

U.S. SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-KSB

(Mark One)

ANNUAL REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2003
or

TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934 [NO FEE REQUIRED]

For the transition period from _____ to _____

Commission File Number 0-21467

ACCESSITY CORP.
(f/k/a DriverShield Corp.; f/k/a driversshield.com Corp and
f/k/a First Priority Group, Inc.)

(Name of small business issuer in its charter)

NEW YORK

11-2750412

(State or other jurisdiction of
incorporation or organization)

(I.R.S. Employer
Identification No.)

12514 West Atlantic Boulevard Coral Springs, Florida
(Address of principal executive offices)

33071
(Zip Code)

Registrant's telephone number: (954-752-6161)

Securities registered under Section 12(b) of the Exchange Act: None

Securities registered under Section 12(g) of the Exchange Act:

Common Stock par value \$.015 per share
Preferred Stock Purchase Rights par value \$.01 per share

Check whether the issuer (1) filed all reports required to be filed
by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for
such shorter period that the registrant was required to file such reports), and
(2) has been subject to such filing requirements for the past 90 days.

Yes No

Check if there is no disclosure of delinquent filers pursuant to Item 405
of Regulation S-B contained in this form, and no disclosure will be contained,
to the best of registrant's knowledge, in definitive proxy or information
statements incorporated by reference in Part III of this Form 10-KSB or any
amendment to this Form 10-KSB.

State the issuer's revenues for its most recent fiscal year \$658,000

The aggregate market value of the issuer's voting stock held by
non-affiliates of the issuer as of March 26, 2004, based upon the closing price
on the date thereof is \$3,591,000.

(APPLICABLE ONLY TO CORPORATE REGISTRANTS)

As of March 26, 2004, the issuer had outstanding a total of 2,237,414
shares.

Transitional Small Business Disclosure Format (check one):

Yes No

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PART I

ITEM 1. DESCRIPTION OF BUSINESS

GENERAL

On November 23, 1983, driversshield.com FS Corp. ("FS"), formerly known as
National Fleet Service, Inc., a New York corporation was formed and commenced
operations as an automotive fleet administrator. Thereafter, Accessity Corp.,
(f/k/a DriverShield Corp.; f/k/a driversshield.com Corp, and f/k/a First
Priority Group, Inc.) a New York corporation, was formed on June 28, 1985, and
was engaged in automotive fleet management and administration of automotive
repairs for businesses, insurance companies and members of affinity groups.
Accessity Corp. ("the Company") became the parent company to driversshield.com
FS Corp. On February 7, 2002, all of the outstanding shares of driversshield.com
FS Corp. were sold (see Recent Developments) and, thereafter the Company was no

longer engaged in the fleet management business. In addition, on January 2, 2003 we established a strategic partnership with a third party and transferred the management and operating responsibilities of our DriverShield CRM ("CRM") unit in exchange for profit sharing, (see Recent Developments). DriverShield CRM provided collision repair management services for insurance industry clients during fiscal 2002. Effective August 1, 2003 our business unit offering automobile services to affinity groups through our wholly owned subsidiary, DriverShield ADS Corp. ("ADS"), was sold to the president of that business unit. Our remaining business activities are now operated by our wholly owned subsidiary Sentaur Corp. ("Sentaur"), a business unit which we began in 2002 that specializes in medical billing recovery for hospitals.

In January 2003 we changed our name to Accessity Corp. from DriverShield Corp. Our former name was no longer relevant due to the sale or transfer of its automotive businesses.

The Company relocated its corporate headquarters to 12514 West Atlantic Boulevard, Coral Springs, Florida 33071, from New York, during the fourth quarter of 2002.

NATURE OF SERVICES

MEDICAL BILLING RECOVERY

In late 2002, we established a new business unit to diversify from the automobile repair industry. Sentaur provides hospitals the opportunity to recoup discounts improperly taken by insurance companies and other institutional payors of medical treatments. This business unit contracts with hospitals and, upon analytic review of their internal records and contracts, isolates those payors who have improperly discounted the fees they have paid and seeks appropriate recovery. Sentaur's fee income from the hospitals is earned upon the successful collection of the receivable by the hospital. Sentaur currently has a number of hospitals under signed contracts and by December 31, 2003 had recovered in excess of \$1 million on their behalf since it began generating billings in March 2003.

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INSURANCE CARRIER MARKET

Effective January 2, 2003, under a Strategic Partnership Agreement with ClaimsNet, Inc. ("ClaimsNet"), we transferred to ClaimsNet all responsibility for the management and processing new automobile claims and repairs for CRM (see "Recent Developments" below). During 2003 we completed the repairs that were in process prior to the effective date of the agreement with ClaimsNet. CRM offered Internet based vehicle repair management services, including collision and general repair programs, estimating and auditing services and vehicle rentals for insurance companies and affinity group members.

Throughout fiscal 2002 and for a short period in early 2003, during which in-process repairs were completed, we provided auto repair services for our insurance carrier clients. We assumed the risks and responsibilities for the vehicle repair process from commencement to completion. Our insurance industry clients used the internet to access our collision management system to record a claim, which then initiated our activities to proceed with vehicle repairs. The interactive website facilitated information gathering and distribution to launch the repair process. The website enabled insurance carriers to utilize the Company's website to directly enter the initial vehicle claim information, find and select the most accessible automobile collision repair shop from the Company's network of approximately 2,000 shops throughout the United States, and enabled the insurance carrier and the insured to track the repairs of the vehicle until completion. Our software also allowed us, and our clients, to view digitized images of the damaged vehicle. Because of the volume of work we provided, we were able to obtain significantly lower repair costs, and expedited turnaround time, for our clients.

Once the client initiated the claims management system, we were automatically notified to commence activities. We coordinated activities with the shops, used our audit and estimating staff to negotiate the lowest price for every claim and repair, monitored the use of certain types of parts, tracked the work and timeliness of the repair process which could be viewed by our clients, on our website, to judge our efforts, obtained independent appraisals when requested, and, finally, guaranteed the repairs for as long as the driver owned the vehicle. We issued warranty certificates for every repair done within our network and were responsible to our clients if the repairs were not done appropriately. We managed our warranty risk by monitoring the quality and consistency of our network repair facilities and quickly eliminating those shops that did not maintain proper standards. We paid the independent repair shops directly upon completion of their work, and invoiced our insurance clients separately. A number of insurance carriers had signed multi-year contracts with CRM.

FLEET MANAGEMENT

Effective February 7, 2002, the Company sold all of the outstanding shares of FS to PHH Vehicle Management Services LLC ("PHH"). [See "Recent Developments" below.]

AFFINITY GROUP PROGRAMS

Effective August 1, 2003 the Company sold all of the outstanding shares of our wholly owned subsidiary, DriverShield ADS Corp. to its president (see "Recent Developments" below). Through ADS we offered various programs for vehicle-related services for consumers who were sold the programs through affinity groups, financial institutions, corporations and organizations. These programs were used as re-enrollment incentives and/or membership premiums, or resold at a profit. The programs consisted of collision repair discounts, discounts for certain auto services including oil changes, brake repairs and the like, and an auto hotline providing advice on actions to take for their

vehicles.

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RECENT DEVELOPMENTS

SALE OR TRANSFER OF BUSINESS UNITS FLEET SERVICES BUSINESS

In October 2001 the Company entered into a Stock Purchase Agreement ("the Purchase Agreement") to sell all of the outstanding shares of its wholly-owned subsidiary, driversshield.com FS Corp, its collision repair and fleet services business, to PHH, a subsidiary of Cendant Corporation (NYSE, symbol CD) for \$6.3 million in cash, and pursuant to the Preferred Stock Purchase Agreement sold \$1.0 million of the Company's Series A Convertible Preferred Stock to PHH. The Purchase Agreement was approved by a vote of the Company's shareholders on February 4, 2002, and the transaction was consummated on February 7, 2002. Under the terms of the Transition Services Agreement, PHH contracted with the Company to operate FS until June 30, 2002.

INSURANCE COLLISION REPAIR BUSINESS

In December 2002 the Company entered into a Strategic Partnership Agreement ("the Partnership Agreement"), effective January 2, 2003, with ClaimsNet, a wholly owned subsidiary of The CEI Group, Inc. ("CEI"), a Pennsylvania corporation, in which ClaimsNet assumed the responsibilities of operations and management of CRM, our business that provided insurance carriers with collision repair for their insureds. The Company granted an exclusive license of its technology, including its website software that enables insurance customers to access our vehicle claims management system via the internet, and, a non-transferable license of its network of repair facilities, as well as training of its processing methodologies, in order for ClaimsNet to fulfill its obligations under the Partnership Agreement. In return, ClaimsNet agreed to pay us 25% of vendor referral fees and 50% of administrative fees (as defined in the agreement) on all existing customers, beginning in March and February 2003 respectively, and 15% of all administrative and vendor referral fees for all new customers that use the licensed technology to have their vehicles repaired. The term of the Partnership Agreement is for a five-year period, with a two-year renewal unless terminated ninety days prior to the end of the then current term. Additionally, ClaimsNet has an option to purchase the DriverShield CRM business commencing on January 1, 2007 for a purchase price equal to the total royalties paid by ClaimsNet for the prior twenty-four months.

AFFINITY SERVICES BUSINESS

Effective August 1, 2003, we sold all of the outstanding shares of our wholly owned subsidiary, ADS, our business unit offering automobile services to affinity groups, to the president of that business unit, who is also a member of our board of directors, for \$10,000. The sale excluded certain assets and liabilities consisting primarily of accounts receivable and payables.

REVERSE COMMON STOCK SPLIT

On January 7, 2004, upon approval by our common stock shareholders at the December 15, 2003 Annual Shareholders Meeting, we effected a one-for-five share reverse common stock split. In addition, all options, warrants and other securities convertible into common shares were adjusted to reflect the reverse

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stock split thereby increasing the conversion price by fivefold. We elected this transaction in order to comply with the continued listing requirements of the Nasdaq SmallCap Stock Market which mandates that common shares maintain a \$1 trading price per share. We have been advised that we are now in compliance with the listing requirements. All common share amounts and prices presented in this Form 10-KSB have been adjusted to reflect this split.

SALES AND MARKETING

Our customers for the medical recovery business are hospitals. Sales activities are primarily performed by our own personnel and augmented by outside sales representatives. Sales are made through referrals, cold canvassing of appropriate prospects and direct mailings.

Our clients for the CRM program were property and casualty insurance companies. Our clients for the affinity programs were financial institutions, organizations and affinity groups that resell the programs to individuals.

In 2003, four customers accounted for 92% of our continuing revenues, comprising 36%, 22%, 20% and 14% individually. Two were in the medical recovery segment and two were in the auto segment. In 2002, one customer accounted for 26% of our revenues and another accounted for 59% of revenues, both in the automotive segment. These figures exclude those accounts associated with the discontinued operating fleet service and ADS businesses that were sold in February 2002 and August, 2003 respectively. See "Recent Developments", above.

EMPLOYEES

At year-end, we employed 12 full-time employees and one part-time employee. None of our employees are governed by a union contract and we believe that our employee relationships are satisfactory.

COMPETITION

Medical Billing Recovery. We believe that this is an emerging market, but are not aware of any major entities involved in this business. We are aware of a few privately held companies that have initiated similar business activities in regional parts of the United States.

ITEM 2. DESCRIPTION OF PROPERTY

In May 2002, the Company entered into a lease for new office space, and is the sole occupant of the building at 12514 West Atlantic Boulevard, Coral Springs, Florida, 33071. The space consists of approximately 7,300 square feet of office space. The lease term commenced in October 2002, and is for five and a half years. The property is owned by three members of the Company's board of directors [see "Certain Relationships and Related Transactions" below].

