial content. We rely primarily on a combination of copyrights, trademarks, trade secret laws, our user policy and restrictions on disclosure to protect this content.

Employees

As of March 10, 1999, we had 120 full-time employees, of which 35 were in product and content development, 25 in sales and marketing, 38 in editorial and 22 in administration. We have never had a work stoppage and none of our employees are represented under collective bargaining agreements. We consider our employee relations to be good. Our employees are legally employed by Vincam Human Resources, Inc., and work for us under an employee leasing arrangement. See "Management--Employee Leasing" on page 42.

Properties

Our principal administrative, sales, marketing and research facilities are located on approximately 14,000 square feet of leased office space in North Palm Beach, Florida. We believe that our facilities are adequate to meet our needs for the foreseeable future.

Legal Proceedings

Intelligent Life is not a party to any material legal proceeding.

Management

Directors and Executive Officers Our directors and executive officers and their ages as of the date of this prospectus are as follows:

Name Age Position

Peter C. Morse(1)..... 52 Chairman of the Board William P. Anderson, III..... 50 President, Chief Executive Officer and Director Sara Campbell Taylor.... 41 Senior Vice President--Sales and Syndication Peter W. Minford..... 41 Senior Vice President--Administration G. Cotter Cunningham.... 36 Senior Vice President--Marketing Bruns H. Grayson(2)..... 51 Director Randall E. Poliner(1)(2)..... 43 Director (1) Member of the Audit Committee. (2) Member of the Compensation Committee.

Peter C. Morse has served as Chairman of the Board of Directors since July 1993. Since 1982, Mr. Morse has served as President of Morse Partners, Ltd., a private equity firm that acquires operating companies and provides expansion capital. From 1986 to 1990, Mr. Morse was Chairman of FAO Schwarz, the national chain of children's gifts stores. Mr. Morse has also held senior positions at Janney Montgomery Scott, Inc., an investment banking firm. Mr. Morse holds a B.S.B.A. from Georgetown University and an M.B.A. from Columbia University.

William P. Anderson, III has served as President and Chief Executive Officer of Intelligent Life and Director since July 1997. From its creation to June 1997, Mr. Anderson served as President and Chief Executive Officer of Block Financial Corporation, a subsidiary of H&R Block, Inc. engaged in consumer lending, software and online financial services delivery. From August 1992 to September 1995, Mr. Anderson served as Chief Financial Officer of H&R Block, Inc. From July 1973 to November 1991, Mr. Anderson worked at KPMG Peat Marwick in various capacities including serving as partner-in-charge of the national corporate finance practice within the management consulting department. Mr. Anderson is a member of the Board of Directors of SecureTax.com, Inc., a privately held company. Mr. Anderson holds a Bachelor of Mechanical Engineering from Auburn University and an M.B.A. from Emory University.

Sara Campbell Taylor has served as Intelligent Life's Senior Vice President--Sales and Syndication, responsible for advertising sales and distribution arrangements, since May 1996. From January 1993 to June 1996, Ms. Taylor served as Vice President--Asset Securitization for ABN Amro Securities, Inc., an investment banking firm. Ms. Taylor specialized in mergers and acquisitions, structured finance and asset valuation. Ms. Campbell holds a B.S. in Finance from Pennsylvania State University.

Peter W. Minford has served as Intelligent Life's Senior Vice President-- Administration since February 1998. From August 1992 to February 1998, Mr. Minford served as Senior Vice President-Administration at The Bank of Tampa. Mr. Minford has held various senior management positions in commercial banking for over 19 years including roles in credit administration, commercial lending, general administration and operations. Mr. Minford holds a B.S. in Finance from Florida State University and an M.B.A. from the University of South Florida.

G. Cotter Cunningham has served as Senior Vice President--Marketing since February 1999. From August 1997 to January 1999, Mr. Cunningham was Vice President of Valentine McCormick Ligibel, Inc., an advertising agency specializing in new media. From August 1992 to July 1997, Mr. Cunningham was Vice President of Block Financial Corporation, where he created, launched and directed the CompuServe Visa and WebCare Visa credit card programs. Mr. Cunningham holds a B.S. in Economics from the University of Memphis and an M.B.A. from Vanderbilt University's Owen Graduate School of Management.

Bruns H. Grayson has served as director of Intelligent Life since June 1997. Since 1982, Mr. Grayson has been the managing partner of ABS Ventures, a series of venture capital funds affiliated with BT Alex. Brown Incorporated. Mr. Grayson is also a member of the Board of Directors of Anadigics, Inc., Dialog Software, Inc., Formation Systems, Inc., i-Logix, Inc., Software Corporation of America and Telogy Networks, Inc. Mr. Grayson holds a B.A. from Harvard College, an M.A. from Oxford University and a J.D. from the University of Virginia Law School. Mr. Grayson was a Rhodes Scholar in 1974.

Randall E. Poliner has served as a director of Intelligent Life since November 1998. Since April 1993, Mr. Poliner has served as President of Antares Capital Corporation, a private venture capital firm investing equity capital in developmental and expansion stage companies. Mr. Poliner holds a Bachelor of Electrical Engineering from the Georgia Institute of Technology, a M.S. from Carnegie-Mellon University and an M.B.A. from Harvard Business School.

Terms of Directors

Concurrently with the effective date of this offering, the Board of Directors will be divided into three classes, with members serving for staggered three-year terms. The Board will be comprised of two Class I directors, one Class II director and one Class III director. At each annual meeting of shareholders, a class of directors will be elected for a three-year term to succeed the directors of the same class whose terms are then expiring. The terms of the initial Class I directors, Class II directors and Class III directors will expire upon the election and qualification of successor directors at the 2000, 2001 and 2002 annual meetings of shareholders, respectively. There are no family relationships between any of the directors or executive officers of Intelligent Life.

Committees of the Board of Directors The members of the Audit Committee are Peter C. Morse (Chairman) and Randall E. Poliner. The Audit Committee reviews the scope and timing of our audit services and any other services our independent auditors are asked to perform, the auditor's report on our financial statements following completion of their audit and their policies and procedures with respect to internal accounting and financial control. In addition, the Audit Committee makes annual recommendations to the Board of Directors for the appointment of independent auditors for the following year.

The members of the Compensation Committee are Bruns Grayson (Chairman) and Randall E. Poliner. The Compensation Committee reviews and evaluates the compensation and benefits of all our officers, reviews general policy matters relating to compensation and benefits of employees of Intelligent Life and makes recommendations concerning these matters to the Board of Directors. The Compensation Committee also administers our stock option plans.

Compensation of Directors Neither employee nor non-employee directors receive compensation for services performed in their capacity as directors. We reimburse each director for reasonable out-of-pocket expenses incurred in attending meetings of the Board of Directors and any of its committees.

Compensation Committee Interlocks and Insider Participation No member of the Compensation Committee is or will be an executive officer of Intelligent Life.

Executive Compensation The following table sets forth the total compensation for 1998 for our President and Chief Executive Officer. No other executive officer of Intelligent Life received total annual salary and bonuses for the fiscal year ended June 30, 1998 in excess of $100,000.

Summary Compensation Table

			Long-Term	
	Annual		Compensation	
	Compensation(1)		Awards	
			Restricted Stock	All Other
Name and Principal Position	Salary	Bonus	Awards	Compensation

William P. Anderson, III..... $ 275,000 $ 0 $354,253(2) $30,852(3) President and Chief Executive Officer (1) In accordance with the rules of the Securities and Exchange Commission, the compensation set forth in the table does not include compensation in the form of perquisites or other personal benefits because such perquisites and other personal benefits constituted less than the lesser of

$50,000 or 10% of the total annual salary and bonus for the named Executive Officer for such year. (2) Consists of a restricted stock award of 454,170 shares of common stock granted in exchange for a promissory note in the amount of $236,168. No such shares were vested as of June 30, 1998. As of March 10, 1999, 189,238 shares had vested and the remaining shares had been reacquired by Intelligent Life. See "Certain Transactions" on page 43. (3) Consists of a one time payment for relocation expenses.

Stock Option and Other Compensation Plans 1997 Equity Compensation Plan. Our 1997 Equity Compensation Plan (the "1997 Plan") became effective on July 30, 1997. The aggregate number of shares reserved for issuance under the Equity Compensation Plan is 1,500,000 shares. The purpose of the Equity Compensation Plan is to provide incentives for key employees, officers, consultants and directors to promote the success of Intelligent Life, thereby benefiting shareholders and aligning the economic interests of the participants with those of the shareholders. Awards granted under the Equity Compensation Plan may be restricted stock, options intended to qualify as "incentive stock options" or nonqualified stock options.

As of March 10, 1999, options to purchase 449,000 shares of common stock were outstanding under the 1997 Plan at a weighted average exercise price of $2.21 per share. No shares of common stock had been issued upon exercise of options granted under the 1997 Plan.

1999 Equity Compensation Plan. Our 1999 Equity Compensation Plan (the "1999 Plan") became effective on March 10, 1999. The aggregate number of shares reserved for issuance under the Equity Compensation Plan is 100,000 shares. The purpose of the 1999 Plan is to provide incentives for key employees, officers, consultants and directors to promote the success of Intelligent Life, thereby benefiting shareholders and aligning the economic interests of the participants with those of the shareholders. Awards granted under the Equity Compensation Plan may be restricted stock, options intended to qualify as "incentive stock options" or nonqualified stock options.

As of March 10, 1999, options to purchase 358,500 shares of common stock were outstanding under the 1999 Plan at a weighted average exercise price of $2.97 per share. No shares of common stock had been issued upon exercise of options granted under the 1999 Plan. Incentive Compensation Plan. We have adopted an incentive compensation plan for our 1999 fiscal year. The plan is administered by the Compensation Committee of the Board of Directors, which determines eligible participants, performance goals, measurement criteria, performance ratings and amount and timing of payments. Awards under the plan are determined annually on the basis of our performance over the year in relation to certain pre- determined financial and operating goals. All awards are paid in full, in cash, following the year of performance. Awards are granted under the plan at the sole discretion of the Compensation Committee.

Employee Leasing

We lease all of our employees from Vincam Human Resources, Inc. The terms under which we lease our employees are set forth in an agreement between Vincam and us dated February 25, 1999.

Our agreement with Vincam is a co-employment arrangement, which allows Vincam to assume some of our rights and responsibilities with respect to our employees. All of our employees have submitted employment applications to Vincam and have been approved for hire by Vincam but assigned to our worksite to perform services under our direction and control. We transfer to Vincam's payroll all employees identified to work at our workplace provided each such employee accepts employment offered by Vincam. Vincam maintains workers' compensation coverage and group health coverage for each employee.

Vincam assumes our rights as to the employees, including the right to hire, fire, discipline and pay wages. We do, however, retain the right to reject the assignment of any worker to our worksite by Vincam. Further, we retain such discretion, supervision and control over the employees as is necessary to conduct our business on a day-to-day basis.

The agreement has a one-year term. During this time, either party may terminate the agreement by giving thirty days' written notice, unless terminated for cause, which includes non-payment when due of any amount payable under the agreement or breach of a material term. After the first year, the agreement renews automatically on the date the agreement was originally entered into for an additional year.