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ITEM 3. LEGAL PROCEEDINGS

In January 2003 the Company and its CEO were served with a complaint filed by Gerald Zutler, our former President and Chief Operating Officer, alleging that the Company breached his employment contract, fraudulent concealment of the Company's intention to terminate its employment agreement with Mr. Zutler, and discrimination on the basis of age and aiding and abetting violation of the New York State Human Rights Law. Mr. Zutler is seeking damages aggregating \$2.25 million, plus punitive damages and reasonable attorneys' fees. We believe that the Company properly terminated Mr. Zutler's employment for cause and intend to vigorously defend this suit as it believes that Mr. Zutler's allegations are without merit. Our answer to the complaint was served on February 28, 2003. In 2003, Mr. Zutler filed a motion to have our attorney removed from the case on the basis that he would call our attorney as a witness. The motion was granted by the Court, but we have appealed that ruling and the action has been stayed pending determination of the appeal. The Company has filed a claim with its carrier under its Directors' and Officers' and Employment Practices Liability Policy. The policy has a \$50,000 deductible and a liability limit of \$3 million per policy year. At the present time, the carrier has agreed to cover the portion of the claim that relates to Mr. Siegel and has agreed to a fifty percent (50%) allocation of expenses. Therefore, we must incur \$100,000 of legal expenses to satisfy the policy deductible, before the carrier commences reimbursing us for fifty percent of the legal defense and/or any possible recovery in favor of the plaintiff.

The Company filed a Demand for Arbitration against Presidion Solutions, Inc. alleging that Presidion breached the terms of the Memorandum of Understanding between Accessity and Presidion dated January 17, 2003. The Company is seeking a Break-up Fee of \$250,000 pursuant to the terms of the Memorandum of Understanding alleging that Presidion breached the Memorandum of Understanding by wrongfully terminating the Memorandum of Understanding. Additionally, the Company is seeking its out of pocket costs of due diligence amounting to approximately \$37,000. Presidion has filed a counterclaim against Accessity alleging that Accessity had breached the Memorandum of Understanding and therefore owes Presidion a Break-up Fee of \$250,000. We believe that the claim alleged by Presidion is without merit. The dispute was heard by a single arbiter before the American Arbitration Association in Broward County, Florida in late February 2004. A decision is expected during the second quarter of 2004.

In addition, we have filed a lawsuit seeking damages in excess of \$100 million, as a result of discovery conducted in connection with the Presidion matter described above, against Presidion's investment bankers, Mercator Group, LLC and related parties ("Mercator"), and Taurus Global LLC ("Taurus"), ("the Defendants"), alleging that these parties tortiously interfered in the transaction between the Company and Presidion. Mercator has made a motion to dismiss this action with a hearing pending sometime in the future. We have obtained a default judgment against Taurus and intend to enforce this judgment. The final outcome of the Mercator action will most likely take an indefinite time to resolve. We currently have limited information regarding the financial condition of the defendants and the extent of their insurance coverage. Therefore, it is possible that we may prevail but may not be able to collect substantially on our judgment.

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ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

The Company held its Annual Meeting of Stockholders in December 2003. The following matters were voted upon at the meeting:

1. Elect one director of the Board of Directors: Barry M. Siegel

For	Against	Abstain
1,529,185	0	71,883

2. Amend the Certificate of Incorporation to effect a one-for-five reverse stock split.

For	Against	Abstain
1,514,936	82,473	3,658

3. Ratify the selection of Nussbaum Yates & Wolpow, P.C. as auditors

For	Against	Abstain
1,573,502	26,180	1,385

The following individuals continued to serve as members of the Board of Directors with Mr. Siegel: Barry J. Spiegel, Kenneth J. Friedman and Bruce S. Udell.

PART II

ITEM 5. MARKET FOR COMMON EQUITY, RELATED SHAREHOLDER MATTERS AND SMALL BUSINESS ISSUER PURCHASES OF EQUITY SECURITIES

The Company's common shares are traded on The Nasdaq SmallCap market. The following table shows the high and low closing prices for the periods indicated.

	Sale Price(\$)	
	High ----	Low ---
2003 - ----		
First Quarter	\$5.05	\$1.35
Second Quarter	\$2.80	\$1.80
Third Quarter	\$2.90	\$1.75
Fourth Quarter	\$3.90	\$2.35
2002 - ----		
First Quarter	\$10.00	\$6.25
Second Quarter	\$7.35	\$3.80
Third Quarter	\$5.70	\$3.50
Fourth Quarter	\$3.80	\$1.55

The number of record holders of the Company's common shares as of March 15, 2004 was 357.

The Company has never paid dividends on its common stock and is not expected to do so in the foreseeable future. Payment of dividends is within the discretion of the Company's Board of Directors and would depend on, among other factors, the earnings, capital requirements and operating and financial condition of the Company.

ITEM 6. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION

The following discussion and analysis should be read in conjunction with the Company's Financial Statements and the notes appearing elsewhere in this report as Item 7, and Forward-Looking Statements-Cautionary Factors, below. This discussion and analysis may contain statements that constitute forward-looking statements within the meaning of the private Securities Litigation Reform Act of 1995. The Company cautions that forward-looking statements are not guarantees of performance and actual results may differ materially from those in the forward-looking statements.

YEAR ENDED DECEMBER 31, 2003 (THE "2003 PERIOD") COMPARED TO YEAR ENDED DECEMBER 31, 2002 (THE "2002 PERIOD")

The 2003 Period reflected a net loss of \$1,626,000 versus net income of \$1,248,000 in the 2002 Period. Continuing operations reflected a loss of \$1,852,000 in the 2003 Period versus a loss of \$1,469,000 in the 2002 Period. However, excluding the recognition of tax loss carry-forwards of \$2,277,000 in the 2002 Period, continuing operations improved from a pretax loss of \$3,746,000 in the 2002 Period to a pretax loss of \$1,852,000 in the 2003 Period. Discontinued operations reflected income of \$2,717,000 in 2002 Period resulting primarily from the gain on the sale of the fleet business. In the 2003 Period income from discontinued operations was \$226,000. Basic and diluted loss per share from continuing operations was \$.84 in the 2003 Period and \$.67 the 2002 Period. Basic and diluted earnings per share from discontinued operations was \$.10 in the 2003 Period and \$1.24 in the 2002 Period.

REVENUES

Revenues were \$658,000 in the 2003 Period compared to \$2,895,000 in the 2002 Period, representing a decrease of \$2,237,000, or 77%. These figures exclude the revenues from the ADS business that was sold August 1, 2003, and the fleet services business that was sold in February 2002. Both are now reflected in the Company's financial statements as discontinued operations. Revenues declined by \$2,615,000 in the automotive segment, to \$280,000 in the 2003 Period from \$2,895,000 in the 2002 Period, as a result of the transfer of the CRM

business to ClaimsNet in January, 2003. The Company completed certain repairs in the 2003 Period that were in process at the end of the 2002 Period, and thereafter recorded its share of the CRM business from fees it receives through ClaimsNet. This decrease in revenues was offset by \$378,000 in revenues from Sentaur, the medical recovery business that began revenue recording in April 2003. As described more fully below, although we incurred a substantial decline in revenues, the significant reduction in infrastructure costs which was required by the CRM (excluding the corporate overhead which the Company does not allocate to its operating units), eliminated the losses associated with the CRM business.

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INCOME AND EXPENSES FROM CONTINUING OPERATIONS

Pretax losses from continuing operations improved; the losses decreased by \$1,894,000 to a loss of \$1,852,000 in the 2003 Period, from a higher loss of \$3,746,000 in the 2002 Period. The decrease in losses, and comparative amounts, are described below.

Collision repair and claim fee revenues net of collision repair costs, was \$178,000 in the 2003 Period compared to \$395,000 in the 2002 Period, a decrease of \$217,000, resulting from the transfer of the CRM business to ClaimsNet.

Selling expenses decreased by \$473,000, from \$952,000 in the 2002 Period to \$479,000 in the 2003 Period, or 50%, primarily as a result of decreased expenditures of \$632,000 for its CRM business which was transferred to ClaimsNet, offset by \$244,000 in increased expenses for Sentaur for personnel and their related selling expenses. General and administrative expenses decreased \$1,383,000, or 43%, from \$3,235,000 in the 2002 Period to \$1,852,000 in the 2003 Period resulting primarily from various infrastructure and supporting personnel costs which were no longer needed without the automotive CRM business of approximately \$681,000; as well as costs incurred in 2002 which did not recur, including a one-time bonus of \$250,000 to Barry Siegel, the Chief Executive Officer of the Company, upon consummation of the sale of FS, and, the costs of relocating the office in New York and then to Florida, along with the associated costs of severance to terminated employees totaling \$386,000. In the 2002 Period the Company recorded a credit, an income item, of \$132,000 in non-cash compensation (due to decreases in the Company's price per share of its common stock) as a result of re-pricing certain stock options during 1999. There was no impact in the 2003 Period.

Depreciation and amortization in the 2003 Period was \$299,000, reflecting a decrease of \$102,000 from \$401,000, caused by assets that became fully depreciated in 2003.

Investment and other income decreased \$176,000 to \$227,000 in the 2003 Period compared to \$403,000 in the 2002 Period resulting from declining interest rates, lower cash and investment balances and a loss on a sale of \$15,000. Interest expense decreased \$84,000 from \$89,000 to \$5,000 relating primarily to bond premium recorded as interest expense in 2002. The amounts were lower in the current period as the bonds were either sold or matured during 2003.

The 2002 Period tax provision in the income statement (inclusive of continuing and discontinued operations) reflected a tax expense of \$1,924,000. The tax expense in the 2002 Period was largely the result of the \$6.1 million gain on the sale of the fleet business offset, in part, by credits from losses on operating activities. In the 2003 Period no tax impact in the income statement is reflected, resulting from a valuation allowance that has been established for all operating loss carry-forward benefits.

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DISCONTINUED OPERATIONS

In the 2003 Period discontinued operations reflects income of \$226,000 from the affinity services business (including the \$10,000 gain on the sale of this business), which was sold effective August 1, 2003, compared to income of \$309,000 for the affinity services business in the 2002 Period. The performance of this business had been declining due to the non-renewal of annual memberships. Sales were \$1,123,000 in the 2002 Period and \$419,000 in the 2003 Period through its date of sale.

The 2002 Period also reflects income, net of income taxes, from discontinued operations of the fleet services business that was sold effective February 2002 of \$17,000, and a \$2,391,000 gain on its disposal.

LIQUIDITY AND CAPITAL RESOURCES

At December 31, 2003, the Company had cash and cash equivalents of \$96,000. The Company also holds shares in a number of highly liquid mutual funds valued at \$4,313,000. Working capital of the Company was \$4,177,000 and its working capital ratio was 9:1 at December 31, 2003.

In connection with the Company's rental of office space in Florida, in July 2002, the Company also pledged as security, a \$300,000 certificate of deposit with a Florida bank for the five and a half year term of the lease, for the benefit of the landlord's mortgage lender. Such amounts were excluded from liquidity, described above, and presented as a restricted certificate of deposit. The certificate of deposit declines as the remaining rental commitment declines, as follows; the balance of the certificate will be \$200,000 after the 36th month, \$100,000 after the 48th month, and zero after 60 months. The Company

is the beneficiary of the interest income. In addition, during 2002 the Company expended approximately \$140,000 in connection with the build-out of the space. This property is owned and operated by B & B Lakeview Realty Corp., whose three shareholders, Barry Siegel, Barry Spiegel and Kenneth Friedman, are members of the Company's board of directors. The terms of the lease require net rentals to be paid in increasing annual amounts over the term of the lease from \$127,000 to \$168,000 plus related insurance, taxes and operating expenses. The lease term commenced in October 2002 and terminates five years and six months thereafter.

The Company has no major expenditures that it currently anticipates for capital equipment needs, however it is expending funds due to operating losses. As Sentaur obtains additional hospital customers, and seeks to expand its sales, it will require additional funds for personnel expenses and software systems development, and these expenditures will occur in anticipation of future revenue growth. We expect to use our resources to support its growth during 2004 and thereafter.

In addition, during the 2003 Period the Company has spent considerable effort with its management pursuing acquisition candidates and may continue to do so and incur varying levels of expenses in connection with each evaluation. These may range from minor amounts for such expenses as an initial business trip or, more extensively, multiple trips for due diligence, legal review and lien and judgment searches. Should the Company complete an acquisition, it may use a significant amount of its funds to either pay a portion of the purchase price and/or expand the business it acquires.

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The Company's Board of Directors approved a stock repurchase program whereby the Company may purchase up to 100,000 shares of its common shares traded on the Nasdaq SmallCap Market. During the third quarter of 2002 the Company acquired 18,600 shares at a cost of \$93,000.

The Company believes that its present liquidity will enable it to continue to support its operations for the next twelve months, and for some extended period thereafter depending on the extent of its use of funds in developing its existing business or possible use of funds in acquiring new businesses.

DEFERRED INCOME TAXES

The Company has a net operating loss carry forward of approximately \$3.6 million that is available to offset future taxable income at December 31, 2003. Since the Company has determined that it is more likely than not that it may not be able to recover these carry-forward benefits, a valuation allowance has been established for the full amount of the deferred tax benefit. Accordingly, no deferred income tax asset has been reflected in the Company's financial statements. If the Company is profitable in the future, such benefits will be available to offset future income taxes.

NEW ACCOUNTING STANDARDS

The new accounting pronouncements described in footnote 1 of the Consolidated Financial Statements are incorporated by reference.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles ("GAAP") in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. The most significant estimates include:

- * revenue recognition
- * valuation of long-lived assets
- * income tax valuation allowance

We continually evaluate our accounting policies and the estimates we use to prepare the consolidated financial statements. In general, the estimates are based on historical experience, on information from third party professionals and on various other sources and assumptions that are believed to be reasonable under the facts and circumstances at the time such estimates are made. Management considers an accounting estimate to be critical if:

- * it requires assumptions to be made that were uncertain at the time the estimate was made; and
- * changes in the estimate, or the use of different estimating methods, could have a material impact on the Company's consolidated results of operations or financial condition.

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Actual results could differ from those estimates. Significant accounting policies are described in Note 1 to the consolidated financial statements, which are included in this Form 10-KSB filing. In many cases, the accounting treatment of a particular transaction is specifically dictated by GAAP. There are also areas in which management's judgment in selecting any available alternative would not produce a materially different result.

Certain of our accounting policies are deemed "critical", as they require

management's highest degree of judgment, estimates and assumptions. The following critical accounting policies are not intended to be a comprehensive list of all of our accounting policies or estimates.

Revenue Recognition

We apply the provisions of Staff Accounting Bulletin 101 "Revenue Recognition". We recognize revenue from collision repairs at the time of customer approval and completion of repair services. We recognize collision royalty revenue upon notification from our licensee that the claim has been processed and repaired. We recognize hospital fees at the time we receive notification from the hospitals that they have recovered funds from their customers.

Accounts Receivable

Once a customer is billed for services, we actively manage the accounts receivable to minimize credit risk.

We assess the collectibility of accounts receivable by analyzing historical bad debts, review of the aging of customer receivables, and the current creditworthiness of our customers.

Impairment of Long-Lived Assets

We follow the provisions of SFAS No. 144, "Accounting for the Impairment or Disposal of Long-Lived Assets." This statement requires that certain assets be reviewed for impairment and, if impaired, remeasured at fair value whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable. Impairment loss estimates are primarily based upon management's analysis and review of the carrying value of long-lived assets at each balance sheet date, utilizing an undiscounted future cash flow calculation.

Income Taxes

We estimate the degree to which tax assets and loss carryforwards will result in a benefit based on expected profitability by tax jurisdiction. A valuation allowance for such tax assets and loss carryforwards

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is provided when it is determined that such assets will more likely than not go unused. If it becomes more likely than not that a tax asset or loss carryforward will be used, the related valuation allowance on such assets is reversed. If actual future taxable income by tax jurisdiction varies from estimates, additional allowances or reversals of reserves may be necessary.

FORWARD LOOKING STATEMENTS - CAUTIONARY FACTORS

Certain statements in this report on Form 10-KSB contain "forward-looking statements" within the meaning of the Private Securities Litigation Act of 1995. These statements are typically identified by their inclusion of phrases such as "the Company anticipates", or "the Company believes", or other phrases of similar meaning. These forward-looking statements involve risks and uncertainties and other factors that may cause the actual results, performance or achievements to differ from any future results, performance or achievements expressed or implied by such forward-looking statements. Except for the historical information and statements contained in this Report, the matters and items set forth in this Report are forward looking statements that involve uncertainties and risks some of which are discussed at appropriate points in the Report and are also summarized as follows:

1. As the Company has sold its traditional automobile business lines and embarked on a new medical business, there will be new and additional risks that may influence the business of the Company. These risks include:
 - o The Company has either sold or transferred the businesses upon which it was originally founded (auto collision repair and managed care services) and we are not sure our new business enterprise, in medical billing recovery, will be successful or that we can generate sufficient revenue from this activity.
 - o As is typical for any new, rapidly evolving market, demand and market acceptance for recently introduced medical billing recovery services are subject to a high level of uncertainty and risk. It is also difficult to predict the market's future growth rate, if any. If the market fails to develop among the potential hospital users, or develops more slowly than expected or becomes saturated with competitors, or our services do not achieve or sustain market acceptance, our business, results of operations and financial condition could be materially and adversely affected.
 - o We also depend on establishing and maintaining a number of commercial relationships with other companies. Our business could be adversely affected if we do not maintain our existing commercial relationships on terms as favorable as currently in effect, if we do not establish additional commercial relationships on commercially reasonable terms or if our commercial relationships do not result in the expected increased use of our Website.
 - o We are also seeking to make new acquisitions that will either augment existing business lines or move us into new areas. We cannot assure you that we will be able to find the appropriate business for a public company, on commercially acceptable terms. Furthermore, we cannot

assure you that the services or products of those companies will achieve additional market acceptance or commercial success.

- o We are dependent on certain key personnel. Our future success is substantially dependent on our senior management. If one or more of

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our key employees decided to leave us, join a competitor or otherwise compete directly or indirectly with us, this could have a material adverse effect on our business, results of operations and financial condition. Competition for such personnel is intense, and we may not be able to attract, assimilate or retain such personnel in the future. The inability to attract and retain the necessary managerial, technical, sales and marketing personnel could have a material adverse effect on our business, results of operations and financial condition. Further, as we engage in new markets or acquisitions, we may not have experience in those markets and may be required to attract new personnel.

- o Our success may be dependent on keeping pace with advances in technology. If we are unable to keep pace with advances in technology, businesses may stop using our services and our revenues may decrease. The Internet and electronic commerce markets are characterized by rapid technological change, changes in user and customer requirements, frequent new service and product introductions embodying new technologies and the emergence of new industry standards and practices that could render our existing Website and technology obsolete. If we are unable to adapt to changing technologies, our business, results of operations and financial condition could be materially and adversely affected.
- o We are uncertain of our ability to obtain additional financing for our future capital needs. If we are unable to obtain additional financing, we may not be able to continue to operate our business or create the growth we wish. We currently anticipate that our cash, cash equivalents and short-term investments will be sufficient to meet our anticipated needs for working capital and other cash requirements at least for the next 12 months, and beyond. However we may need to raise additional funds, in order to fund more rapid expansion, for acquisitions, to develop new or enhance existing services or products, to respond to competitive pressures or to acquire complementary products, businesses or technologies.
- o There can be no assurance that additional financing will be available on terms favorable to us, or at all. If adequate funds are not available or are not available on acceptable terms, our ability to fund our expansion, take advantage of potential acquisition opportunities, develop or enhance services or products or respond to competitive pressures would be significantly limited. Such limitation could have a material adverse effect on our business, results of operations, financial condition and prospects.

2. As the Company's medical billing programs gain some success, it is possible that the competition will attempt to copy these programs and incorporate them into their programs. This could lead to increased competitive pressures on those programs that are the most successful. The competition could result in decreased profit margins and/or the loss of certain customers.

3. Certain senior management personnel may be able to exercise voting control. Barry Siegel, our Chairman of the Board and Chief Executive Officer, beneficially owns and controls the vote of approximately 17 % of the outstanding shares of our common stock. In addition, Barry J. Spiegel, a director and the President of former ADS subsidiary, beneficially owns and controls the vote of approximately 14% of the outstanding shares of our common stock. This concentration of ownership, which is not subject to any voting restrictions, could limit the price that investors might be willing to pay for common stock. In addition, Mr. Siegel and Mr. Spiegel are in a position to impede transactions that may be desirable for other shareholders.

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4. Our articles of incorporation and by-laws contain certain provisions that could make it more difficult for shareholders to effect certain corporate actions, and could make it more difficult for anyone to acquire control of us without negotiating with our board of directors. These provisions could limit the price that investors might be willing to pay in the future for our common stock.

ITEM 7. FINANCIAL STATEMENTS

The Company's financial statements and schedules appear at the end of this Report after Item 14.

ITEM 8A. CONTROLS AND PROCEDURES.

EVALUATION OF DISCLOSURE CONTROLS AND PROCEDURES.

Under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, we evaluated the effectiveness of the design and operation of our disclosure controls and

procedures (as defined in ss.ss.240.13a-14(c) and 240.15d-14(c)) as of a date (the Evaluation Date) within 90 days of the filing date of this Report. Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that, as of the Evaluation Date, our disclosure controls and procedures were effective in timely alerting them to the material information relating to us (or our consolidated subsidiaries) required to be included in our periodic SEC filings.

CHANGES IN INTERNAL CONTROLS.

There were no significant changes made in our internal controls during the period covered by this report, or to our knowledge, in other factors that could significantly affect these controls subsequent to the date of their evaluation.

PART III

ITEM 9. DIRECTORS, EXECUTIVE OFFICERS, PROMOTERS AND CONTROL PERSONS; COMPLIANCE WITH SECTION 16(A) OF THE EXCHANGE ACT.

Each member of our board of directors serves for staggered three-year terms and until his or her successor is duly elected and qualified. Our executive officers and directors are as follows:

Name	Age	Position
Barry Siegel.....	52	Chairman of the Board, President and Chief Executive Officer
Barry J. Spiegel.....	55	Director
Philip B. Kart.....	54	Senior Vice President, Secretary, Treasurer and Chief Financial Officer
Kenneth J. Friedman*.....	50	Director
Bruce S. Udell*.....	51	Director

* Member of the Audit Committee. The Board of Directors has determined that the Company does not have a financial expert, as defined in the SEC regulations, sitting on its audit committee.

Barry Siegel has served as one of our directors and through December 2003 as Secretary, since we were incorporated. He was elected to the additional post of President in December 2003. He has served since January 1998, as our Chief Executive Officer and Chairman of the Board since November 1997. Previously, he served as our Chairman of the Board, Co-Chief Executive Officer, Treasurer, and Secretary from August 1997 through November 1997. From October 1987 through August 1997, he served as our Co-Chairman of the Board, Co-Chief Executive Officer, Treasurer, and Secretary. He also served for more than five years as Treasurer and Secretary of driversshield.com FS Corp., a former wholly owned subsidiary.

Barry J. Spiegel served as President of DriverShield ADS from September 1996 to August 1, 2003, its date of sale. He served as President of American International Insurance Associates, Inc. from January 1996 through August 1996. For more than five years prior to August 1996, Mr. Spiegel served as Senior Vice President at American Bankers Insurance Group, Inc.

Philip Kart has served as Secretary of the Company since December 2003, Senior Vice President and Treasurer since February 2002 and Chief Financial Officer since October 2000. From February 1998 through September 2000, he was Vice President and Chief Financial Officer of Forward Industries, Inc., a Nasdaq SmallCap listed company, and prior to that, from March 1993 to December 1997, Chief

Financial Officer of Ongard Systems, Inc. Mr. Kart has also held financial management positions with Agrigenetics Corporation, Union Carbide and was with the accounting firm Price Waterhouse Coopers. Mr. Kart is a CPA.

Kenneth J. Friedman has served as our director since October 1998. Mr. Friedman has for more than five years served as President of the Primary Group, Inc., an executive search consultant.

Bruce S. Udell was first elected to be a member of the Board of Directors in September 2002. Since 1976, Mr. Udell has served as President and Chief Executive Officer of Udell Associates, a financial planning firm specializing in life insurance and estate planning. Additionally, since 1998, he has served as President of Asset Management Partners, a registered investment advisor.

BOARD OF DIRECTORS AND COMMITTEES

Our board of directors serves as the representative of our shareholders. The board establishes broad corporate policies and oversees our overall performance. The board is not, however, involved in day-to-day operating details. Members of the board are kept informed of our business activities through discussion with

the chief executive officer, by reviewing analyses and reports sent to them by management, and by participating in board meetings.

During 2003, our board held three meetings attended by members of the board either in person or via telephone, and on two occasions approved resolutions by unanimous written consent in lieu of a meeting.