Employment Agreements Mr. Anderson has entered into an employment agreement with Intelligent Life effective as of March 10, 1999. Pursuant to this agreement, Mr. Anderson is entitled to receive an annual base salary of $275,000 and is entitled to a bonus as determined by the Board of Directors. In addition, Mr. Anderson is eligible to participate in Intelligent Life's Management Stock Incentive Program. Under the terms of the agreement, Mr. Anderson has assigned to Intelligent Life all of his copyrights, trade secrets and patent rights that relate to the business of Intelligent Life. Additionally, Mr. Anderson has agreed not to compete with Intelligent Life during the term of his employment and for a period of two years after termination of his employment. Mr. Anderson has also agreed not to solicit customers and employees of Intelligent Life for a period of two years following termination of his employment with Intelligent Life. In connection with any termination of Mr. Anderson's employment, other than voluntary termination, Mr. Anderson will be entitled to receive a severance payment equal to the amount of his base salary and benefits for a 12- month period.

Limitation of Liability and Indemnification of Officers and Directors Our Articles of Incorporation provide that the liability of our directors for monetary damages is eliminated to the fullest extent permissible under Florida law and that we may indemnify our officers, employees and agents to the fullest extent permitted under Florida law.

Our Bylaws provide that we must indemnify our directors against all liabilities to the fullest extent permitted under Florida law and that we must advance all reasonable expenses incurred in a proceeding where the director was either a party or a witness because he or she was a director.

Intelligent Life maintains a directors' and officers' liability insurance policy in the amount of $1,000,000 per occurrence.

Certain Transactions

We entered into three lease agreements with Bombay Holdings, Inc. for our principal corporate offices and facilities. Bombay is wholly owned by Peter C. Morse, our Chairman of the Board. The leases include renewal options and require Intelligent Life to pay a percentage of the common maintenance charges. Rent expense paid to Bombay was $109,872 for the six months ended December 31, 1998 and $164,552, $85,591 and $83,858 for the fiscal years ended 1998, 1997 and 1996, respectively. We believe that the terms of the lease agreements are no less favorable to us than those that could have been obtained from unaffiliated third parties.

Mr. Morse made loans to Intelligent Life during the years ended June 30, 1997 and 1998 in the amounts of $687,000 and $200,000, respectively. Interest rates for the loans were between 6.5% and 7%. The loans have subsequently been contributed to capital.

As part of a compensation package, we sold 454,170 shares of common stock to William P. Anderson, III, our President and Chief Executive Officer, effective when Mr. Anderson was hired in July 1997. In exchange for such shares, Mr. Anderson executed a promissory note to us for $236,168, which was payable over a ten-year term and bore interest at 6.42%. These shares were subject to vesting provisions, which had lapsed as to 189,238 shares as of March 10, 1999. On that date, Intelligent Life reacquired 264,932 shares of unvested common stock from Mr. Anderson in exchange for cancellation of $137,765 of Mr. Anderson's promissory note. The remaining amount of the note, in the amount of $98,403, was forgiven.

On March 9, 1999, Intelligent Life issued Mr. Anderson options to acquire 358,500 shares of common stock at an exercise price of $2.97 per share. The options are intended to qualify as incentive stock options. The options vest in equal monthly installments over a three-year period.

On March 9, 1999, Intelligent Life issued a promissory note to Antares Capital Fund II Limited Partnership. Randall E. Poliner, a director of Intelligent Life, is President of the general partner of Antares. Pursuant to the note, Antares loaned Intelligent Life $1,000,000 at an interest rate of 8%, payable on April 9, 1999. The amount borrowed under the note is being used for general corporate purposes. If Intelligent Life does not repay the note by April 9, 1999, it will automatically be converted into 6,738 shares of Series B Preferred Stock at a conversion price of $14.84 per share.

Our Board of Directors has adopted a resolution whereby all future transactions with related parties, including any loans from us to our officers, directors, principal stockholders or affiliates, must be approved by a majority of the Board of Directors, including a majority of the independent and disinterested members of the Board of Directors or a majority of the disinterested stockholders and must be on terms no less favorable to us than could be obtained from unaffiliated third parties.

Principal Shareholders

The following table sets forth information with respect to the beneficial ownership of our common stock as of the date of this prospectus and as adjusted to reflect the sale by Intelligent Life of the common stock being offered hereby, relating to: (1) each of our directors; (2) our President and Chief Executive Officer; (3) all those known by us to be beneficial owners of more than five percent of the outstanding shares of common stock; and (4) all of our executive officers and directors as a group.

Shares Beneficially Owned Prior to Offering (1)		Shares Beneficially Owned After Offering (1)	
Shares	Percent	Shares	Percent

Peter C. Morse..... 5,514,800 55.5% 5,514,800 % 200 Four Falls Corporate Center, Suite 205 West Conshohocken, Pennsylvania 19428 Robert H. Lessin(2)..... 1,276,900 12.8 1,276,900 826 Broadway New York, New York 10003 Bruns H. Grayson(3)..... 1,264,950 12.7 1,264,950 1 South Street, Suite 2150 Baltimore, Maryland 21262 William P. Anderson, 209,154 2.1 209,154 III(4)..... 11811 U.S. Highway One, Suite 101 North Palm Beach, Florida 33408 Randall E. Poliner(5)... 776,350 7.8 776,350 7900 Miami Lakes Drive West Miami Lakes, Florida 33016 All directors and executive officers as a group (seven persons)(4)..... 9,092,154 91.3 9,092,154 (1) For purposes of calculating the percentage beneficially owned, the number of shares of common stock deemed outstanding prior to the offering includes (1) 9,938,688 shares outstanding as of March 10, 1999 and (2) shares issuable upon the exercise of options which may be exercised within 60 days following March 10, 1999 ("Presently Exercisable Options"). The number of shares of common stock deemed outstanding after this offering includes the additional shares that are being offered for sale in this offering. Beneficial ownership is determined in accordance with the rules of the Securities and Exchange Commission that deem shares to be beneficially owned by any person or group that has or shares voting and investment power with respect to such shares. Presently Exercisable Options are deemed to be outstanding and to be beneficially owned by the person or group holding such options for the purpose of computing the percentage ownership of such person or group but are not treated as outstanding for the purpose of computing the percentage ownership of any other person or group. (2) Includes shares owned by BRM Holdings LLC. Mr. Lessin is a control person of BRM Holdings LLC and is the beneficial owner of such shares. (3) Consists of shares owned by ABS Ventures IV, L.P. and ABX Fund, L.P. Mr. Grayson is a managing member of Calvert Capital II L.L.C., the general partner of such limited partnerships. Mr. Grayson disclaims beneficial ownership of such shares. (4) Includes 19,916 shares of common stock issuable upon exercise of stock options that are exercisable within 60 days of March 10, 1999. (5) Consists of shares owned by Antares Capital Fund II Limited Partnership and ACF II Side Fund Limited Partnership. Mr. Poliner is President of Antares Capital Partners II, Inc., the general partner of such limited partnerships, and is a beneficial owner of such shares.

Description of Capital Stock

General

Our authorized capital stock consists of (1) 10,000,000 shares of common stock, $.01 par value per share, and (2) 10,000,000 shares of preferred stock, $.01 par value per share. As of March 10, 1999, we had issued and outstanding 9,938,688 shares of common stock (assuming the conversion of all outstanding shares of preferred stock into shares of common stock). As of March 10, 1999, the outstanding shares of our common stock were held by four shareholders and shares of our Series A and Series B Preferred Stock were held by 15 shareholders. The following description of our capital stock is a summary and is qualified in its entirety by the provisions of our Articles of Incorporation and Bylaws, copies of which have been filed as exhibits to the registration statement of which this prospectus is a part.

Common Stock

Holders of shares of common stock are entitled to one vote per share for the election of directors and all matters to be submitted to a vote of Intelligent Life's shareholders. Subject to the rights of any holders of preferred stock which may be issued in the future, the holders of shares of common stock are entitled to share ratably in such dividends as may be declared by the Board of Directors and paid by Intelligent Life out of funds legally available therefor. In the event of dissolution, liquidation or winding up of Intelligent Life, holders of shares of common stock are entitled to share ratably in all assets remaining after payment of all liabilities and liquidation preferences, if any. Holders of shares of common stock have no preemptive, subscription, redemption or conversion rights. The outstanding shares of common stock are, and the shares of common stock to be issued by Intelligent Life in connection with this offering will be, duly authorized, validly issued, fully paid and nonassessable.

Preferred Stock

The Board of Directors is authorized, subject to certain limitations prescribed by law, without further shareholder approval, to issue from time to time up to an aggregate of 10,000,000 shares of preferred stock in one or more series and to fix or alter the designations, preferences, rights and any qualifications, limitations or restrictions on the shares of each such series thereof, including the dividend rights, dividend rates, conversion rights, voting rights, terms of redemption (including sinking fund provisions), redemption price or prices, liquidation preferences and the number of shares constituting any series or designations of such series. The issuance of preferred stock may have the effect of delaying or preventing a change of control of Intelligent Life.

Certain Articles of Incorporation and Bylaw Provisions Intelligent Life's Articles of Incorporation provide that special meetings of shareholders may be called only by: (1) the Board of Directors; (2) the Chairman of the Board of Directors (if one is so appointed); (3) the Chief Executive Officer; (4) the President; or (5) holders of not less than 35% of all votes entitled to be cast on any issue proposed to be considered at the proposed special meeting. The Articles of Incorporation and Bylaws also provide for a classified Board of Directors and permit removal of directors only for cause. See "Management--Directors and Executive Officers" on page 39.

Intelligent Life's Bylaws establish an advance notice procedure for the nomination, other than by or at the direction of the Board of Directors or a committee thereof, of candidates for election as directors, as well as for other shareholder proposals to be considered at shareholders' meetings. Notice of

shareholder proposals and director nominations must be given in writing to the secretary of Intelligent Life before the meeting at which such matters are to be acted upon or directors are to be elected. Such notice must be received at the principal executive offices of Intelligent Life, with respect to shareholder proposals and elections to be held at the annual meeting, not less than 60 days before the date of the meeting at which the directors are to be elected; however, if less than 70 days' notice or prior public disclosure of the date of the scheduled meeting is given or made, notice by the shareholder, to be timely, must be delivered or received not later than the close of business on the tenth day following the earlier of the day on which notice of the date of the meeting is mailed to shareholders or public disclosure of the date of such meeting is made.

Notice to Intelligent Life from a shareholder who intends to present a proposal or to nominate a person for election as a director at a shareholders' meeting must contain certain information about the shareholder giving such notice and, in the case of director nominations, all information that would be required to be included in a proxy statement soliciting proxies for the election of the proposed nominee (including such person's written consent to serve as a director if so elected). If the presiding officer at the meeting determines that a shareholder's proposal or nomination is not made in accordance with the procedures set forth in the Articles of Incorporation, such proposal or nomination, at the direction of such presiding officer, may be disregarded. The notice requirement for shareholder proposals contained in the Articles of Incorporation does not restrict a shareholder's right to include proposals in Intelligent Life's annual proxy materials pursuant to rules promulgated under the Exchange Act.

The Articles of Incorporation provide that directors may be removed only for cause and only by the affirmative vote, at any annual or special meeting of the shareholders, of not less than 66 2/3% of the total number of votes of the then-outstanding shares of capital stock of Intelligent Life that are entitled to vote generally in the election of directors, voting together as a single class, but only if notice of such proposed removal was contained in the notice of such meeting. "For cause" shall mean (1) misconduct as a director of Intelligent Life or any subsidiary of Intelligent Life which involves dishonesty with respect to a material corporate activity or material corporate assets, or (2) conviction of an offense punishable by one or more years of imprisonment (other than minor regulatory infractions and traffic violations which do not materially and adversely affect Intelligent Life). The Board of Directors shall have the power to increase or decrease the authorized number of directors, with or without shareholder approval. Newly created directorships resulting from any increase in the number of directors or any vacancy of the Board of Directors may be filled by the affirmative vote of a majority of the remaining directors then in office or, if not filled by the directors, by the shareholders.