Our board currently has one standing committee, the Audit Committee. The members of the Audit Committee in 2003 were Kenneth J. Friedman, Barry J. Spiegel and Bruce S. Udell. Neither Mr. Friedman nor Mr. Udell is currently an officer of Accessity or any of its subsidiaries, and both are "independent" under the Nasdaq listing requirements as currently in effect. Mr. Spiegel was an officer of the Company until August 1, 2003 and is now also independent. The Audit Committee met once in 2003. The Audit Committee operates pursuant to a charter approved by our board of directors. In February 2004, Mr. Friedman and Mr. Udell were re-elected as members of the Audit Committee with Mr. Friedman designated as Chairman.

COMPENSATION OF DIRECTORS

We do not pay our directors for serving on our board. Our 1995 Incentive Stock Plan (the "Plan") does, however, provide that when they are elected to the board and every anniversary thereafter as long as they serve, our non-employee directors are granted a non-statutory stock option to purchase up to 10,000 shares of our common stock which vests over three years. Prior to February 4, 2002, directors received 3,000 shares as the annual stock option grant.

SECTION 16(A) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE.

We are not aware of any officer or director that did not comply with Section 16(a) of the Securities Exchange Act of 1934 during the fiscal year ended December 31, 2003, except for Kenneth J. Friedman

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and Bruce S. Udell who each filed his Form 5 late that was due forty-five days following the end of the fiscal year.

CODE OF ETHICS.

The Company has adopted a Code of Ethics for adherence by its Chief Executive Officer, Chief Financial Officer, Chief Accounting Officer and Controller to ensure honest and ethical conduct; full, fair and proper disclosure of financial information in the Company's periodic reports filed pursuant to the Securities Exchange Act of 1934; and compliance with applicable laws, rules, and regulations. The text of the Company's Code of Ethics is included as Exhibit 14.1 hereto. Any person may obtain a copy of our Code of Ethics by mailing a request to the Company at the address appearing on the front page of this Annual Report on Form 10-KSB.

ITEM 10. EXECUTIVE COMPENSATION

Summary Compensation

The following table summarizes the compensation we paid, or compensation accrued, for services rendered for the years ended December 31, 2001, 2002 and 2003 for our Chief Executive Officer and each of the other most highly compensated executive officers who earned more than \$100,000 in salary for the year ended December 31, 2003:

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SUMMARY COMPENSATION TABLE

<TABLE><CAPTION>

Name and Position(s)	Year	Salary (\$)	Securities Underlying Options (#)	Bonus (\$)	Other Compensation
<S>	<C>	<C>	<C>	<C>	<C>
Barry Siegel	2003	300,000	0		
Chairman of the Board of Directors,	2002	300,000	110,000	250,000	\$12,500 (a)
President and Chief Executive Officer	2001	285,000	0		
Gerald Zutler (b)	2002	138,191	40,000		
Former President and Chief Operating Officer	2001	149,525	0		
John M. McIntyre (c)	2003	124,615	0		
Former President and	2002	84,339	50,000		

Chief Operating Officer

Barry J. Spiegel (d)	2003	107,692	0		
President, DriverShield ADS Corp.	2002	175,000	50,000		
	2001	129,525	0		
Philip B. Kart	2003	155,000	0		\$62,000 (e)
Senior Vice President, Secretary,	2002	155,000	30,000	10,000	
Treasurer and Chief Financial Officer	2001	139,093	0		
Steven DeLisi	2003	175,000	0	10,000	
President, Sentaur Corp.	2002	68,654	50,000	5,000	

(a) Reimbursed to Mr. Siegel for direct costs he incurred in connection with his relocation.

(b) Mr. Zutler's employment terminated in August 2002.

(c) Mr. McIntyre's employment terminated on December 31, 2003.

(d) Mr. Spiegel's employment terminated on July 31, 2003.

(e) Provided to Mr. Kart, upon his relocation, for costs incurred in connection with relocation.

</TABLE>

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EMPLOYMENT CONTRACTS AND TERMINATION OF EMPLOYMENT AND CHANGE-IN-CONTROL ARRANGEMENTS

We are party to an employment agreement with Barry Siegel that commenced on January 1, 2002, and expires on December 31, 2004. Mr. Siegel's annual salary is \$300,000, and he has been granted stock options, under the Company's 1995 Incentive Stock Option Plan ("the Plan"), providing the right to purchase 60,000 shares of the Company's common stock, in addition to certain other perquisites. His employment agreement provides that following a change of control (as defined in the agreement), we will be required to pay Mr. Siegel (1) a severance payment of 300% of his average annual salary for the past five years, less \$100, (2) the cash value of his outstanding but unexercised stock options, and (3) other perquisites should he be terminated for various reasons specified in the agreement. The agreement specifies that in no event will any severance payments exceed the amount we may deduct under the provisions of the Internal Revenue Code. In recognition of the sale of the fleet services business, Mr. Siegel was also awarded a \$250,000 bonus, which was paid in February 2002, and an additional grant of 50,000 options.

We were party to an employment agreement with Gerald M. Zutler that commenced on January 1, 2002, and was to expire on December 31, 2004, but which terminated in August 2002. Mr. Zutler's annual salary was \$190,000, and he had been granted 40,000 stock options under the Company's 1995 Incentive Stock Option Plan ("the Plan"), which expired, in addition to certain other perquisites. His employment agreement contained a change in control provision that mirrored in Mr. Siegel's employment agreement, except that the applicable percentage for severance payment purposes is 100%. Mr. Zutler has filed suit against the Company for wrongful termination (see "Legal Proceedings").

We were party to an employment agreement with Barry J. Spiegel that commenced on January 1, 2002, and was to expire on December 31, 2004, but terminated upon the sale of ADS to Mr. Spiegel effective August 1, 2003. Mr. Spiegel's annual salary was \$175,000 per annum and he had been granted stock options, under the Company's 1995 Incentive Stock Option Plan ("the Plan"), providing the right to purchase 50,000 shares of the Company's common stock, in addition to certain other perquisites, and the applicable percentage for severance payment purposes was 100%. Mr. Spiegel exercised a total of 30,000 options for an equivalent number of common shares prior to expiration.

We were party to an employment agreement with John M. McIntyre that commenced on July 15, 2002, and was to expire on December 31, 2004 but his employment terminated on December 31, 2003. Mr. McIntyre's annual salary was \$190,000 per annum and he had been granted stock options, under the Company's 1995 Incentive Stock Option Plan ("the Plan"), providing the right to purchase 50,000 shares of the Company's common stock, in addition to certain other perquisites, and the applicable percentage for severance payment purposes is 100%. His employment agreement provided that following a change in control (as defined in the agreement), all stock options previously granted to him would immediately become fully exercisable. In July 2003 the Company and Mr. McIntyre modified his agreement by reducing his time commitment covering the five months ended December 31, 2003, which resulted in a salary of \$3,000 per month plus health benefits; thereafter his employment terminated.

We are party to an employment agreement with Philip B. Kart that commenced on January 1, 2002, and expires on December 31, 2004. Mr. Kart's annual salary is \$155,000 per annum and he has been granted stock options, under the Company's 1995 Incentive Stock Option Plan ("the Plan"), providing the right to purchase 30,000 shares of the Company's common stock, in addition to certain other perquisites, and the applicable percentage for severance payment purposes is 100%. His

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employment agreement provides that following a change in control (as defined in the agreement), all stock options previously granted to him will immediately become fully exercisable. Mr. Kart's contract also provided for relocation expense payments that were conditioned upon his relocation to the Company's new headquarters, which occurred in early 2003.

Under an agreement with our wholly owned subsidiary, Sentaur, Corp., we are party to an employment agreement with Steven DeLisi that commenced on September 3, 2002, and expires on December 31, 2004. Mr. DeLisi's annual salary is

\$175,000 per annum and he has been granted stock options, under the Company's 1995 Incentive Stock Option Plan ("the Plan"), providing the right to purchase 50,000 shares of the Company's common stock, in addition to certain other perquisites, and the applicable percentage for severance payment purposes is 100%. Mr. DeLisi also participates in a bonus program established for his business that provides a bonus of 50% of his salary upon the achievement of \$25,000 in profits for three consecutive months. During his first twelve months of employment he received an interim bonus of \$5,000 for each signed contract. His employment agreement provides that following a change in control (as defined in the agreement), all stock options previously granted to him will immediately become fully exercisable.

STOCK OPTIONS

We made no awards of stock options during the last fiscal year to the executive officers named in the summary compensation table as part of their employment, however upon his resignation from the Company Mr. Spiegel was granted 10,000 options in accordance with Company's policy of option grants to its directors. The following table indicates the number of exercised and unexercised stock options held by each executive officer named in the Summary Compensation Table, as of December 31, 2003.

AGGREGATED OPTION/SAR EXERCISES IN LAST FISCAL YEAR

AND FY-END OPTION/SAR VALUE TABLE

<TABLE><CAPTION>

Name	Shares Acquired on Exercise (#)	Value Realized (\$)	Number of Securities Underlying Unexercised Options/SARs at FY-End (Exercisable/Unexercisable) (#)	Value of Unexercised In-the-Money Options/SARs at FY-End (Exercisable/Unexercisable) (\$)
<S>	<C>	<C>	<C>	<C>
Barry Siegel	40,000	\$25,250	80,000/36,667	\$0/0
Gerald M. Zutler	None	\$0	0/0	\$0/0
John M. McIntyre	None	\$0	16,667/0	\$0/0
Barry J. Spiegel	30,000	\$23,625	0/3,333	\$0/0
Philip B. Kart	None	\$0	65,000/10,000	\$36,000/0
Steven DeLisi	None	\$0	16,667/33,333	\$0/0

</TABLE>

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ITEM 11. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

<TABLE><CAPTION>

EQUITY COMPENSATION PLAN INFORMATION

Plan Category	Shares to be issued upon exercise of outstanding options, warrants or stock rights (#)	Weighted average exercise price (\$)	Number of Securities Available for Future Issuance (#)
<S>	<C>	<C>	<C>
Approved by Shareholders: Stock Option Plan	392,333	\$6.00	807,667
Not Approved by Shareholders: Consultant's Warrants	25,000	\$2.99	0

</TABLE>

The following table provides information about the beneficial ownership of our common stock as of March 20, 2004. We have listed each person who beneficially owns more than 5% of our outstanding common stock, each of our directors and executive officers identified in the summary compensation table, and all directors and executive officers as a group. Unless otherwise indicated, each of the listed shareholders has sole voting and investment power with respect to the shares beneficially owned.

SECURITY OWNERSHIP OF MANAGEMENT

Title of Class	Name and Address of Beneficial Owner	Amount and Nature of Beneficial Owner	Percentage of Common Stock (1)
Common stock	Barry Siegel c/o Accessity Corp. 12514 W. Atlantic Blvd. Coral Springs, FL 33071	460,873 (2) (3)	19.9%
Common stock	Gerald M. Zutler c/o Accessity Corp. 12514 W. Atlantic Blvd. Coral Springs, FL 33071	40,200	1.8%

Common stock	Barry J. Spiegel c/o Accessity Corp. 12514 W. Atlantic Blvd. Coral Springs, FL 33071	309,792	13.8%
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Common stock	Philip B. Kart c/o Accessity Corp. 12514 W. Atlantic Blvd. Coral Springs, FL 33071	65,000 (4)	2.8%
Common stock	Kenneth J. Friedman c/o Accessity Corp. 12514 W. Atlantic Blvd. Coral Springs, FL 33071	69,733 (5)	3.1%
Common stock	Bruce S. Udell c/o Accessity Corp. 12514 W. Atlantic Blvd. Coral Springs, FL 33071	10,083 (6)	.4%
Common stock	John M. McIntyre c/o Accessity Corp. 12514 W. Atlantic Blvd. Coral Springs, FL 33071	19,667 (7)	.9%
Common stock	Steve DeLisi c/o Accessity Corp. 12514 W. Atlantic Blvd. Coral Springs, FL 33071	16,971 (8)	.8%
Common stock	All directors & officers as a group	932,452	37.7%

- (1) The percentages have been calculated in accordance with Instruction 3 to Item 403 of Regulation S-B. Percentage of beneficial ownership is calculated assuming 2,237,414 shares of common stock were outstanding on March 28, 2004.
- (2) Includes 667 shares held by Barry Siegel as custodian for two nephews and 13 shares held directly by Barry Siegel's wife, Lisa Siegel. Both Barry and Lisa Siegel disclaim beneficial ownership of shares held by the other.
- (3) Includes options held by Barry Siegel to purchase 80,000 shares of common stock exercisable within 60 days of March 28, 2004.
- (4) Includes options to purchase 65,000 shares of common stock exercisable within 60 days of March 28, 2004.
- (5) Includes options to purchase 12,333 shares of common stock exercisable within 60 days of March 28, 2004.
- (6) Includes options to purchase 3,333 shares of common stock exercisable within 60 days of March 28, 2004.
- (7) Includes options to purchase 19,667 shares of common stock exercisable within 60 days of March 28, 2004.
- (8) Includes options to purchase 16,667 shares of common stock exercisable within 60 days of March 28, 2004.