The Articles of Incorporation provide that in discharging the duties of their respective positions and in determining what is believed to be in the best interests of Intelligent Life, the Board of Directors, any committee of the Board of Directors and any individual director, in addition to considering the effects of any action on Intelligent Life or its shareholders, may, to the extent permitted by applicable Florida law, in his or her or their sole discretion, consider the interests of the employees, customers, suppliers

and creditors of Intelligent Life and its subsidiaries, the communities in which offices or other establishments of Intelligent Life and its subsidiaries are located and all other factors such director(s) may consider pertinent.

The preceding provisions of the Articles of Incorporation may be changed only upon the affirmative vote of holders of at least 66 2/3% of the total number of the then-outstanding shares of capital stock of Intelligent Life that are entitled to vote generally in the election of directors, voting together as a single class.

The provisions of the Articles of Incorporation and Bylaws summarized in the preceding paragraphs and the provisions of the Florida Business Corporations Act ("FBCA") described under "Certain Provisions of Florida Law" contain provisions that may have the effect of delaying or preventing a non-negotiated merger or other business combination involving Intelligent Life. These provisions are intended to encourage any person interested in acquiring Intelligent Life to negotiate with and obtain the approval of the Board of Directors in connection with the transaction. Certain of these provisions may, however, discourage a future acquisition of Intelligent Life not approved by the board of directors in which shareholders might receive a high value for their shares or that a substantial number or even a majority of Intelligent Life's shareholders might believe to be in their best interest. As a result, shareholders who desire to participate in such a transaction may not have the opportunity to do so. Such provisions could also discourage bids for the common stock at a premium, as well as create a depressive effect on the market price of the common stock.

Certain Provisions of Florida Law Intelligent Life is subject to several anti-takeover provisions under Florida law that apply to a public corporation organized under Florida law, unless the corporation has elected to opt out of those provisions in its articles of incorporation or bylaws. Intelligent Life has not elected to opt out of those provisions. The FBCA prohibits the voting of shares in a publicly- held Florida corporation that are acquired in a "control share acquisition" unless the holders of a majority of the corporation's voting shares (exclusive of shares held by officers of the corporation, inside directors or the acquiring party) approve the granting of voting rights as to the shares acquired in the control share acquisition. A "control share acquisition" is defined as an acquisition that immediately thereafter entitles the acquiring party to 20% or more of the total voting power in an election of directors.

The FBCA also contains an "affiliated transaction" provision that prohibits a publicly-held Florida corporation from engaging in a broad range of business combinations or other extraordinary corporate transactions with an "interested shareholder" unless: (1) the transaction is approved by a majority of disinterested directors before the person becomes an interested shareholder; (2) the interested shareholder has owned at least 80% of the corporation's outstanding voting shares for at least five years; or (3) the transaction is approved by the holders of two-thirds of the corporation's voting shares other than those owned by the interested shareholder. An interested shareholder is defined as a person who together with affiliates and associates beneficially owns more than 10% of the corporation's outstanding voting shares.

Registration Rights

The holders of 5,696,250 shares of common stock are entitled to require us to prepare and file a registration statement to register such shares under the Securities Act. We must prepare and file such a registration statement upon the request of holders of the number of such shares having an anticipated aggregate offering price of at least $15,000,000. Such request can be made at any time following 180 days after the date of this prospectus. These holders are entitled to demand such registration one time only. Such holders also have certain Form S-3 demand registration rights.

In addition, the holders of such 5,696,250 shares of common stock and the holder of an additional 189,238 shares of common stock are entitled to have such shares included in a registration statement filed by Intelligent Life, subject to certain restrictions, for an unlimited time. We are required to bear the expense of such registrations except for any underwriting discounts and commissions, which will be borne by the participating shareholders in proportion to the number of shares sold.

Listing

Application has been made to include our common stock on the Nasdaq National Market under the trading symbol "ILIF."

Transfer Agent and Registrar The transfer agent for our common stock is SunTrust Bank, Inc.

Shares Eligible for Future Sale

Sales of substantial amounts of our common stock in the public market could adversely affect prevailing market prices of our common stock. Furthermore, since a significant number of our shares will not be available for sale following this offering because of certain contractual and legal restrictions on resale described below, sales of substantial amounts of common stock in the public market after these restrictions lapse could adversely affect the prevailing market price and our ability to raise equity capital in the future.

Upon completion of this offering, we will have outstanding an aggregate of shares of our common stock, assuming no exercise of the underwriters' over-allotment option and no exercise of outstanding options. Of these shares, the shares sold in this offering will be freely tradeable without restriction or registration under the Securities Act, unless such shares are purchased by "affiliates" as that term is defined in Rule 144 under the Securities Act ("Affiliates"). The remaining 9,938,688 shares of common stock are held by existing stockholders and are "restricted securities" as that term is defined in Rule 144 under the Securities Act. Restricted securities may be sold in the public market only if registered or if they qualify for an exemption from registration, including those under Rule 144 promulgated under the Securities Act, Rule 144 is summarized below.

As a result of the contractual restrictions described below and the provisions of Rule 144, the restricted securities could be available for sale in the public market as follows:

. 576,000 shares may be eligible for sale in accordance with the requirements of Rule 144 beginning 90 days after the date of this prospectus;

. 1,215,650 shares may be eligible for sale in accordance with the requirements of Rule 144 upon expiration of their respective one-year holding periods; and . 8,147,038 shares may be eligible for sale in accordance with the requirements of Rule 144 upon expiration of lock-up agreements, as described below.

Lock-Up Agreements. All of our officers and directors and certain of our stockholders have signed lock-up agreements under which they agreed not to transfer or dispose of, directly or indirectly, any shares of common stock or any securities convertible into or exercisable or exchangeable for shares of common stock, for a period of 180 days after the date of this prospectus. Transfers or dispositions can be made sooner with the prior written consent of ING Baring Furman Selz LLC.

Rule 144. In general, under Rule 144 as currently in effect, beginning 90 days after the date of this prospectus, a person who has beneficially owned shares of our common stock for at least one year would be entitled to sell within any three-month period a number of shares that does not exceed the greater of:

. 1% of the number of shares of common stock then outstanding, which will equal approximately shares immediately after this offering; or . the average weekly trading volume of the common stock on the Nasdaq National Market during the four calendar weeks preceding the filing of a notice on Form 144 with respect to such sale.

Sales under Rule 144 are also subject to certain manner of sale provisions and notice requirements and to the availability of current public information about us.

Rule 144(k). Under Rule 144(k), a person who is not deemed to have been one of our Affiliates at any time during the 90 days preceding a sale, and who has beneficially owned the shares proposed to be sold for at least two years, including the holding period of any prior owner other than an Affiliate, is entitled to sell such shares without complying with the manner of sale, public information, volume limitation or notice provisions of Rule 144. Therefore, unless otherwise restricted, "144(k) shares" may be sold immediately upon the completion of this offering.

Rule 701. In general, under Rule 701 of the Securities Act as currently in effect, any of our employees, consultants or advisors who purchases shares from us in connection with a compensatory stock or option plan or other written agreement is eligible to resell such shares 90 days after the effective date of this offering in reliance on Rule 144, but without compliance with certain restrictions, including the holding period, contained in Rule 144.

Registration Rights. Upon completion of this offering, the holders of 5,885,488 shares of our common stock, or their transferees, will be entitled to certain rights with respect to the registration of such shares under the Securities Act. See "Description of Capital Stock--Registration Rights" on page 47. After such a registration, these shares become freely tradeable without restriction under the Securities Act.

Stock Options. Immediately after this offering, we intend to file a registration statement on Form S-8 under the Securities Act covering 1,500,000 shares of common stock reserved for issuance under our Equity Compensation Plan. As of March 10, 1999, options to purchase 807,500 shares of common

stock were issued and outstanding. Upon the expiration of the lock-up agreements describe above, at least 39,135 shares of common stock are expected to be subject to vested options (based on options outstanding as of March 10, 1999). Such registration statement is expected to be filed and become effective as soon as practicable after the effective date of this offering. Accordingly, shares registered under such registration statement will, subject to vesting provisions and Rule 144 volume limitations applicable to our Affiliates, be available for sale in the open market immediately after the 180-day lock-up agreements expire.

Underwriting

Subject to the terms and conditions of an underwriting agreement, dated , 1999, the underwriters named below, who are represented by ING Baring Furman Selz LLC and , have severally agreed to purchase from Intelligent Life the number of shares of common stock set forth opposite their names below.

Number Underwriters of Shares ING Baring Furman Selz LLC.....
Total.....

The underwriting agreement provides that the obligations of the several underwriters to purchase and accept delivery of the shares of common stock offered hereby are subject to approval by their counsel of certain legal matters and to certain other conditions. The underwriters are obligated to purchase and accept delivery of all the shares of common stock (other than those shares covered by the over-allotment option described below) if any are purchased.

The underwriters propose initially to offer the shares of common stock in part directly to the public at the initial public offering price set forth on the cover page of this prospectus and in part to certain dealers (including the underwriters) at such price less a concession not in excess of $ per share. The underwriters may allow, and such dealers may re-allow, to certain other dealers, a concession not in excess of $ per share.

The following table shows the underwriting discounts and commissions to be paid to the underwriters by us in connection with this offering. These amounts are shown assuming both no exercise and full exercise of the underwriters' option to purchase additional shares of common stock.