ITEM 12. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

In May 2002 the Company signed a five and a half year lease to occupy a new 7,300 square foot building in Coral Springs, Florida. This property is owned and operated by B & B Lakeview Realty Corp., whose three shareholders, Barry Siegel, Barry Spiegel and Ken Friedman, are members of the Company's board of directors. The terms of the lease require net rentals increasing in annual amounts from \$127,000 to \$168,000 plus real estate taxes, insurance and other operating expenses. The lease period commenced in October 2002 and terminates five years and six months thereafter. The

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Company and the landlord each expended approximately \$140,000 to complete the interior space. In addition, during July 2002, the Company pledged a \$300,000 certificate of deposit with a Florida bank, (the mortgage lender to B & B Lakeview Realty Corp) as security for the Company's future rental commitments for the benefit of the landlord's mortgage lender. The certificate of deposit declines to \$200,000 after the 36th month, \$100,000 after the 48th month, and to zero after 60 months, as the balance of the rent commitment declines. During the 2003 Period the Company paid B&B Lakeview Realty rent payments of \$127,000. The Company also accrued a payment of \$20,000 as reimbursement for some insurance and tax amounts paid by B&B Lakeview during 2003. Operating expenses, insurance and taxes, as required by the lease, are generally paid directly to the providers by the Company.

ITEM 13. EXHIBITS AND REPORTS ON FORM 8-K

(a) List of Exhibits

- 3.1 Restated and Amended Certificate of Incorporation incorporated by reference to Exhibit 3.1 of the Company's Annual Report on Form 10-KSB for the fiscal year ended December 31, 2001 previously filed with the Commission.
- 3.2. Amended and restated By-laws of the Company, incorporated by reference to Exhibit 4 to the Company's Current Report on Form 8-K dated December 28, 1998.
- 3.3 Amendment to the Company's Certificate of Incorporation dated January 15, 2003.
- 4.0 Shareholders Rights Agreement dated as of December 28, 1998, between First Priority Group, Inc. and North American Transfer Co., as Rights Agent, together with Exhibits A, B and C attached thereto incorporated by reference to the Registrant's Registration Statement on Form 8-A filed on December 31, 1998.
- 10.1 Stock Purchase Agreement dated October 29, 2001 by and among PHH Vehicle Management Services, LLC, and driversshield.com Corp., and driversshield.com FS Corp incorporate by reference as Exhibit 10.1 to the Form 10-QSB for the period ended September 30, 2002.
- 10.2 Employment Agreement between the Company and Barry Siegel dated February 4, 2002 previously filed with the Commission and incorporated by reference hereto.
- 10.3 Employment Agreement between the Company and Barry J. Spiegel dated February 4, 2002 previously filed with the Commission and incorporated by reference hereto.
- 10.4 Employment Agreement between the Company and Philip Kart dated February 4, 2002 previously filed with the Commission and incorporated by reference hereto.
- 10.5 Employment Agreement between the Company and John M. McIntyre dated July 15, 2002 previously filed with the Commission and incorporated by reference hereto.
- 10.6 First Amendment to the Employment Agreement between the Company and Philip Kart dated November 15, 2002 previously filed with the Commission and incorporated by reference hereto.
- 10.7 Amended 1995 Incentive Stock Plan of Accessity Corp. previously filed with the Commission and incorporated by reference hereto.
- 10.8 Strategic Partnership Agreement by and among DriverShield CRM Corp., Accessity Corp., f/k/a DriverShield Corp. and ClaimsNet, Inc., dated December 17, 2002 previously filed with the Commission and incorporated by reference hereto.
- 10.9 Employment Agreement between Sentaur Corp., f/k/a DRVR Corp. and Steven T. DeLisi dated June 18, 2002 previously filed with the Commission and incorporated by reference hereto.
- 10.10 Lease Agreement dated May 28, 2002 between the Company and B & B Lakeview Realty Corp. previously filed with the Commission and incorporated by reference hereto.
- 10.11 First Amendment to the Lease Agreement dated July 10, 2002 between the Company and B & B Lakeview Realty Corp. previously filed with the Commission and incorporated by reference hereto.
- 10.12 Stock Purchase Agreement dated as of August 1, 2003 by and among

American Member Corp. and Accessity Corp. previously filed as Exhibit 10.1 with the Company's Form 10-QSB for the period ended September 30, 2003 and incorporated by reference hereto..

- 10.13 Employment Termination Agreement dated August 1, 2003 by and between Accessity Corp., f/k/a drivershield.com Corp. and Barry J. Spiegel previously filed as Exhibit 10.2 with the Company's Form 10-QSB for the period ended September 30, 2003 and incorporated by reference hereto..
- 10.14 Web Site Linking Agreement dated August 1, 2003 by and among Accessity Corp., American Member Corp. and DriverShield ADS Corp. previously filed as Exhibit 10.3 with the Company's Form 10-QSB for the period ended September 30, 2003 and incorporated by reference hereto..
- 13.1 Form 10-QSB for the quarter ending March 31, 2003 incorporated by reference hereto and previously filed with the Commission.
- 13.2 Form 10-QSB for the quarter ending June 30, 2003 incorporated by reference hereto and previously filed with the Commission.
- 13.3 Form 10-QSB for the quarter ending September 30, 2003 incorporated by reference hereto and previously filed with the Commission.
- 14.1 Code of Ethics filed herein.
- 21 List of subsidiaries filed herein.
- 31.1 Certification of Barry Siegel, Chief Executive Officer, pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
- 31.2 Certification of Philip Kart, Chief Financial Officer, pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
- 32.1 Certification of Barry Siegel, Chief Executive Officer, pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
- 32.2 Certification of Philip Kart, Chief Financial Officer, pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

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(b) Reports on Form 8-K

The Company filed a Current Report on Form 8-K dated November 11, 2003 disclosing a press release that announced the Company's financial results for the third quarter and nine months ended September 30, 2003.

The Company filed a Current Report on Form 8-K dated July 15, 2003 reflecting the resignation of John M. McIntyre as the President, Chief Operating Officer and a member of the Board of Directors and modification of his employment agreement.

ITEM 15. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Nussbaum Yates & Wolpow, P.C. have been engaged to perform our 2003 annual audit at a fee of \$27,500, and have billed and been paid \$24,000 for professional services rendered for reviews of the financial statements included in our Forms 10-QSB for the first three calendar quarters of the 2003 Period, and \$1,939 in fees for professional services rendered regarding other matters. Their fee for the 2002 annual audit was \$29,000, and \$34,679 was paid to them for services rendered in connection with the reviews of the financial statements included in our Forms 10-QSB for the three calendar quarters of the 2002 Period. We also paid \$975 to them for other matters during the 2002 Period.

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REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

Board of Directors and Shareholders
 Accessity Corp.
 Coral Springs, Florida

We have audited the accompanying consolidated balance sheets of Accessity Corp. and subsidiaries as of December 31, 2003 and 2002, and the related consolidated statements of operations, shareholders' equity, 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 audits in accordance with auditing standards generally accepted in the United States of America. 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 consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Accessity Corp. and subsidiaries as of December 31, 2003 and 2002, and the consolidated results of their operations and cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Melville, New York NUSSBAUM YATES & WOLPOW, P.C.
 March 4, 2004

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ACCESSITY CORP. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

DECEMBER 31, 2003 AND 2002

<TABLE><CAPTION>

ASSETS

	2003	2002
	-----	-----
<S>		
Current assets:		
Cash and cash equivalents	\$ 95,575	\$ 908,655
Accounts receivable	156,096	149,685
Investments	4,313,114	5,309,481
Prepaid expenses and other current assets	114,301	334,719
	-----	-----
Total current assets	4,679,086	6,702,540
Property and equipment, net	449,295	708,976
Restricted certificate of deposit	300,000	300,000
Security deposits and other assets	53,549	57,979
	-----	-----
Total assets	\$ 5,481,930	\$ 7,769,495
	=====	=====

LIABILITIES AND SHAREHOLDERS' EQUITY

Current liabilities:		
Accounts payable	\$ 52,197	\$ 299,215
Accrued expenses and other current liabilities	429,172	859,315
Current portion of capital lease obligation	20,386	31,968
	-----	-----
Total current liabilities	501,755	1,190,498
Obligations under capital lease, net of current portion	--	20,415
	-----	-----
Shareholders' equity (Note 1):		
Common stock, \$.015 par value, authorized 30,000,000 shares; issued 2,419,398 shares in 2003 and 2,349,398 shares in 2002	36,291	35,241
Preferred stock, all series, \$.01 par value, authorized		

1,000,000 shares; 1,000 issued and outstanding	10	10
Additional paid-in capital	11,101,178	10,977,648
Accumulated other comprehensive income (loss), unrealized holding gain (loss) on investment securities	(37,785)	14,204
Deficit	(4,390,077)	(2,764,039)
	-----	-----
	6,709,617	8,263,064
Less common stock held in treasury, at cost, 181,984 shares in 2003 and 175,584 shares in 2002	1,729,442	1,704,482
	-----	-----
Total shareholders' equity	4,980,175	6,558,582
	-----	-----
Total liabilities and shareholders' equity	\$ 5,481,930	\$ 7,769,495
	=====	=====

</TABLE>

See notes to consolidated financial statements.

F-2

ACCESSITY CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS

DECEMBER 31, 2003 AND 2002

<TABLE><CAPTION>

	2003	2002
	-----	-----
<S>	<C>	<C>
Revenues:		
Collision repair, fees and royalties	\$ 279,734	\$ 2,895,001
Hospital fees	377,809	--
	-----	-----
Total revenues	657,543	2,895,001
	-----	-----
Operating expenses (income):		
Collision repair expenses	102,052	2,499,570
Sales and marketing	478,562	951,764
General and administrative	1,851,617	3,235,057
Non-cash compensation	--	(131,666)
Depreciation and amortization	299,108	400,626
	-----	-----
Total operating expenses	2,731,339	6,955,351
	-----	-----
	(2,073,796)	(4,060,350)
	-----	-----
Other income (expense):		
Investment and other income	226,608	402,820
Interest expense	(4,504)	(88,503)
	-----	-----
Total other income	222,104	314,317
	-----	-----
Loss from continuing operations before provision for income taxes	(1,851,692)	(3,746,033)
Provision for income tax benefit	--	(2,276,619)
	-----	-----
Loss from continuing operations	(1,851,692)	(1,469,414)
	-----	-----
Discontinued operations:		
Gain on disposal of fleet subsidiary (net of income taxes of \$3,690,886)	--	2,391,482
Income from discontinued fleet subsidiary (net of income taxes of \$26,533)	--	17,192
Income from affinity services subsidiary (net of income taxes of \$-0- in 2003 and \$482,830 in 2002)	215,654	308,694
Gain on disposal of affinity services subsidiary (no tax effect)	10,000	--
	-----	-----
Income from discontinued operations	225,654	2,717,368
	-----	-----
Net income (loss)	(\$ 1,626,038)	\$ 1,247,954
	=====	=====
Basic and diluted earnings (loss) per common share (Note 1):		
Continuing operations	(\$ 0.84)	(\$ 0.67)
Discontinued operations	0.10	1.24
	-----	-----
Net earnings (loss)	(\$ 0.74)	\$ 0.57
	=====	=====
Basic and diluted weighted average number of common shares outstanding	2,195,519	2,180,062
	=====	=====

</TABLE>

See notes to consolidated financial statements.