No Exercise Full Exercise

```
Per share.....    $          $
Total.....        $          $
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Other expenses of this offering (including the registration fees and the fees and expenses of the financial printer, counsel and accountants) payable by us are expected to be approximately $.

We have granted to the underwriters an option, exercisable within 30 days after the date of this prospectus, to purchase, from time to time, in whole or in part, up to an aggregate of additional shares of common stock at the public offering price less the underwriting discounts and commissions. The underwriters may exercise such option solely to cover over-allotments, if any, made in connection with

this offering. To the extent that the underwriters exercise such option, each underwriter will become obligated, subject to certain conditions, to purchase its pro rata portion of such additional shares based on such underwriter's percentage underwriting commitment as indicated in the table above.

We have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act, or to contribute to payments that the underwriters may be required to make in respect of any of those liabilities.

Intelligent Life, along with our executive officers and directors and certain of our existing stockholders, has agreed not to offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase or otherwise transfer or dispose of, directly or indirectly, any shares of common stock or any securities convertible into or exercisable or exchangeable for common stock or enter into any swap or other arrangement that transfers all or a portion of the economic consequences associated with the ownership of any shares of common stock for a period of 180 days from the date of this prospectus without the prior written consent of ING Baring Furman Selz LLC. Such consent may be given at any time without public notice. In addition, during such period, we have also agreed not to file any registration statement with respect to, and each of our executive officers, directors and all of our stockholders that hold such rights have agreed not to make any demand for, or exercise any right with respect to, the registration of any shares of common stock or any securities convertible into or exercisable or exchangeable for common stock without the prior written consent of ING Baring Furman Selz LLC.

No action has been taken by us or the underwriters that would permit a public offering of the shares of common stock offered hereby in any jurisdiction other than the United States where action for that purpose is required. The shares of common stock offered hereby may not be offered or sold, directly or indirectly, nor may this prospectus or any other offering material or advertisements in connection with the offer and sale of any such shares of common stock be distributed or published in any jurisdiction, except under circumstances that will result in compliance with the applicable rules and regulations of such jurisdiction. Persons into whose possession this prospectus comes are advised to inform themselves about, and to observe, any restrictions relating to the offering of the common stock and the distribution of this prospectus. This prospectus is not an offer to sell or a solicitation of an offer to buy any shares of common stock offered hereby in any jurisdiction in which such an offer or solicitation is unlawful.

ING Baring Furman Selz LLC has advised Intelligent Life that the underwriters do not intend to confirm sales to any account over which they exercise discretionary authority.

The underwriters and dealers may engage in passive market-making transactions in the common stock in accordance with Rule 103 under Regulation M promulgated by the SEC. In general, a passive market-maker may not bid for or purchase shares of common stock at a price that exceeds the highest independent bid. In addition, the net daily purchases made by any passive market-maker generally may not exceed 30% of its average daily trading volume in the common stock during a specified two-month prior period, or 200 shares, whichever is greater. A passive market-maker must identify passive market-making bids as such on the Nasdaq electronic inter-dealer reporting system. Passive market-making

may stabilize or maintain the market price of the common stock above independent market levels. Underwriters and dealers are not required to engage in passive market-making and may end passive market-making activities at any time.

In connection with this offering, the underwriters may engage in transactions on the Nasdaq National Market or the over-the-counter market or otherwise that stabilize, maintain or otherwise affect the price of the common stock. Specifically, the underwriters may overallot this offering, creating a syndicate short position. In addition, the underwriters may bid for and purchase shares of common stock in the open market to cover syndicate short positions or to stabilize the price of the common stock. In addition, ING Baring Furman Selz LLC, on behalf of the underwriters, may reclaim selling concessions allowed to an underwriter or dealer if the underwriting syndicate repurchases shares distributed by that underwriter or dealer. These activities may stabilize or maintain the market price of the common stock above independent market levels. The underwriters are not required to engage in these activities and may end any of these activities at any time.

Prior to this offering, there has been no public market for the common stock. As a result, the initial public offering price for the common stock has been determined by negotiation between Intelligent Life and ING Baring Furman Selz LLC. Among the factors considered in determining the public offering price were:

. prevailing market conditions;

. Intelligent Life's results of operations in recent periods;

. the present stage of Intelligent Life's development;

. the market capitalizations and development stages of other companies that we and the underwriters believe to be comparable to Intelligent Life; and . estimates of Intelligent Life's growth potential.

Legal Matters

The validity of the issuance of the shares of the common stock offered hereby will be passed upon for us by Morris, Manning & Martin, L.L.P., Atlanta, Georgia. Certain legal matters in connection with this offering will be passed upon for the underwriters by White & Case LLP, New York, New York.

Experts

The financial statements of Intelligent Life included in this prospectus to the extent and for the periods indicated in their reports have been audited by KPMG LLP and Thomas & Clough Co., P.A., independent public accountants and are included herein in reliance upon the authority of these firms as experts in accounting and auditing.

Additional Information

We have filed with the Securities and Exchange Commission a registration statement on Form S-1 under the Securities Act with respect to the shares of common stock offered hereby. This prospectus is only a part of the registration statement and does not contain all of the information included in the registration statement. Further information with respect to Intelligent Life and the common stock offered hereby can be found in the registration statement. Statements made in this prospectus as to the contents of any contract, agreement or other document are not necessarily complete. Such documents are filed as exhibits to the registration statement, and all descriptions in this prospectus are qualified in all respects by reference to the registration statement. The registration statement and the exhibits and schedules thereto may be inspected without charge at the public reference facilities maintained by the Commission in Room 1024, 450 Fifth Street, N.W., Washington, D.C. 20549, and at the following regional offices of the Commission: Seven World Trade Center, Room 1400, New York, New York 10048 and Northwestern Atrium Center, 500 West Madison Street, Suite 1400, Chicago, Illinois 60661. Copies of such material can be obtained from the Public Reference Section of the Commission at 450 Fifth Street, N.W., Washington, D.C. 20549, Room 1024, at prescribed rates. The public may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. In addition, Intelligent Life is required to file electronic versions of these documents with the Commission through the Commission's Electronic Data Gathering, Analysis, and Retrieval (EDGAR) system. The Commission maintains an internet site at http://www.sec.gov that contains reports, proxy and information statements and other information regarding registrants that file electronically with the Commission. Information concerning Intelligent Life is also available for inspection at the offices of the Nasdaq Stock Market, Reports Section, 1735 K Street, N.W., Washington, D.C. 20006.

Intelligent Life Corporation

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Financial Statements:

Reports of Independent Public Accountants..... F-2 Balance Sheets as of June 30, 1997 and 1998 and December 31, 1998 (unaudited)..... F-4 Statements of Operations for the Years Ended June 30, 1996, 1997 and 1998 and Six Months Ended December 31, 1997 (unaudited) and 1998 (unaudited).. F-5 Statements of Redeemable Stock and Stockholders' Equity (Deficit) for the Years Ended June 30, 1996, 1997 and 1998 and Six Months Ended December 31, 1998 (unaudited)..... F-6 Statements of Cash Flows for the Years Ended June 30, 1996, 1997 and 1998 and Six Months Ended December 31, 1997 (unaudited) and 1998

(unaudited).. F-7 Notes to Financial Statements (All information subsequent to June 30, 1998 is unaudited)..... F-8 Independent Auditors' Report The Board of Directors and Stockholders Intelligent Life Corporation:

We have audited the accompanying balance sheet of Intelligent Life Corporation as of June 30, 1998, and the related statements of operations, redeemable stock and stockholders' equity (deficit), and cash flows for the year then ended. 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 audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides 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 Intelligent Life Corporation as of June 30, 1998, and the results of its operations and its cash flows for the year then ended in conformity with generally accepted accounting principles.

Kpmg Llp

Atlanta, Georgia October 1, 1998 Independent Auditors' Report The Board of Directors and stockholders Intelligent Life Corporation:

We have audited the accompanying balance sheets of Intelligent Life Corporation (formerly, Bank Rate Monitor, Inc.), as of June 30, 1997 and 1996, and the related statements of operations, redeemable stock and stockholders' equity (deficit), and cash flows for the years then ended. 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 audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes 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 Intelligent Life Corporation (formerly, Bank Rate Monitor, Inc.) as of June 30, 1997 and 1996, and the results of its operations and its cash flows for the years then ended in

conformity with generally accepted accounting principles.

Thomas & Clough Co., P.A.

Palm Beach, Florida July 23, 1998

Intelligent Life Corporation Balance Sheets

June 30, ---------- December 31, 1997 1998 1998 (unaudited) Assets Cash and cash equivalents..... $ 1,762,828 $ 910,427 $ 1,633,100 Accounts receivable..... 311,410 346,461 563,383 Less: allowance for doubtful ac- counts..... (31,346) (23,946) (24,847) Total accounts receivable..... 280,064 322,515 538,536 Other current assets, including prepaid expenses of $1,432, $0 and $74,962 at June 30, 1997, June 30, 1998 and December 31, 1998, respectively ..... 1,432 27,960 109,488 Total current assets..... 2,044,324 1,260,902 2,281,124 Furniture, fixtures and equipment, net (Note 4)..... 142,490 505,275 813,659 Intangible assets, net of accumulated amortization of $146,496, $152,433 and $152,976 at June 30, 1997, June 30, 1998 and December 31, 1998, respectively..... 5,945 1,722 4,569 Total assets..... $ 2,192,759 $ 1,767,899 $ 3,099,352 Liabilities, Redeemable Stock and Stockholders' Equity (Deficit) Liabilities: Accounts payable..... $ 374,005 $ 205,791 $ 308,667 Accrued expenses (Note 4)..... 287,726 406,658 588,212 Deferred revenue..... 495,535 476,120 612,660 Current portion of obligations under capital leases (Note 8)..... -- 8,011 113,405 Total current liabilities..... 1,157,266 1,096,580 1,622,944 Obligations under capital leases, long term (Note 8)..... -- 14,237 263,009 Total liabilities..... 1,157,266 1,110,817 1,885,953 Commitments and contingencies (Notes 2, 3, 5, 7, 8, and 9) Redeemable Convertible series A preferred stock, noncumulative, par value $.01 per share, stated at redemption value--90,000 shares authorized; 89,612 shares issued and outstanding at December 31, 1998 (Note 2)..... -- -- 10,215,768 Redeemable Convertible series B preferred stock, noncumulative, par value $.01 per share, stated at redemption value--20,000 shares authorized; 17,575 shares issued and outstanding at December 31, 1998 (Note 2)..... -- -- 1,982,535 Redeemable Common Stock (Note 2): Redeemable common stock, par value $.01 per share, redemption value $2.60 per share--90,834 shares issued and outstanding at June 30, 1998 and December 31, 1998..... -- 236,168 236,168 Loan receivable for redeemable common stock..... -- (236,168) (236,168) Stockholders' equity (deficit) (Notes 2, 3, 5 and 9): Convertible series A preferred stock, noncumulative, par value $.01 per share, liquidation value $65 per share--90,000 shares authorized; 53,846 and 89,612 shares issued and outstanding at June 30, 1997 and June 30, 1998, respectively (Note 2)..... 3,462,108 5,777,627 -- Common stock, par value $.01 per share--2,900,000 shares authorized; 769,240, 769,240 and 810,640 shares issued and outstanding at June 30, 1997, June 30, 1998 and December 31, 1998, respectively.... 7,692 7,692 8,106 Additional paid in capital..... 614,290 968,543 -- Unamortized stock compensation expense..... -- (265,690) (280,690) Accumulated deficit..... (3,048,597) (5,831,090) (10,712,320) Total stockholders' equity (deficit)..... 1,035,493 657,082 (10,984,904) Total liabilities, redeemable stock and stockholders' equity (deficit)..... $ 2,192,759 $ 1,767,899 $ 3,099,352 See accompanying notes to financial statements.