F-3

ACCESSITY CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

DECEMBER 31, 2003 AND 2002

<TABLE><CAPTION>

COMMON STOCK		PREFERRED STOCK		ADDITIONAL PAID-IN CAPITAL	ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)
SHARES	AMOUNT	SHARES	AMOUNT		
-----	-----	-----	-----		

<S>	<C>	<C>		<C>	<C>	<C>
Balance, January 1, 2002	2,303,331	\$ 34,550	--	\$ --	\$ 9,930,444	\$ 680
Net income	--	--	--	--	--	--
Unrealized holding gain	--	--	--	--	--	13,524
Comprehensive income	--	--	--	--	--	--
Issuance of preferred stock	--	--	1,000	10	999,990	--
Shares tendered upon exercise of stock options	46,067	691	--	--	128,060	--
Treasury shares purchased	--	--	--	--	--	--
Non-cash compensation (credit) recorded for variable priced options	--	--	--	--	(131,666)	--
Options granted for services	--	--	--	--	50,820	--
Balance, December 31, 2002	2,349,398	35,241	1,000	10	10,977,648	14,204
Net loss	--	--	--	--	--	--
Add reclassification adjustment for realized losses included in net income	--	--	--	--	--	14,919
Unrealized holding loss	--	--	--	--	--	(66,908)
Comprehensive loss	--	--	--	--	--	--
Exercise of stock options	63,600	954	--	--	89,711	--
Shares tendered upon exercise of stock options	6,400	96	--	--	24,864	--
Options granted for services	--	--	--	--	8,955	--
Balance, December 31, 2003	2,419,398	\$ 36,291	1,000	\$ 10	\$ 11,101,178	(\$ 37,785)

	DEFICIT	TREASURY STOCK SHARES	AMOUNT	TOTAL SHARE-HOLDERS' EQUITY
Balance, January 1, 2002	(\$ 4,011,993)	143,934	(\$ 1,483,034)	\$ 4,470,647
Net income	1,247,954	--	--	1,247,954
Unrealized holding gain	--	--	--	13,524
Comprehensive income	--	--	--	1,261,478
Issuance of preferred stock	--	--	--	1,000,000
Shares tendered upon exercise of stock options	--	13,005	(128,751)	--
Treasury shares purchased	--	18,645	(92,697)	(92,697)
Non-cash compensation (credit) recorded for variable priced options	--	--	--	(131,666)
Options granted for services	--	--	--	50,820
Balance, December 31, 2002	(2,764,039)	175,584	(1,704,482)	6,558,582
Net loss	(1,626,038)	--	--	(1,626,038)
Add reclassification adjustment for realized losses included in net income	--	--	--	14,919
Unrealized holding loss	--	--	--	(66,908)
Comprehensive loss	--	--	--	(1,678,027)
Exercise of stock options	--	--	--	90,665
Shares tendered upon exercise of stock options	--	6,400	(24,960)	--
Options granted for services	--	--	--	8,955
Balance, December 31, 2003	(\$ 4,390,077)	181,984	(\$ 1,729,442)	\$ 4,980,175

</TABLE>

See notes to consolidated financial statements.

ACCESSITY CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

YEARS ENDED DECEMBER 31, 2003 AND 2002

<TABLE><CAPTION>

	2003	2002
	-----	-----
<S>	<C>	<C>
Cash flows used in operating activities:		
Net income (loss)	(\$ 1,626,038)	\$ 1,247,954
	-----	-----
Adjustments to reconcile net income to net cash used in operating activities:		
Depreciation and amortization (including bond premium amortization)	318,837	488,934
Non-cash compensation	--	(131,666)
Options granted for services	8,955	50,820
Gain on sale of subsidiaries	(10,000)	(6,082,368)
Loss on sale of investments	14,919	--
Deferred tax asset	--	1,900,000
Changes in assets and liabilities:		
Accounts receivable	(6,411)	(13,235)
Prepaid expenses and other current assets	220,418	(167,118)
Security deposits and other assets	4,430	(30,416)
Investment in net assets of discontinued operations	--	(60,022)
Accounts payable	(247,018)	143,885
Accrued expenses and other current liabilities	(430,143)	425,519
	-----	-----
Total adjustments	(126,013)	(3,475,667)
	-----	-----
Net cash used in operating activities	(1,752,051)	(2,227,713)
	-----	-----
Cash flows provided by investing activities:		
Purchase of property and equipment	(39,793)	(433,853)
Proceeds from sales of subsidiaries, net	10,000	6,174,389
Purchase of investments	(5,439,087)	(8,396,026)
Proceeds from investments	6,349,183	4,929,000
Purchase of restricted certificate of deposit	--	(300,000)
	-----	-----
Net cash provided by investing activities	880,303	1,973,510
	=====	=====

</TABLE>

(Continued)

See notes to consolidated financial statements.

ACCESSITY CORP. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)

YEARS ENDED DECEMBER 31, 2003 AND 2002

<TABLE><CAPTION>

	2003	2002
	-----	-----
<S>	<C>	<C>
Cash flows used in financing activities:		
Payments under capital lease	(\$ 31,997)	(\$ 9,853)
Proceeds from exercise of stock options	90,665	--
Proceeds from issuance of preferred stock	--	1,000,000
Purchase of treasury stock	--	(92,697)
	-----	-----
Net cash provided by financing activities	58,668	897,450
	-----	-----
Net increase (decrease) in cash and cash equivalents	(813,080)	643,247
	-----	-----
Cash and cash equivalents at beginning of year	908,655	265,408
	=====	=====
Cash and cash equivalents at end of year	\$ 95,575	\$ 908,655
	=====	=====
Supplemental disclosure of cash flow information:		
Cash paid during the year for income taxes	\$ --	\$ 23,533
	=====	=====
Cash paid during the year for interest	\$ 4,504	\$ 2,313
	=====	=====

</TABLE>

Supplemental disclosure of non-cash activities:

During 2002, the Company purchased computer equipment costing \$82,719, of which \$62,236 was financed.

During 2003 and 2002, the Company acquired 6,400 and 13,005 shares of treasury stock with shares tendered upon the exercise of stock options.

See notes to consolidated financial statements.

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ACCESSITY CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2003 AND 2002

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

PRINCIPLES OF CONSOLIDATION

The accompanying consolidated financial statements include the accounts of Accessity Corp. and its wholly-owned subsidiaries (collectively referred to as the "Company"). All material intercompany balances and transactions have been eliminated.

DISCONTINUED OPERATIONS

On February 7, 2002, the Company sold its fleet services business (see Note 3) and on August 1, 2003, the Company sold its affinity services business (see Note 5). The Company's consolidated statements of operations for the years ended December 31, 2003 and 2002 reflect the results of these businesses as discontinued operations. Prior to 2002, the fleet service business comprised the vast majority of the Company's business. Although the Company only reported as one business segment, the Company operated as distinct businesses with separate major lines of businesses and classes of customers. Accordingly, upon their sales, the Company determined that the fleet business and affinity services business should be reported as discontinued operations.

PROPERTY AND EQUIPMENT

Property and equipment are stated at cost. The Company provides depreciation for machinery and equipment and for furniture and fixtures by the straight-line method over the estimated useful lives of the assets, principally five years. Leasehold improvements are amortized on a straight-line basis over their estimated useful lives or the remaining term of the lease, whichever is less. Website development costs are amortized over their estimated useful life of three years on a straight-line basis. For the year ended December 31, 2002, website development costs capitalized amounted to \$76,226, of which \$42,750 represented employee salary and related costs. There were no additional website development costs in 2003.

COMMON STOCK SPLIT

Upon approval from its shareholders at the December 15, 2003 annual shareholders' meeting, the Company effected a one-for-five reverse common stock split. This reduced, by a factor of five, all outstanding common shares, and all options, warrants or other issues convertible into common stock. Commensurately, the price per share of its common stock traded on the Nasdaq SmallCap exchange, and the effective conversion price per share of any common shares equivalents, increased by a factor of five. The Company and its shareholders effected this transaction in order to comply with the continued listing requirements of the Nasdaq SmallCap exchange which mandates a \$1 price per share. The Company has been advised that it is now in compliance with the listing requirements. The effective date of the stock split was January 7, 2004. All references to common share amounts have been adjusted to reflect this stock split on a retroactive basis. The number of authorized common shares and the par value per share were not changed.

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ACCESSITY CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED DECEMBER 31, 2003 AND 2002

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

CASH AND CASH EQUIVALENTS

The Company considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

INVESTMENTS

Investments consist of securities available for sale, which are carried at fair value with unrealized gains or losses reported in a separate component of shareholders' equity. Realized gains or losses are determined based on the specific identification method.

REVENUE RECOGNITION

The Company recognizes revenue for its collision repairs, fees and royalties at the time of customer approval and completion of repair services. The Company warrants such services for varying periods ranging up to the period that the driver owns or operates the vehicle. Such warranty expense is borne by both the Company and the repair facilities; resulting from its management of the repair process, and the selection of facilities, warranty expense has not been material to the Company. The Company recognizes revenue for its medical billings recovery business at the time it receives notification that funds are collected by its hospital customers.

COLLECTIBILITY OF ACCOUNTS RECEIVABLE

In order to record the Company's accounts receivable at their net realizable value, the Company must assess their collectibility. A considerable amount of judgment is required in order to make this assessment, including an analysis of historical bad debts and other adjustments, a review of the aging of the Company's receivables, and the current creditworthiness of the Company's customers.

USE OF ESTIMATES

In preparing financial statements in conformity with accounting principles generally accepted in the United States of America, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Significant estimates relate to the income tax valuation allowance and conclusions regarding the impairment of long-lived assets. Actual results could differ from those estimates, and any difference between the amounts recorded and amounts ultimately realized or paid will be adjusted prospectively as new facts become known.

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ACCESSITY CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED DECEMBER 31, 2003 AND 2002

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FAIR VALUE OF FINANCIAL INSTRUMENTS

o CASH AND CASH EQUIVALENTS AND RESTRICTED CERTIFICATE OF DEPOSIT

The carrying amounts approximate fair value due to the short maturity of the instruments.

o INVESTMENTS

Investment securities that are available for sale are stated at fair value as measured by quoted market price.

o CAPITAL LEASE OBLIGATION

The carrying amount of the Company's capital lease obligation approximates fair value.

ADVERTISING EXPENSE

Advertising expenditures, which are expensed as incurred, amounted to approximately \$42,000 and \$196,000 in 2003 and 2002.

STOCK COMPENSATION PLAN

The Company accounts for its stock option plan under Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees" under which no compensation expense is recognized. The Company has adopted Statement of Financial Accounting Standards No. 123, "Accounting for Stock-Based Compensation" (SFAS No. 123) for disclosure purposes; accordingly, no compensation expense has been recognized in the results of operations for its stock option plan. Under the plan, the Company may grant options to its employees, directors and consultants for up to 1,200,000 shares of common stock. Incentive stock options may be granted at no less than the fair market value of the Company's stock on the date of grant, and in the case of an optionee who owns directly or indirectly more than 10% of the outstanding voting stock ("an Affiliate"), 110% of the market price on the date of grant. The maximum term of an option is ten years, except for incentive stock options granted to an Affiliate, in which case the maximum term is five years. As of December 31, 2003, approximately 808,000 options remain available for future grants.

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ACCESSITY CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

STOCK COMPENSATION PLAN (CONTINUED)

For disclosure purposes, the fair value of each stock option grant is estimated on the date of grant using the Black Scholes option-pricing model with the following weighted average assumptions used for stock options granted in 2003 and 2002, respectively: annual dividends of \$-0- for both years, expected volatility of 146% and 136%, risk-free interest rate of 1.13% and 1.67%, and expected life of five years for all grants. The weighted-average fair value of stock options granted in 2003 and 2002 was \$1.77 and \$1.01, respectively.

Under the above model, the total value of stock options granted in 2003 and 2002 was \$70,763 and \$1,767,498, respectively, which would be amortized ratably on a pro forma basis over the related vesting periods, which range from immediate vesting to five years. Had compensation cost been determined based upon the fair value of the stock options at grant date for all awards, the Company's net income and earnings per share would have been reduced to the pro forma amounts indicated below:

<TABLE><CAPTION>

	2003	2002
	-----	-----
<S>	<C>	<C>
Net income (loss):		
As reported	(\$ 1,626,038)	\$ 1,247,954
Stock-based compensation cost, net of related tax effects in 2002, that would have been included in the determination of net income if the fair value based method had been applied to all awards	(562,745)	(624,269)
	-----	-----
Pro forma	(\$ 2,188,783)	\$ 623,685
	=====	=====
Basic and diluted earnings (loss) per share:		
As reported	(\$.74)	\$.57
Pro forma	(\$ 1.00)	\$.29
Stock-based employee compensation cost, net of related tax effects, included in the determination of net income as reported	\$ -0-	\$ -0-

</TABLE>

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ACCESSITY CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED DECEMBER 31, 2003 AND 2002

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

RECENT ACCOUNTING PRONOUNCEMENTS

In June 2002, the Financial Accounting Standards Board ("FASB") issued SFAS 146, "Accounting for Costs Associated with Exit or Disposal Activities," which is effective for exit or disposal activities initiated after December 31, 2002. SFAS 146 requires that a liability for a cost associated with an exit or disposal activity be recognized when the liability is incurred and that the initial measurement of a liability be at fair value. The Company elected the early adoption of SFAS 146 during 2002, and the adoption did not have a material impact on its consolidated results of operations and financial position.

In December 2002, the FASB issued SFAS 148, "Accounting for Stock-Based Compensation - Transition and Disclosure", which is effective for fiscal years ending after December 15, 2002. The provisions of this statement provide alternative methods of transition for an entity that voluntarily changes to the fair value based method of accounting for stock-based employee compensation, and requires disclosure about the effects on reported net income of an entity's accounting policy decisions with respect to stock-based compensation. The Company did not change its accounting method for stock-based employee compensation and, accordingly, the provisions of this new standard did not have a material impact on its consolidated results of operations and financial position.

In December 2003, the FASB revised FASB Interpretation No. 46 (FIN 46), "Consolidation of Variable Interest Entities". FIN 46 requires consolidation by the reporting entity of variable interest entities which have certain characteristics as described therein when the reporting entity will absorb a majority of the variable interest entity's expected losses, receive a majority of the variable interest entity's expected residual returns, or both. If applicable, the Company would be required to apply the provisions of FIN 46 as of December 31, 2004. The Company has not made an initial determination as to whether its June 2002 leasing agreement for Florida office space with a related party, (See Note 14),

represents an interest in a variable interest entity, and has not determined the effect, if any, on its financial statements.

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ACCESSITY CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED DECEMBER 31, 2003 AND 2002

2. DESCRIPTION OF BUSINESS AND CONCENTRATIONS

The Company, through its fleet services subsidiary, had been, since its inception, engaged in automotive fleet management and administration of automotive repairs for major, nationally recognized corporate clients throughout the United States. It offered its clients a cost-effective method for repairing their vehicles by arranging for repair of the vehicles through its nationwide network of independently owned contracted facilities, and it also offered subrogation, salvage and appraisal services. This business was sold in 2002 (see Note 3).

The Company offered collision repair management services during 2002 for the insurance industry through a website on the Internet. Revenues for such services commenced in December 2001. However, under a strategic partnership, effective January 2, 2003 (see Note 4), the Company transferred the operating responsibilities and management of this business to a third party and, upon the completion of active or in-process claims that were the Company's responsibility during the first half of 2003, it is no longer engaged in collision repair management, but will remain in the business through the licensing described in Note 4. The Company's remaining automotive business that provided automobile affinity services for individuals was sold to the president of that subsidiary (see Note 5). The Company believes that it operated its automotive-related businesses in one operating segment.

In the third quarter of 2002, the Company began a new business engaged in medical billing recovery which is managed as a separate segment. The business seeks to recoup inappropriate discounts taken from hospital billings by institutional or insurance payors. The Company has signed contracts with a number of hospitals throughout the United States, and during 2003, collected in excess of \$1 million on their behalf. Costs associated with this business are expensed as incurred.

The Company is subject to credit risk through trade receivables. The Company does not obtain collateral or other security for its receivables. Such risk is minimized through contractual arrangements with its customers, as well as the size and financial strength of its customers. Based upon the Company's continuing operations, four customers accounted for substantially all of the Company's sales in 2003 and its receivables at December 31, 2003. Two customers accounted for 26% and 59%, respectively, of the Company's sales in 2002 and 6% and 39% of its receivables, respectively, at December 31, 2002.

The Company is also subject to credit risk through investments which are held at one brokerage firm and are not fully insured by the Securities Investor Protection Corporation. The Company has no financial instruments with significant off-balance-sheet risk.

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ACCESSITY CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED DECEMBER 31, 2003 AND 2002

3. DISCONTINUED OPERATIONS - SALE OF COLLISION REPAIR AND FLEET SERVICES

BUSINESS

On February 4, 2002, the Company's shareholders approved the sale of all the outstanding shares of a wholly-owned subsidiary, driversshield.com FS Corp. ("FS"), its collision repair and fleet services business, to PHH Vehicle Management Services, LLC d/b/a PHH Arval ("PHH"), a subsidiary of the Candant Corporation (NYSE symbol "CD") for \$6.3 million in cash, in accordance with a Stock Purchase Agreement (the "Purchase Agreement") dated October 29, 2001 and, pursuant to the Preferred Stock Purchase Agreement of the same date, approved the sale of \$1.0 million of the Company's convertible preferred stock to PHH, comprising 1,000 shares (see Note 12). These transactions were consummated on February 7, 2002. The Company recorded a pre-tax gain on the sale of FS of approximately \$6.1 million.

The accompanying consolidated statements of operations have been presented to reflect the sale of the fleet business as discontinued operations. Operating results of the discontinued fleet services operations for the year ended December 31, 2002, to the date of sale, are summarized as follows:

	2002
Revenues	\$ 1,087,658
Cost of sales	(878,776)

Selling, general and administrative	(165,157)

Income from discontinued operations, pre-tax	\$ 43,725
	=====

4. STRATEGIC PARTNERSHIP FOR INSURANCE BUSINESS

In December 2002, the Company entered into a Strategic Partnership Agreement (the "Partnership Agreement"), effective January 2, 2003, with ClaimsNet, Inc. ("ClaimsNet"), a wholly-owned subsidiary of the CEI Group, Inc. ("CEI"), a Pennsylvania corporation, in which ClaimsNet assumed the responsibilities of operations and management of DriverShield CRM, the business that provided insurance carriers with collision repair management for their insureds. During 2003, the Company processed those claims that were initiated prior to the effective date, and ClaimsNet assumed responsibility for new repairs. The Company granted an exclusive license of its technology, including its website software, which enables insurance customers to access the vehicle claims management system via the Internet, and a non-transferable license of its network of repair facilities, as well as training of its processing methodologies, in order for ClaimsNet to fulfill its obligations under the Partnership Agreement. ClaimsNet agreed to pay royalties to the Company equivalent to 25% of vendor referral fees and 50% of administrative fees, as defined, on all existing customers, beginning in March and February 2003, respectively, and 15% of all administrative and vendor referral fees for all new customers that use the licensed technology to have their vehicles repaired. The term of the Partnership Agreement is for a five-year period, with a two-year renewal, unless terminated ninety days prior to the end of the then-current term.

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ACCESSITY CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED DECEMBER 31, 2003 AND 2002

4. STRATEGIC PARTNERSHIP FOR INSURANCE BUSINESS (CONTINUED)

Additionally, ClaimsNet has an option to purchase the business commencing on January 1, 2007 for a purchase price equal to the total royalties paid for the previous twenty-four months. Upon completion of those repairs that the Company processed during the first part of 2003, the Company is no longer directly responsible for auto repairs, but remains liable for automobile repair warranties provided. Historically, warranty costs have not been significant. Total royalties earned by the Company during 2003 amounted to \$162,693.

As of December 31, 2003, the net book value of the website development costs amounted to approximately \$104,000, and the Company has determined that such costs are not impaired due to the anticipated cash flows from the Partnership Agreement.

5. DISCONTINUED OPERATIONS OF AUTOMOBILE AFFINITY SERVICES BUSINESS AND SALE

TO RELATED PARTY

Upon approval of its board of directors, the Company negotiated a Stock Purchase Agreement ("the ADS Agreement"), effective August 1, 2003, for the sale of all of the outstanding shares of its wholly owned subsidiary, DriverShield ADS Corp. ("ADS") to an employee who is the president of this business. Under the terms of the ADS Agreement, the Company received a one-time fee of \$10,000 on September 30, 2003, plus it received reimbursement for its legal fees of approximately \$10,000 incurred for this sale. As a component of the transaction, the individual purchaser also agreed to forego all future rights to receive compensation and other benefits associated with his employment contract, which was to expire in December 2004, but terminated on July 31, 2003. All of the employee and related costs of the ADS business were borne by the purchaser as of the effective date, and the Company has no continuing management of, or responsibility for, the operations. The net liabilities of the business at the closing date, of approximately \$31,000, consisting of primarily accounts receivable and payable, were retained by the Company.

The purchaser of the ADS business is one of the four directors of the Company, and a significant shareholder.

The operating results of the affinity services business have been presented as discontinued operations in the accompanying financial statements. The Company recorded a net gain of \$10,000 on the transaction in the quarter ended September 30, 2003.

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ACCESSITY CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED DECEMBER 31, 2003 AND 2002

5. DISCONTINUED OPERATIONS OF AUTOMOBILE AFFINITY SERVICES BUSINESS AND SALE

 TO RELATED PARTY (CONTINUED)

Operating results during the periods ended December 31, 2003 and 2002, for the discontinued affinity services operations, through the date of its sale on August 1, 2003, were as follows:

	2003	2002
Revenues	\$ 419,417	\$ 1,123,436
Cost of sales, selling, general and administrative expenses	203,763	331,912
Income from discontinued affinity services subsidiary, pre-tax	\$ 215,654	\$ 791,524

6. INVESTMENTS

<TABLE><CAPTION>
 AT DECEMBER 31, 2003:

	COST	FAIR VALUE	UNREALIZED HOLDING (LOSS)
<S> Fixed income mutual funds	\$4,350,899	\$4,313,114	(\$ 37,785)

AT DECEMBER 31, 2002:

	COST	FAIR VALUE	UNREALIZED HOLDING GAIN
Fixed income mutual funds	\$1,984,759	\$1,985,362	\$ 603
Corporate debt securities	3,310,518	3,324,119	13,601
	\$5,295,277	\$5,309,481	\$ 14,204

</TABLE>

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ACCESSITY CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED DECEMBER 31, 2003 AND 2002

7. PROPERTY AND EQUIPMENT AND ASSET IMPAIRMENT

PROPERTY AND EQUIPMENT

	2003	2002
Machinery and equipment	\$ 500,090	\$ 630,564
Furniture and fixtures	35,594	142,769
Leasehold improvements	140,855	143,746
Website development costs	291,654	615,642
	968,193	1,532,721
Less accumulated depreciation and amortization	518,898	823,745
	\$ 449,295	\$ 708,976

During 2003 and 2002, the Company wrote off certain fully depreciated property and equipment aggregating \$586,899 and \$630,710.

IMPAIRMENT OF LONG-LIVED ASSETS

The Company reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to future forecasted net undiscounted cash flows expected to be generated by the asset. If such assets are determined to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the discounted cash flows or appraised values, depending upon the nature of the assets.

8. CAPITAL LEASE OBLIGATION

In August 2002, the Company entered into a lease agreement containing a bargain purchase option for computer equipment. Obligations under the capital lease have been recorded in the accompanying financial statements at the present value of future minimum lease payments, discounted at an interest rate of 12.96%. The remaining capital lease obligation of \$20,386 is payable during 2004 and presented as a current obligation in the financial statements at December 31, 2003.

ACCESSITY CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED DECEMBER 31, 2003 AND 2002

9. EARNINGS (LOSS) PER COMMON SHARE

Basic earnings (loss) per common share are computed by dividing the earnings (loss) by the weighted average number of common shares outstanding during the period. Diluted earnings (loss) per common share reflects the potential dilution that could occur if common stock equivalents, such as stock options and warrants, were exercised. The computation of diluted earnings (loss) per common share in 2003 and 2002 excludes the effect of the assumed exercise of approximately 517,000 and 920,000 stock options and warrants, and the assumed conversion of preferred stock that was outstanding as of December 31, 2003 and 2002 because the effect would be anti-dilutive.