Intelligent Life Corporation

Statements of Operations

	Year ended June 30,			Six months ended December 31,	
	1996	1997	1998	1997 (unaudited)	1998 (unaudited)
Revenue:					
Online publishing	$ 70,406	$ 484,511	$ 1,281,284	$ 507,717	$ 1,808,877
Print publishing and licensing	1,557,595	2,058,045	2,559,293	1,180,522	1,660,314
Total revenue	1,628,001	2,542,556	3,840,577	1,688,239	3,469,191
Cost of operations:					
Online publishing	16,476	582,399	862,007	321,216	978,964
Print publishing and licensing	971,331	1,185,969	1,961,714	957,447	1,100,693
Sales	97,640	89,848	665,007	117,300	817,403
Marketing	33,686	1,485	145,632	18,124	304,919
Product research	507,975	720,508	1,215,888	493,257	915,961
General and administrative expenses	522,056	767,957	1,663,728	695,191	871,057
Depreciation and amortization	97,668	73,754	66,666	25,088	98,491
Stock based compensation (Notes 2 and 3)	--	--	88,563	--	669,000
Total cost of operations	2,246,832	3,421,920	6,669,205	2,627,623	5,756,488
Loss from operations	(618,831)	(879,364)	(2,828,628)	(939,384)	(2,287,297)
Other income (expense):					
Interest income	--	2,141	52,351	35,269	18,924
Interest expense	(56,193)	(85,870)	(6,216)	--	(12,433)
Other (Note 6)	2,584	7,473	--	--	185,588
Other income--net	(53,609)	(76,256)	46,135	35,269	192,079
Loss before income taxes	(672,440)	(955,620)	(2,782,493)	(904,115)	(2,095,218)
Income taxes (Note 7)	--	--	--	--	--
Net loss	$ (672,440)	$ (955,620)	$(2,782,493)	$ (904,115)	$(2,095,218)
Basic and diluted net loss per share	$ (.67)	$ (1.24)	$ (3.62)	$ (1.18)	$ (2.58)
Weighted average shares outstanding used in basic and diluted per-share calculation	1,000,000	769,240	769,240	769,240	810,640
Pro forma provision for income taxes	--	--			
Pro forma net loss	$ (672,440)	$ (955,620)			
Pro forma net loss per share	$ (.67)	$ (1.24)			

See accompanying notes to financial statements.

Intelligent Life Corporation

Statements of Redeemable Stock and Stockholders' Equity (Deficit)

	Redeemable Convertible Series A Preferred Stock		Redeemable Convertible Series B Preferred Stock		Redeemable Common Stock			Convertible Series A Preferred Stock	
	Share	Amount	Shares	Amount	Shares	Amount	Note Receivable	Shares	Amount
Balance at July 1, 1995.....	--	$ --	--	$ --	--	$ --	$ --	--	$ --
Stockholder loans contributed to capital (Notes 2 and 5).....	--	--	--	--	--	--	--	--	--
Net loss.....	--	--	--	--	--	--	--	--	--
Balance at June 30, 1996.....	--	$ --	--	$ --	--	$ --	$ --	--	$ --
Stockholder loans contributed to capital (Notes 2 and 5).....	--	--	--	--	--	--	--	--	--
Exchange of common stock for preferred stock by principal stockholder (Notes 2 and 5).....	--	--	--	--	--	--	--	23,076	1,499,940
Issuance of preferred stock, net of issuance costs (Note 2)..	--	--	--	--	--	--	--	30,770	1,962,168
Net loss.....	--	--	--	--	--	--	--	--	--
Balance at June 30, 1997.....	--	$ --	--	$ --	--	$ --	$ --	53,846	$ 3,462,108
Issuance of preferred stock, net of issuance costs (Note 2)..	--	--	--	--	--	--	--	28,074	1,815,519
Stockholder loans converted to preferred stock (Notes 2 and 5).....	--	--	--	--	--	--	--	7,692	500,000
Redeemable common stock issued (Note 2).....	--	--	--	--	90,834	236,168	(236,168)	--	--
Compensation expense relating to common stock vesting (Note 2).....	--	--	--	--	--	--	--	--	--
Net loss.....	--	--	--	--	--	--	--	--	--
Balance at June 30, 1998.....	--	$ --	--	$ --	90,834	$ 236,168	$(236,168)	89,612	$ 5,777,627
Issuance of common stock (Note 2) (Unaudited)..	--	--	--	--	--	--	--	--	--
Compensation expense relating to common stock grants (Note 2) (Unaudited).....	--	--	--	--	--	--	--	--	--
Issuance of preferred stock, net of issuance costs (Note 2) (Unaudited).....	--	--	17,575	1,982,535	--	--	--	--	--
Conversion of nonredeemable convertible series A preferred stock to redeemable (Note 2).....	89,612	10,215,768	--	--	--	--	(89,612)	(5,777,627)	
Net loss (Unaudited).....	--	--	--	--	--	--	--	--	--
Balance at December 31, 1998 (Unaudited).....	89,612	$10,215,768	17,575	$1,982,535	90,834	$ 236,168	$(236,168)	--	$ --

	Common Stock		Additional Paid in Capital	Unamortized Stock Compensation Expense	Accumulated Deficit	Total Stockholders' Equity (Deficit)
	Shares	Amount				
Balance at July 1, 1995.....	1,000,000	$10,000	$ 315,000	$ --	$ (1,420,537)	$ (1,095,537)
Stockholder loans contributed to capital (Notes 2 and 5).....	--	--	260,000	--	--	260,000
Net loss.....	--	--	--	--	(672,440)	(672,440)
Balance at June 30, 1996.....	1,000,000	$10,000	$ 575,000	$ --	$ (2,092,977)	$ (1,507,977)
Stockholder loans contributed to capital (Notes 2 and 5).....	--	--	1,536,922	--	--	1,536,922
Exchange of common stock for preferred stock by principal stockholder (Notes 2 and 5).....	(230,760)	(2,308)	(1,497,632)	--	--	--
Issuance of preferred stock, net of issuance costs (Note 2)..	--	--	--	--	--	1,962,168
Net loss.....	--	--	--	--	(955,620)	(955,620)
Balance at June 30, 1997.....	769,240	$ 7,692	$ 614,290	$ --	$ (3,048,597)	$ 1,035,493
Issuance of preferred stock, net of issuance						

costs (Note 2).. -- -- -- -- -- 1,815,519 Stockholder loans converted to preferred stock (Notes 2 and 5)..... -- -- -- -- -- 500,000 Redeemable common stock issued (Note 2)..... -- -- 354,253 (354,253) -- -- Compensation expense relating to common stock vesting (Note 2)..... -- -- -- 88,563 -- 88,563 Net loss..... -- -- -- (2,782,493) (2,782,493) Balance at June 30, 1998..... 769,240 $ 7,692 $ 968,543 $(265,690) $ (5,831,090) $ 657,082 Issuance of common stock (Note 2) (Unaudited).. 41,400 414 268,586 (269,000) -- -- Compensation expense relating to common stock grants (Note 2) (Unaudited)..... -- -- 415,000 254,000 -- 669,000 Issuance of preferred stock, net of issuance costs (Note 2) (Unaudited)..... -- -- -- -- -- -- Conversion of nonredeemable convertible series A preferred stock to redeemable (Note 2)..... -- -- (1,652,129) -- (2,786,012) (10,215,768) Net loss (Unaudited)..... -- -- -- -- (2,095,218) (2,095,218) Balance at December 31, 1998 (Unaudited)..... 810,640 $ 8,106 $ -- $(280,690) $(10,712,320) $(10,984,904) See accompanying notes to financial statements.

Intelligent Life Corporation

Statements of Cash Flows

	Year ended June 30,			Six months ended December 31,	
	1996	1997	1998	1997 (unaudited)	1998 (unaudited)

Cash flows from operating activities: Net loss..... $ (672,440) $ (955,620) $ (2,782,493) $ (923,790) $ (2,095,218) Adjustments to reconcile net loss to net cash used in operating activities: Depreciation and amortization..... 97,669 73,754 66,666 41,578 98,491 Stock compensation earned..... -- -- 88,563 -- 669,000 Changes in operating assets and liabilities: Increase in accounts receivable..... (98,062) (109,793) (42,451) (5,228) (216,021) Decrease (Increase) in other current assets..... 2,401 7,480 (22,305) (255) (84,375) Increase (Decrease) in accounts payable..... 163,640 59,238 (168,214) (252,492) 102,876 Increase in accrued expenses..... 70,618 218,705 118,932 49,062 181,554 Increase (Decrease) in deferred revenue..... 90,747 (127,480) (19,415) (120,199) 136,540 Total adjustments.. 327,013 121,904 21,776 (287,534) 888,065 Net cash used in operating activities..... (345,427) (833,716) (2,760,717) (1,211,324) (1,207,153) Cash flows used in investing activities: Purchases of equipment..... (39,643) (90,501) (407,203) (276,575) (26,875) Net cash used in investing activities..... (39,643) (90,501) (407,203) (276,575) (26,875) Cash flows from financing activities: Loans from stockholders..... 385,070 687,000 500,000 15,743 -- Principal payments on capital lease obligations..... -- -- -- -- (25,834) Proceeds from issuance of preferred stock.... -- 2,000,045 1,815,519 822,665 1,982,535 Net cash provided by financing activities..... 385,070 2,687,045 2,315,519 838,408 1,956,701 Net increase (decrease) in cash and cash equivalents..... -- $1,762,828 (852,401) (649,491) 722,673 Cash and cash equivalents at beginning of year..... -- -- 1,762,828 1,762,828 910,427 Cash and cash equivalents at end of year..... $ -- $1,762,828 $ 910,427 $1,113,337 $ 1,633,100 Supplementary disclosures of cash flow information: Cash paid during the year for interest..... $ 25,600 $ 113,200 $ 6,216 $ -- $ 12,433 Supplemental schedule of noncash investing and financing activities: Accounts payable related to recapitalization and

issuance of stock..... $ -- $ 37,877 $ -- $ -- $ -- Stockholder loans contributed to capital for preferred stock... $ 260,000 $1,536,922 $ 500,000 $ -- $ -- Equipment acquired under capital leases.. $ -- $ -- $ 18,000 $ -- $ 380,000 See accompanying notes to financial statements.

Intelligent Life Corporation

NOTES TO FINANCIAL STATEMENTS June 30, 1997 and 1998 (All information subsequent to June 30, 1998 is unaudited) (1) Organization and Summary of Significant Accounting Policies (a) Description of Business Intelligent Life Corporation (the "Company"), formerly known as Bank Rate Monitor, Inc., is organized under the laws of the state of Florida. Under the provisions of the Internal Revenue Code of 1986, as amended, the Company elected to be taxed as an S corporation. On June 19, 1997, the Company ceased to be an S corporation and became a C corporation for income tax purposes.

The Company is a provider of research regarding consumer banking and credit products and a publisher of original editorial content relating to personal finance matters. The Company provides this information through its internet sites and print publications.

(b) Need for Future Capital and Initial Public Offering The Company has sustained losses and negative cash flows from operations for the past five fiscal years and for the six months ended December 31, 1998 and expects these conditions to continue for the foreseeable future. As of December 31, 1998, the Company had an accumulated deficit of approximately $10,712,000. The Company's business plan is dependent on obtaining additional financing.

In March 1999, the Board of Directors authorized the filing of a registration statement with the Securities and Exchange Commission ("SEC") that would permit the Company to sell shares of the Company's common stock in connection with a proposed initial public offering ("IPO").

If the IPO is consummated, immediately prior to the proposed offering all of the then outstanding shares of the Company's Convertible Preferred Stock will be converted into shares of common stock.

(c) Unaudited Interim Information The interim financial statements of the Company for the six months ended December 31, 1997 and 1998, included herein have been prepared by the Company, without audit, pursuant to the rules and regulations of the SEC. In the opinion of management, the accompanying unaudited interim financial statements reflect all adjustments, consisting only of normal recurring adjustments, necessary to present fairly the financial position of the Company at December 31, 1998, and the results of its operations and its cash flows for the six months ended December 31, 1997 and 1998. Historical results are not necessarily indicative of the results to be expected in the future.

(d) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent gains and losses at the date of the financial statements and

the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Intelligent Life Corporation

NOTES TO FINANCIAL STATEMENTS--(Continued) (e) Cash and Cash Equivalents The Company considers all highly liquid investments purchased with an original maturity of three months or less to be cash equivalents. The cost of these investments approximates fair value.

(f) Fixed Assets

Property and equipment are stated at cost and are depreciated on a straight- line basis over the estimated useful lives of the assets which range from three to seven years. Leasehold improvements are amortized on a straight-line basis over the shorter of the lease term (if the Company does not retain ownership of the property or have a bargain purchase price) or the estimated useful lives of the improvements. Equipment under capital leases are stated at the present value of the minimum lease payments.

(g) Intangible Assets Intangible assets consist principally of trademarks and deposits in connection with capital leases. The cost of trademarks is being amortized over the trademarks' estimated useful lives of five years on a straight-line basis.

(h) Computation of Net Loss Per Share The Company has presented net loss per share pursuant to SFAS No. 128, "Earnings per Share," and the Securities and Exchange Commission Staff Accounting Bulletin No. 98. Pursuant to SEC Staff Accounting Bulletin No. 98, common stock and convertible preferred stock issued for nominal consideration, prior to the anticipated effective date of the IPO, are required to be included in the calculation of basic and diluted net loss per share, as if they were outstanding for all periods presented. To date, the Company has not had any issuances or grants for nominal consideration.

Diluted loss per share has not been presented separately, as the outstanding stock options, redeemable common stock and convertible preferred stock are anti-dilutive for each of the periods presented.

Securities that could potentially dilute basic earnings per share ("EPS") in the future that were not included in diluted EPS because their effect on periods presented was antidilutive total 0, 538,460 and 896,120 for the years ended June 30, 1996, 1997 and 1998, and 1,138,631 for the six months ended December 31, 1998.

(i) Stock-based Compensation The Company accounts for stock-based compensation arrangements in accordance with the provisions of Accounting Principles Board ("APB") No. 25, "Accounting for Stock Issued to Employees," and complies with the disclosure requirements of SFAS No. 123, "Accounting for Stock-Based Compensation." Under APB No. 25, compensation cost, if any, for fixed plan accounting, is recognized over the respective vesting period based on the difference, on the date of grant, between the fair value of the Company's common stock and the grant price.

(j) Income Taxes

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

Intelligent Life Corporation

NOTES TO FINANCIAL STATEMENTS--(Continued) (k) Revenue Recognition The Company generates revenue from two primary sources: online publishing and print publishing and licensing.

The Company sells advertisements for its various internet sites (including co-branded sites) including banner and billboard advertisements. Advertising sales are invoiced monthly based on the expected number of advertisement "impressions" or number of times that ad is viewed by users of the Company's internet sites. Revenue is recognized monthly based on the percentage of actual impressions to the total number of impressions contracted. Revenue for impressions invoiced but not delivered is deferred. The Company sells hyperlinks to various third-party internet sites that generate a fixed monthly fee, which is recognized in the month earned. The Company is also involved in revenue sharing arrangements with its online "partners" where the consumer uses hyperlinks to link to co-branded sites principally hosted by the Company. Revenue is effectively allocated to each partner based on the percentage of ad views at each site. The allocated revenue is shared according to the distribution agreements. Revenue is recorded gross and partnership payments are recorded in cost of operations.

The Company sells advertisements for consumer mortgage rate tables. The rate tables and advertising are published in various newspapers under revenue sharing arrangements. Revenue is recognized when the tables are run in the respective newspaper. Revenue is recorded gross and revenue sharing payments are recorded in cost of operations. In addition, the Company earns subscription revenue from the three newsletters. Revenue is recognized ratably over the period of the subscription, which is generally up to one year. The Company also earns print revenue through other means including licensing rate tables for insertion into newspapers and by providing product rates and yields to financial institutions for publication. Revenue is recognized ratably over the contract period.

Barter transactions are recorded at the lower of estimated fair value of the goods or services received or the estimated fair value of the advertisements given. To date, barter transactions have been immaterial.

(l) Marketing

Marketing includes advertising costs, which are charged to expense as incurred.

(m) Recent Accounting Pronouncements In June 1997, SFAS 130, "Reporting Comprehensive Income," was issued and was adopted by the Company as of July 1, 1998. SFAS 130 establishes standards for reporting and display of comprehensive income and its components in a full set of general-purpose financial statements. This statement requires that an enterprise (a) classify items of other comprehensive income by their nature in financial statements and (b) display the accumulated balance of other comprehensive income separately from accumulated deficit and additional paid-in capital in the equity section of statements of financial position. Comprehensive income is defined as the change in equity during the financial reporting period of a business enterprise resulting from non-owner sources such as accretion in the redemption values of preferred stock and preferred stock dividends. Comprehensive income approximates the net loss for all periods presented.

In June 1997, the FASB issued SFAS No. 131, "Disclosures about Segments of an Enterprise with Related Information." SFAS No. 131 establishes standards for the way public business enterprises report information about operating segments in annual financial statements and requires those enterprises to report selected information about operating segments in interim financial reports issued to stockholders. SFAS No. 131 is effective for financial statements for fiscal years beginning after December 31, 1997. The Company will determine the applicability of SFAS No. 131 and apply if necessary.

Intelligent Life Corporation

NOTES TO FINANCIAL STATEMENTS--(Continued) In June 1998, the FASB issued SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities." SFAS No. 133 establishes accounting and reporting standards for derivative instruments, including derivative instruments embedded in other contracts, and for hedging activities. SFAS No. 133 is effective for all fiscal years beginning after June 15, 1999. This statement does not currently apply to the Company as the Company currently does not have any derivative instruments or hedging activities.

(n) Stock Splits

In June 1997 and August 1997, the Company authorized and executed a 100-for- 1 and a 10-for-1 stock split, respectively. The information in the accompanying financial statements has been retroactively restated to reflect the effects of these stock splits.

(2) Capitalization

Authorized Shares

During 1998, the Company amended and restated its certificate of incorporation. As a result the total number of shares which the Company is authorized to issue is 3,010,000 shares: 2,900,000 of these shares are Common Stock, each having a par value of $.01; and 110,000 shares are Preferred Stock each having a par value of $0.01, of which 90,000 shares are Series A Convertible Preferred Stock and 20,000 shares are Series B Convertible Preferred Stock.

Common Stock and Convertible Preferred Stock In 1996 and 1997, the Chairman and majority stockholder, Peter C. Morse ("Morse"), contributed loans due to him to additional paid in capital in the aggregate amount of $260,000 and $1,536,922, respectively.

In June 1997, the Company and certain investors entered into a Series A Preferred Stock Purchase Agreement (the "Agreement"). The Series A Preferred Stock is voting, noncumulative and preferred as to the first $4.55 per share per year of funds legally available and declared by the Board of Directors, has a liquidation preference above common stockholders of $65.00 per share, each share is convertible into 10 shares of common stock at a conversion price of $6.50, and has other rights and preferences. On November 24, 1998, the Series A Preferred Stock was converted from nonredeemable Preferred Stock to redeemable Preferred Stock. This transaction was treated as an extinguishment and the new instrument has been recorded at fair value on the conversion date. The difference between the fair value on the conversion date and the carrying value was charged to equity. Pursuant to the Agreement, investors acquired 42,308 shares of Series A Preferred Stock at $65 per share. Additionally, Morse exchanged 230,760 shares of common stock to 23,076 shares of Series A Preferred.

In August and September 1997, 11,538 shares of Series A Preferred Stock were issued at $65 per share, resulting in net proceeds to the Company of $740,709.

In October 1997, an additional 1,154 shares of Series A Preferred Stock were issued at $65 per share, resulting in net proceeds to the Company of $75,000. Investors agreed to acquire 23,074 shares of Series A Preferred Stock at $65 a share, resulting in proceeds to the Company of $1,499,810. This purchase included the contribution of loans due to Morse in the amount of $200,000 and the contribution of $300,000 in loans due to other investors for an aggregate of 7,692 shares of Series A Preferred Stock.

In November 1998, the Company and certain investors entered into a Series B Preferred Stock Purchase Agreement. Pursuant to the agreement, 17,575 shares of Series B Preferred Stock were issued at $113.80 per

Intelligent Life Corporation

NOTES TO FINANCIAL STATEMENTS--(Continued) share, resulting in net proceeds to the Company of $1,982,535. The Series B Preferred Stock is voting, noncumulative and preferred as to the first $8.00 per share per year out of funds legally available and declared by the Board of Directors, has liquidation preferences over the Series A Preferred and common stockholders of $113.80 per share, each share is convertible into 10 shares of common stock at a conversion price of $11.38, and has other right and preferences.

The redemption clause of the Series A Preferred and Series B Preferred Stock allows the holders of 20% or more of the aggregate number of shares of Common Stock issuable upon the conversion of the Series A Preferred and Series B Preferred then outstanding to redeem their shares on or after January 2, 2003, provided that the maximum number of shares of Series A Preferred and Series B Preferred which the Company is obligated to redeem does not exceed the aggregate of 35,729 shares prior to

January 3, 2004 and 71,458 shares prior to January 3, 2005, and thereafter the Company is obligated to redeem all of such shares outstanding as to which such right has been exercised. The redemption price is equal to the greatest of (as defined in the respective agreement) (x) the Series A Liquidation Preference or Series B Liquidation Preference, applicable to such shares or (y) the Fair Market Value of such shares or (z) an amount per share of Series A Preferred or Series B Preferred equal to ten (10) times the Net After Tax Earnings Per Share for the most recently completed fiscal year of the corporation times the number of shares of Common Stock issuable upon the conversion of one (1) share of Series A Preferred or Series B Preferred and the conversion price then in effect. The Company is recording accretion on the Series A Preferred and Series B Preferred Stock equal to the difference between the net proceeds received and the redemption amount of approximately $14,500,000 based on the estimated fair value at December 31, 1998 using the interest method from the conversion date for the Series A Preferred and original issuance date for the Series B Preferred through the final redemption date of January 3, 2005. The accretion for the Series A Preferred and Series B Preferred for the one month through December 31, 1998 is not significant and was not recorded.

Restricted Stock Grants Effective August 1998, the Company entered into a Restricted Stock Grant Agreement (the "Stock Agreement") with an employee of the Company (the "Grantee") that provides for the issuance of restricted stock to the Grantee in accordance with the 1997 Equity Compensation Plan (as discussed in note 3 to the financial statements) in satisfaction of certain obligations as described in an employment agreement between the Company and the Grantee. The Company issued 41,400 shares of its common stock to the Grantee in August 1998, subject to the restrictions set forth in the Stock Agreement. Restrictions lapsed on 27,600 shares during the six-month period ended December 31, 1998 and the remainder will lapse in 1999. Total compensation expense to be recognized by the Company over the vesting period amounts to $269,000 (based on estimated values from other transactions involving sales of the Company's stock) of which $209,000 was recognized during the six-month period ended December 31, 1998.

In March 1998, the Company entered into a Restricted Stock Grant Agreement (the "Grant Agreement") with an Officer of the Company (the "Officer") that provides for the issuance of restricted stock to the Officer in accordance with the 1997 Equity Compensation Plan (as discussed note 3 to the financial statements). On March 23, 1998, the Company issued 90,834 shares of its common stock to the Officer for an aggregate consideration of $236,168, which amount was paid by an interest-bearing promissory note from the Officer. The officer has a put right which requires the Company to repurchase his shares at the same price he paid for the shares including interest. Restrictions lapse as follows: 22,708.5 shares on July 1, 1998, and 1,892.375 shares on the first day of each month starting August 1, 1998 and ending July 1, 2001. In accordance with Emerging Issues Task Force 95-16, this arrangement is being accounted for as a variable plan which requires increases or decreases in stock based compensation expense based upon increases or decreases in the Company's fair market value. Compensation expense recognized during 1998 in accordance with FASB Interpretation No. 28 approximated $88,000 and $460,000 for the six-months ended December 31, 1998 based on estimated values from other transactions involving sales of the Company's stock.

Intelligent Life Corporation

NOTES TO FINANCIAL STATEMENTS--(Continued) (3) Stock Option Plan During 1997, the Company adopted the 1997 Equity Compensation Plan (the "Plan") to provide directors, officers, non-employee members of the Board of Directors of the Company and certain consultants and advisors with the opportunity to receive grants of incentive stock options, non-qualified stock options and restricted stock. The Board of Directors has the sole authority to determine who receives such grants, the type, size and timing of such grants, and specify the terms of any noncompetition or other agreements relating to the grants. The aggregate number of shares that may be issued under the Plan is 180,000; 9,310 shares are available for grant as of December 31, 1998.

The exercise price of any option grant shall be determined by the Board of Directors and may be equal to, greater than, or less than the fair market value of the stock on the grant date. Provided, however, that the exercise price shall be equal to or greater than the fair market value of the stock on the grant date and an option may not be granted to an employee who at the time of the grant owns more than 10 percent of the total combined voting power of all classes of stock of the Company, unless the exercise price is not less than 110 percent of the fair market value of the stock on the date of the grant.

The per share weighted-average fair value of stock options granted during the year ended June 30, 1998 was approximately $2.00 and for the six months ended December 31, 1998 was between $2.00 and $6.50 on the date of grant using the Black-Scholes option pricing model (excluding a volatility assumption) with the following weighted-average assumptions: expected dividend yield of 0 percent, risk-free interest rates of 4.76 percent to 5.67 percent, and expected lives of 5.5 years and 6 years.

The Company applies ABP Opinion No. 25 in accounting for its Plan. Had the Company determined compensation cost based on the fair value at the grant date for its stock options under SFAS No. 123, the Company's net loss would have increased to the pro forma amount indicated below:

	Year Ended June 30, 1997	June 30, 1998	Six Months Ended December 31, 1998 (unaudited)
Net loss			
As reported	$(955,620)	$(2,782,493)	$(2,095,218)
Pro forma	$(955,620)	$(2,792,493)	$(2,110,218)
Basic net loss per common share--as reported	$ (1.24)	$ (3.62)	$ (2.58)
Basic net loss per common share--pro forma	$ (1.24)	$ (3.63)	$ (2.60)

Intelligent Life Corporation

NOTES TO FINANCIAL STATEMENTS--(Continued) Stock option activity during the years ended December 31, 1997 and 1998 and the six months ended December 31, 1998 is as follows:

Number Weighted average of Shares exercise price

Balance at June 30, 1996	--	--
Granted	--	--
Exercised	--	--
Forfeited	--	--
Expired	--	--
Balance at June 30, 1997	--	--
Granted	17,906	$6.50
Exercised	--	--
Forfeited	--	--
Expired	--	--
Balance at June 30, 1998	17,906	$6.50
Granted	20,550	$6.50
Exercised	--	--
Forfeited	--	--
Expired	--	--
Balance at December 31, 1998 (unaudited)	38,456	$6.50

At June 30, 1998, the exercise price and weighted-average remaining contractual life of outstanding options was $6.50 and 9.5 years, respectively.

At June 30, 1998, there were no options exercisable.

The above table does not include the 132,234 shares of restricted stock issued under the Plan per note 2 to the financial statements.

(4) Financial Statement Details

	Year Ended		
	June 30, 1997	June 30, 1998	Six Months Ended December 31, 1998 (Unaudited)

Furniture, fixtures and equipment consists of the following: Furniture and fixtures..... $ 80,138 $ 157,519 $ 159,673 Computers and software, including assets under capital leases of $0, $0, and $379,887, respectively..... 229,672 469,669 872,163 Equipment including assets under capital leases of $0, $17,950, and $17,950, respectively..... 11,882 106,735 108,417 Leasehold improvements..... 1,596 12,879 12,879 323,288 746,802 1,153,132 Less: accumulated depreciation and amortization, including amounts related to assets under capital leases of $0, $496 and $31,194, respectively..... (180,798) (241,527) (339,474) $ 142,490 $ 505,275 $ 813,659

Intelligent Life Corporation

NOTES TO FINANCIAL STATEMENTS--(Continued)

	Year Ended		
	June 30, 1997	June 30, 1998	Six Months Ended December 31, 1998 (Unaudited)
Accrued expenses consist of the following:			
Partner payments	9,560	75,987	71,068
Commissions payable	130,404	143,123	135,909
Accrued payroll and related costs	67,693	43,074	87,465
Other	64,999	71,951	164,720
	$287,726	$406,658	$588,212

(5) Related Party Transactions As Chairman and majority stockholder, Morse is a related party. The Company leases offices in South Florida from Bombay Holdings, Inc. ("Bombay") which is wholly owned by Morse. Total rent paid to Bombay for the years ended June 30, 1997 and 1998 and the six months ended December 31, 1998 was $85,591, $164,552, and $99,192, respectively (see Note 8).

During the six-month period ended December 31, 1998, Bombay entered into an additional lease with the Company totaling $101,000 to be paid over a 19 month period.

Morse has from time to time advanced capital to the Company. Such loans for the years ended June 30, 1997 and 1998 and the six months ended December 31, 1998 amounted to $687,000, $200,000 and $0, respectively. Interest rates for the loans were 6.5-7%. During 1996 and 1997, certain stockholder loans were contributed to capital (see Note 2). In 1998, Morse and another stockholder converted stockholder loans to 7,692 shares of Convertible Preferred Stock. In addition, during 1997, Morse exchanged 230,760 shares of Common Stock for 23,076 shares of Convertible Series A Preferred Stock (see Note 2).

Morse Partners, Ltd., a partnership controlled by Morse advanced the Company $138,750 for the year ended June 30, 1997. The amount has subsequently been repaid.

(6) Sale of Publication In December 1998, the Company sold substantially all of the assets, including the intellectual property of one of its newsletters, Bank Advertising News. The newsletter was sold for $125,000 in cash and assumed liabilities approximating $80,000. The gain on the sale was $185,588, net of $16,524 of selling expenses, and has been recorded in other income.

Revenue for Bank Advertising News for the year ended June 30, 1998 and the six months ended December 31, 1998 was $178,270 and $82,953, respectively. Cost of operations for Bank Advertising News for the year ended June 30, 1998 and the six months ended December 31, 1998 was $57,445 and $53,138, respectively. Net assets (liabilities) of Bank Advertising News at June 30, 1998 and date of sale were approximately $(120,000) and $(80,000), respectively.

(7) Income Taxes

The Company did not record any income tax expense during the years ended June 30, 1996 and 1997 because it was operating as an S Corporation. Further there was no pro forma provision for income taxes for these years because the Company reported operating losses.

Intelligent Life Corporation

NOTES TO FINANCIAL STATEMENTS--(Continued) An increase in the valuation allowance offset the deferred tax asset caused by net operating losses which are not currently usable. This increase is the principal differences between the expected amounts of tax benefits computed by applying the statutory federal income tax rate to the Company's loss before income taxes for the year ended June 30, 1998 and the six months ended December 31, 1998. The Company booked no tax benefit for these periods.

The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities at June 30, 1997 and 1998 and December 31, 1998 are presented below:

	Year ended		Six Months Ended December 31, 1998 (Unaudited)
	June 30, 1997	June 30, 1998	
Deferred tax assets:			
Net operating loss carryforward	$ 9,811	$ 1,196,975	$ 1,983,228
Intangible assets	127,667	143,438	143,438
Allowance for doubtful accounts	--	9,011	9,350
Total gross deferred tax assets	137,478	1,349,424	2,136,016
Less valuation allowance	(137,478)	(1,349,424)	(2,136,016)
Net deferred tax assets	$ --	$ --	$ --

The valuation allowance for deferred income tax assets as of June 30, 1997 and 1998 and at December 31, 1998 was $137,478, $1,349,424 and $2,136,016, respectively. The net change in the total valuation allowance for the years ended June 30, 1997, 1998 and the six months ended December 31, 1998 was an increase of $137,478, $1,211,946 and $786,592, respectively. In assessing the realizability of deferred tax assets, management considers whether it is more likely than not that some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the generation of future taxable income during the periods in which those temporary differences become deductible. Management considers the scheduled reversal of deferred income tax liabilities, projected future taxable income, and tax planning strategies in making this assessment.

At December 31, 1998, the Company had net operating loss carryforwards of approximately $5,300,000, which expire beginning in 2012 through 2018. The amount of net operating loss carryforwards may be limited if the Company has an ownership change. In the event of an ownership change, the amount of taxable income of a loss corporation for any postchange year which may be offset by prechange losses shall not exceed the Internal Revenue Code Section 382 limitation for such year. Generally, an ownership change occurs if a 5% shareholder or any equity structure shift increases the percentage of the stock of the loss corporation owned by more than 50 percentage points over the lowest percentage of stock of the loss corporation owned by such shareholders at any time during a three-year look back testing period. The Section 382 limitation is equal to the value of the old loss corporation (before the ownership change) multiplied by the Federal long-term tax-exempt rate.

(8)Commitments and Contingencies Leases Bombay is wholly owned by Morse. The Company leases office space from Bombay under the terms of a lease agreement dated May 1, 1994 and amendments dated September 1, 1997 and January 1, 1998. The lease includes renewal options for a period of three years and requires the Company to pay a percentage of the common maintenance charges. The lease payments are subject to an annual increase based upon the consumer price index of the Fort Lauderdale/Miami region. Offices in New York and California are month-to-month leases.

Intelligent Life Corporation

NOTES TO FINANCIAL STATEMENTS--(Continued) Total rent expense amounted to $85,591 and $164,552 for the years ended June 30, 1997 and 1998 and $109,872 for the six months ended December 31, 1998.

Future minimum lease payments under noncancelable operating leases and future minimum capital lease payments as of June 30, 1998 were:

Operating Year ending June 30 leases Capital leases

1999	$123,700	10,728
2000	123,700	9,358
2001	20,617	6,820
2002	--	--
2003	--	--
Thereafter	--	--
Total minimum lease payments	$268,017	26,906
Less amount representing interest at rates ranging from 11.5% to 16%		(4,658)
Present value of net minimum capital lease payments		22,248
Less current installments of obligations under current leases		(8,011)
Obligations under capital leases, excluding current installments		$ 14,237

Distribution arrangements The Company has various agreements with advertisers, content providers and other websites that require it to feature such parties exclusively in certain sections of its internet sites.

Legal Proceedings

The Company is involved in various claims and legal actions arising in the ordinary course of business. In the opinion of management, the ultimate disposition of these matters will not have a material adverse effect on the Company's financial position, results of operations, or liquidity.

(9)Other Subsequent Events (Unaudited) Purchase of CPNet.com In January 1999, the Company purchased all of the assets of CPNet.com, excluding cash and real or personal property leases for $25,000 in cash. In addition, the sellers were employed by the Company and granted 6,000 options under the 1997 Equity Compensation Plan with an exercise price of $6.50. Based on the estimated values from other stock transactions involving sales of the Company's stock, the Company will incur a total stock compensation charge of $45,000. CPNet.com's historical statements of operations are insignificant to the Company.

1997 Equity Compensation Plan In January 1999, the Company amended the 1997 Equity Compensation Plan (the "Plan") to increase the number of shares of common stock of the Company authorized for issuance under the Plan to 300,000 shares.

Equity Compensation Plan In March 1999, the Company's stockholders approved the 1999 Equity Compensation Plan (the "1999 Plan"), to provide designated employees of the Company and its subsidiaries, certain consultants and non-employee members of the Board of Directors of the

Company with the opportunity to receive grants of incentive stock options, nonqualified stock options and restricted stock. The 1999 Plan is authorized to grant options for up to 100,000 shares. In March 1999, the Company granted 71,700 shares to the Officer.

Stock Options

On March 2, 1999 the Company granted 40,344 options under the 1997 Equity Compensation Plan to purchase common stock at $14.84 per share. These options vest over a 48 month period.

Redeemable Common Stock On March 9, 1999 the note receivable for the restricted stock grant to the Officer (see Note 2) was forgiven, the unvested shares (52,987) were effectively forfeited, the Officer's put right was cancelled, and certain other changes were made. Accordingly, "fixed" option accounting treatment was established on this date. The total charge for stock based compensation expense for the period January 1, 1999 through March 9, 1999 totaled approximately $300,000. On March 9, 1999, the Officer was also granted 71,700 options under the 1999 Equity Compensation Plan to purchase 71,700 shares of common stock at $14.84 per share (fair value), which vest over a 36 month period. The fair value of the stock was determined based on estimated values from other transactions involving sales of the Company's stock.

Convertible Promissory Note On March 9, 1999, one of the Series B Preferred Stockholders loaned the Company $1 million due April 9, 1999. The loan bears interest at 8% and, if unpaid on April 9, 1999, converts into fully paid Series B Preferred Stock at a conversion price of $14.84 per share.

You may rely only on the information contained in this prospectus. We have not authorized anyone to provide information different from that contained in this prospectus. Neither the delivery of this prospectus nor the sale of common stock means that information contained in this prospectus is correct after the date of this prospectus. This prospectus is not an offer to sell or solicitation of an offer to buy common stock in any circumstances under which the offer or solicitation is unlawful.

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dealers that buy, sell or trade these shares of common stock, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to the dealers' obligation to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

Shares

[Company Logo]

Common Stock

Prospectus

ING Baring Furman Selz LLC

Part Ii

Item 13. Other Expenses of Issuance and Distribution Securities and Exchange Commission registration fee..... $12,788 National Association of Securities Dealers, Inc. fee..... $ 5,100 Nasdaq Stock Market listing fee..... $ * Accountants' fees and expenses..... $ * Legal fees and expenses..... $ * Blue Sky fees and expenses..... $ * Transfer Agent's fees and expenses..... $ * Printing and engraving expenses..... $ * Miscellaneous..... $ * Total Expenses..... $ * * To be completed by amendment.

All fees other than the SEC registration fee, the NASD fee and the Nasdaq National Market listing fee are estimated.

Item 14. Indemnification of Directors and Officers Intelligent Life's Amended and Restated Articles of Incorporation provide that the liability of the directors for monetary damages shall be eliminated to the fullest extent permissible under the Florida Business Corporation Act (the "FBCA"), and Intelligent Life may indemnify our officers, employees and agents to the fullest extent permitted under the FBCA.

Intelligent Life's Amended and Restated Bylaws provide that Intelligent Life must indemnify its directors against all liabilities to the fullest extent permitted under the FBCA and that Intelligent Life must advance all reasonable expenses incurred in a proceeding where the director was either a party or a witness because he or she was a director.

The FBCA provides that, in general, a corporation may indemnify any person who is or was a party to any proceeding (other than action by, or in the right of, such corporation) by reason of the fact that he or she is or was a director or officer of Intelligent Life, against liability incurred in connection with such proceeding, including any appeal thereof, provided certain standards are met, including that such officer or director acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the corporation, and provided further that, with respect to any criminal action or proceeding, the officer or director had no reasonable cause to believe his or her

conduct was unlawful. In the case of proceedings by or in the right of the corporation, the FBCA provides that, in general, a company may indemnify any person who was or is a party to any such proceeding by reason of the fact that he or she is or was a director or officer of the corporation against expenses and amounts paid in settlement of such proceeding, including any appeal thereof, provided that such person acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interest of the corporation, except that no indemnification shall be made in respect of any claim as to which such person is adjudged liable unless a court of competent jurisdiction determines upon application that such person is fairly and reasonably entitled to indemnity. To the extent that any officers or directors are successful on the merits or otherwise in the defense of any of the proceedings described above, the FBCA provides that a corporation is required to indemnify such officers or directors against expenses actually and reasonably incurred in connection therewith. However, the FBCA further provides that, in general, indemnification or advancement of expenses shall not be made to or on behalf of any officer or director if a judgment or other final adjudication establishes that his or her actions, or omissions to act, were material to the cause of action so adjudicated and constitute: (1) a violation of the criminal law, unless the director or officer had reasonable cause to believe his or her conduct was lawful or had no reasonable cause to believe it was unlawful; (2) a transaction from which the director or officer derived an improper personal benefit; (3) in the case of a director, circumstances under which the director has voted for or assented to a distribution made in violation of the FBCA or such corporation's Articles of Incorporation; or (4) willful misconduct or a conscious disregard for the best interests of the corporation in a proceeding by or in the right of the corporation to procure a judgment in its favor or in a proceeding by or in the right of a shareholder.

Section of the Underwriting Agreement filed as Exhibit 1.1 hereto also contains certain provisions pursuant to which certain officers, directors and controlling persons of Intelligent Life may be entitled to be indemnified by the underwriters named therein.

Item 15. Recent Sales of Unregistered Securities During the past three years, Intelligent Life has issued the securities set forth below which were not registered under the Securities Act:

(1) On June 20, 1997, Intelligent Life issued 10,770 shares of its Series A Preferred Stock to ABS Ventures IV, L.P. for aggregate cash consideration of $1,500,005.

(2) On June 26, 1997, Intelligent Life issued 7,693 shares of its Series A Preferred Stock to certain stockholders for aggregate cash consideration of $500,045.

(3) On August 27, 1997, Intelligent Life issued 3,846 shares of its Series A Preferred Stock to ABS Ventures IV, L.P. and ABX Fund, L.P. for aggregate cash consideration of $249,990.

(4) On September 12, 1997, Intelligent Life issued 7,692 shares of its Series A Preferred Stock to BRM Holdings, LLC for aggregate cash consideration of $499,980.

(5) On October 14, 1997, Intelligent Life issued 1,154 shares of its Series A Preferred Stock to certain stockholders for aggregate cash consideration of $75,010.

(6) On June 10, 1998, Intelligent Life issued 23,074 shares of its Series A Preferred Stock to ABS Ventures IV, L.P., ABX Fund, L.P. and certain stockholders for aggregate cash consideration of $1,499,810.

(7) On November 25, 1998, Intelligent Life issued 17,575 shares of its Series B Preferred Stock to ABS Ventures IV, L.P., ABX Fund, L.P., Antares Capital Fund II Ltd., ACF II Side Fund L.P. and certain stockholders for aggregate cash consideration of $2,000,032.

(8) Intelligent Life has issued stock options to purchase an aggregate of 807,500 shares of Common Stock at a weighted average exercise price of $2.51 per share. No shares of common stock have been issued pursuant to the exercise of such options.

The issuance of the securities in the transactions described above were deemed to be exempt from registration under the Securities Act in reliance on Section 4(2) of the Securities Act and Regulation D promulgated thereunder as transactions by an issuer not involving any public offering and/or in reliance on Rule 701.

Item 16. Exhibits

Exhibit Number Description 1.1* Form of Underwriting Agreement. 3.1* Form of Amended and Restated Articles of Incorporation of the Registrant. 3.2* Form of Amended and Restated Bylaws of the Registrant. 4.1 See Exhibits 3.1 and 3.2 for provisions of the Amended and Restated Articles of Incorporation and Amended and Restated Bylaws of the Registrant defining rights of the holders of common stock of the Registrant. 4.2* Specimen Stock Certificate. 5.1* Opinion of Morris, Manning & Martin, L.L.P., counsel to the Registrant, as to the legality of the shares being registered. 10.1 Lease Agreement, dated May 1, 1994, between Intelligent Life Corporation and Bombay Holdings, Inc., as amended. 10.2 Lease Agreement, dated October 6, 1997, between Intelligent Life Corporation and Bombay Holdings, Inc. 10.3 Lease Agreement, dated January 31, 1999, between Intelligent Life Corporation and Bombay Holdings, Inc. 10.4 Professional Employer Agreement, dated February 25, 1999, between Intelligent Life Corporation and Vincam Human Resources, Inc. 10.5 Intelligent Life Corporation 1997 Equity Compensation Plan. 10.6 Intelligent Life Corporation 1999 Equity Compensation Plan. 10.7 Form of Stock Option Agreement under the 1997 Equity Compensation Plan. 10.8 Promissory Note, dated March 9, 1999, executed by Intelligent Life Corporation and payable to Antares Capital Fund II Limited Partnership. 10.9 Cancellation and Stock Repurchase Agreement, dated as of March 10, 1999, by Intelligent Life Corporation in favor of William P. Anderson, III. 10.10 Agreement of Cancellation and Release, dated as of March 10, 1999, between Intelligent Life Corporation and William P. Anderson, III. 10.11 Incentive Stock Option Grant Agreement, dated as of March 10, 1999, between Intelligent Life Corporation and William P. Anderson, III. 10.12 Executive Employment Agreement, dated as of March 10, 1999, between Intelligent Life Corporation and William P. Anderson, III. 23.1 Consent of KPMG LLP. 23.2 Consent of Thomas & Clough Co., P.A. 23.3* Consent of Morris, Manning & Martin, L.L.P. (included in Exhibit 5.1). 24.1 Powers of Attorney (included on signature page). 27.1 Financial Data Schedule.

* To be filed by amendment Item 17. Undertakings (a) The undersigned Registrant hereby undertakes to provide to the underwriters at the closing specified in the Underwriting Agreement certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

(b) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that, in the opinion of the Securities and Exchange Commission, such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

(c) The Registrant hereby undertakes that:

(i) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this Registration Statement in reliance upon Rule 430A and contained in the form of prospectus filed by the Registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of the Registration Statement as of the time it was declared effective.

(ii) For purposes of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

Signatures

Pursuant to the requirements of the Securities Act, the Registrant has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of North Palm Beach, State of Florida on the 10th day of March 1999.

Intelligent Life Corporation /s/ William P. Anderson, III By: _____ William P. Anderson, III President and Chief Executive Officer

Power of Attorney

KNOW ALL MEN BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints William P. Anderson, III and Peter W. Minford, and each of them, his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution for him and in his name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this Registration Statement, and any subsequent registration statements pursuant to Rule 462 of the Securities Act and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that each of said attorneys-in-fact or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

Signature Title Date

/s/ Peter C. Morse Chairman of the Board March 10, 1999 Peter C. Morse

/s/ William P. Anderson, III _____ William P. Anderson, III	President, Chief Executive Officer and Director (Principal Executive Officer)	March 10, 1999
/s/ Peter W. Minford _____ Peter W. Minford	Senior Vice President--Administration and Chief Financial Officer (Principal Financial and Accounting Officer)	March 10, 1999

/s/ Bruns H. Grayson Director March 10, 1999 Bruns H. Grayson /s/ Randall E. Poliner Director March 10, 1999 Randall E. Poliner

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