Basic and diluted earnings (loss) per common share is calculated as follows:

	Income (Loss) (Numerator)	Shares (Denominator)	Per-Share Amount
2003 - Net Loss	(\$ 1,626,038)	2,195,519	(\$.74)
2002 - Net Income	\$ 1,247,954	2,180,062	\$.57

10. STOCK OPTIONS

VARIABLE-PRICED OPTIONS

In October 1999, the Company repriced certain options granted to employees and third parties, representing the right to purchase 440,000 shares of common stock. The grants gave the holders the right to purchase common stock at prices ranging from \$5.00 to \$6.20 per share. The options were repriced at prices ranging from \$3.75 to \$4.15 per share. At the date of the repricing, the new exercise price was equal to the fair market value of the shares (110% of the fair market value in the case of an affiliate). Pursuant to FASB Interpretation No. 44, the Company accounts for these modified option awards as variable from the date of the modification to the date the awards are exercised, forfeited, or expire unexercised. As of December 31, 2003, all of these options, except for 33,334, were either forfeited or expired. There was no charge or credit for the year ended December 31, 2003 as the price per share of common stock remained below the exercise price. For the year ended December 31, 2002, \$132,000 in non-cash compensation credits (income) were recorded, resulting from a decrease in the price per share.

ACCESSITY CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED DECEMBER 31, 2003 AND 2002

10. STOCK OPTIONS (CONTINUED)

NON-INCENTIVE STOCK OPTION AGREEMENTS

The Company has non-incentive stock option agreements with six of its directors and/or officers.

SUMMARY

Stock option transactions are summarized as follows:

<TABLE><CAPTION>

	Number of Shares	Exercise Price Range	Weighted Average Exercise Price
<S> Options outstanding, January 1, 2002	644,733	\$1.56 - \$18.75	\$4.40
Options granted	356,000	\$2.55 - \$ 9.00	\$7.15
Options canceled	(239,333)	\$1.56 - \$15.95	\$6.20
Options exercised	(46,067)	\$1.56 - \$ 3.75	\$2.80
Options outstanding, December 31, 2002	715,333	\$1.51 - \$18.75	\$5.35
Options granted	40,000	\$ 6.25	\$6.25

Options canceled	(293,000)	\$1.56 - \$18.75	\$5.37
Options exercised	(70,000)	\$1.56 - \$ 1.72	\$1.65
Options outstanding, December 31, 2003	392,333	\$1.56 - \$10.65	\$6.00
Options exercisable, December 31, 2002	384,666	\$1.56 - \$18.75	\$4.15
Options exercisable, December 31, 2003	219,000	\$1.56 - \$10.65	\$5.15

</TABLE>

The following table summarizes information about options outstanding and exercisable at December 31, 2003:

<TABLE><CAPTION>

		Options Outstanding			Options Exercisable	
Range of Exercise Prices	Number Outstanding	Weighted Average Remaining Contractual Life (Years)	Weighted Average Exercise Price	Number Exercisable	Weighted Average Exercise Price	
\$1.56 - \$ 5.00	111,666	2.00	\$3.26	108,333	\$3.24	
\$5.50 - \$ 7.45	167,667	3.49	\$6.42	71,000	\$6.38	
\$8.00 - \$10.65	113,000	3.03	\$8.07	39,667	\$8.20	
	392,333			219,000		

</TABLE>

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ACCESSITY CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED DECEMBER 31, 2003 AND 2002

11. COMMON STOCK AND STOCK WARRANTS

In July 2001, the Company issued 20,000 shares of its common stock to an individual in consideration of a consulting agreement covering a one-year period ending June 30, 2002. The Company recorded the cost of the services based on the price per share of its common stock at the date of their issuance, aggregating \$150,000, and amortized the cost over the term of the contract.

During 2001, the Company granted warrants to acquire 20,000 shares of its common stock at \$2.65 per share, and an additional 5,000 warrants to acquire 5,000 shares of its common stock at \$4.35 per share (the fair market values at the dates of the grants) in consideration for certain consulting services. The warrants expire in 2006. The Company recorded consulting expense in the amount of \$9,000, which was equal to the value of the services provided.

In December 1997, the Company raised \$2,330,813 through the private placement issuance of 116,250 units at \$20.05 per unit. Each unit included one warrant. In 2002, these warrants expired unexercised.

A \$10 million equity funding commitment, which provided the Company the option of drawing equity financing against an available line, expired in November 2001, and was unused during its twelve-month duration. The financing source was provided warrants to purchase 13,794 of the Company's common stock, at \$10.85 per share, in exchange for providing this line. In 2002, these warrants expired unexercised.

On June 27, 2002, the Company's Board of Directors authorized a common stock repurchase program whereby up to 100,000 shares of the Company's common stock may be purchased in open market transactions over the following 24 months. As of December 31, 2002, 18,645 shares had been repurchased under the program for amounts aggregating \$92,697.

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ACCESSITY CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED DECEMBER 31, 2003 AND 2002

12. PREFERRED STOCK AND PREFERRED STOCK PURCHASE RIGHTS

Pursuant to the Preferred Stock Purchase Agreement between the Company and PHH as part of its purchase of the fleet business in February 2002 (Note 3), PHH invested \$1.0 million to acquire 1,000 shares of the Company's Series A convertible preferred stock, par value of \$.01 per share (the "Preferred Shares"). The Preferred Shares can be converted, at the holder's discretion, into 100,000 shares of the Company's common stock (subject to adjustments for stock splits, recapitalization and

anti-dilution provisions). Other key terms of the Preferred Shares include voting rights, together with the common shareholders, on all matters, and separately on certain specified matters; a liquidation preference equal to 125% of their initial investment paid only in the event of dissolution of the Company; the nomination of one board member; certain pre-emptive rights and registration rights; and the approval of Preferred Shares for certain corporate actions. PHH has not exercised its right to nominate a board member.

On December 28, 1998, the Board of Directors authorized the issuance of up to 200,000 shares of non-redeemable Junior Participating Preferred Stock ("JPPS"). The JPPS shall rank junior to all other series of preferred stock (but senior to the common stock) with respect to payment of dividends and any other distributions. Among other rights, the holders of the JPPS shall be entitled to receive, when and if declared, quarterly dividends per share equal to the greater of (a) \$100 or (b) the sum of 1,000 (subject to adjustment) times the aggregate per share of all cash and non cash dividends (other than dividends payable in common stock of the Company and other defined distributions). Each share of JPPS shall entitle the holders to voting rights equal to 1,000 votes per share. The holders of JPPS shall vote together with the common stockholders. No shares of JPPS have been issued.

On December 28, 1998, the Board of Directors also adopted a Rights Agreement ("the Agreement"). Under the Agreement, each share of the Company's common stock carries with it one preferred share purchase right ("Rights"). The Rights themselves will at no time have voting power or pay dividends. The Rights become exercisable (1) when a person or group acquires 20% or more of the Company's common stock (10% in the case of an Adverse Person as defined) and an additional 1% or more in the case of acquisitions by any shareholder with beneficial ownership of 20% or more on the record date (10% in the case of an Adverse Person as defined) or (2) on the tenth business day after a person or group announces a tender offer to acquire 20% or more of the Company's common stock (10% in the case of an Adverse Person as defined). When exercisable, each Right entitles the holder to purchase 1/1000 of a share of the JPPS at an exercise price of \$137.50 per 1/1000 of a share, subject to adjustment.

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ACCESSITY CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED DECEMBER 31, 2003 AND 2002

13. EMPLOYEE BENEFIT PLAN

The Company has a 401(k) profit sharing plan for the benefit of all eligible employees as defined in the plan documents. The plan provides for voluntary employee salary contributions not to exceed the statutory limitation provided by the Internal Revenue Code. The Company may, at its discretion, match within prescribed limits, the contributions of the employees or, in certain circumstances, may make additional contributions in order to retain the tax exempt status of the plan. Employer contributions to the plan amounted to approximately \$11,000 in 2003 and \$14,000 in 2002.

14. COMMITMENTS AND CONTINGENCIES AND RELATED PARTY TRANSACTIONS

OPERATING LEASES

The Company's lease of office space that it formerly occupied in New York, and in its new headquarters in Florida, require minimum rentals as well as common area maintenance and other expenses including property insurance and real estate taxes. Until the lease terminated in June 2002, a portion of its New York premises was under a sublease agreement. Sublease income was approximately \$22,000 in 2002.

In May 2002, the Company signed a five and a half year lease to occupy a new 7,300 square foot building in Coral Springs, Florida. This property is owned and operated by B&B Lakeview Realty Corp., whose three shareholders, Barry Siegel, Barry Spiegel and Ken Friedman, are members of the Company's Board of Directors. The terms of the lease require net rental payments plus property insurance and real estate taxes. The lease term commenced in October 2002. The Company and the property owners each expended approximately \$140,000 to complete the interior space. In addition, during July 2002, the Company established a \$300,000 interest-bearing certificate of deposit with a Florida bank (the mortgage lender to B&B Lakeview Realty Corp.) as collateral for its future rental commitments. The certificate of deposit declines to \$200,000 after the 36th month, \$100,000 after the 48th month, and to zero after 60 months, as the balance of the rent commitment declines. During 2003, the Company paid rental costs of approximately \$127,000 to this related party, and accrued an additional \$20,000 as reimbursement for facility expenses paid by the related party. The Company has a security deposit of \$22,000 held by the related party.

Occupancy expense under the rental arrangements, including common area maintenance, property insurance and real estate taxes, was \$177,000 in 2003 and \$180,000 in 2002.

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ACCESSITY CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED DECEMBER 31, 2003 AND 2002

14. COMMITMENTS AND CONTINGENCIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

OPERATING LEASES (CONTINUED)

The Company's future minimum rental commitments payable to the related party are as follows:

2004	\$ 137,000
2005	146,000
2006	157,000
2007	168,000
Thereafter	44,000

	\$ 652,000
	=====

CAPITAL LEASE

The Company leases certain computer equipment with a lease term through 2004. Obligations under the capital lease have been recorded in the accompanying financial statements at the present value of future minimum lease payments. The capitalized cost included in property and equipment is \$82,719. Accumulated depreciation on the equipment at December 31, 2003 was \$16,544.

The future minimum lease payments under the capital lease are as follows:

December 31, 2004	\$ 21,750
Less amount representing interest and fees	1,364

Present value of future minimum lease payments	\$ 20,386
	=====

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ACCESSITY CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED DECEMBER 31, 2003 AND 2002

14. COMMITMENTS AND CONTINGENCIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

EMPLOYMENT CONTRACTS

At December 31, 2003, the Company has employment contracts with its two principal officers, which expire on December 31, 2004. The agreements provide minimum annual salaries of \$300,000 to the Chief Executive Officer ("CEO"), and \$155,000 to the Chief Financial Officer ("CFO"). The CEO's contract also specified a one-time bonus award of \$250,000 plus 50,000 additional stock options in recognition of the sale of the fleet business in February 2002. In connection with these employment contracts, 140,000 options were granted in February 2002. In addition, another subsidiary of the Company has an employment agreement with its President that commenced on September 3, 2002, and expires on December 31, 2004, providing a base salary of \$175,000 plus performance bonus, and he has been granted 50,000 stock options. During 2003, employment contracts with the Company's former President and another subsidiary President were terminated.

The CEO's employment contract provides that, in the event of termination of the employment within three years after a change in control of the Company, then the Company would be liable to pay a lump-sum severance payment of three years' salary (average of last five years), less \$100, in addition to the cash value of any outstanding but unexercised stock options. The other employment contracts of the principal officers provide that, in the event of termination of the employment of the officer within one year after a change in control of the Company, then the Company would be liable to pay a lump sum severance payment of one year's salary, as determined on the date of termination or the date on which a change in control occurs, whichever is greater. In no event would the maximum amount payable exceed the amount deductible by the Company under the provisions of the Internal Revenue Code.

LITIGATION

In January 2003, the Company was served with a complaint filed by Mr. Gerald Zutler, its former President and Chief Operating Officer, alleging, among other things, that the Company breached his employment contract, that there was fraudulent concealment of the Company's intention to terminate its employment agreement with Mr. Zutler, and discrimination on the basis of age and aiding and abetting violation of the New York State Human Rights Law. Mr. Zutler is seeking damages aggregating \$2.25 million, plus punitive damages and reasonable attorney's fees. Management believes that the Company properly terminated Mr. Zutler's employment for cause,

and intends to vigorously defend this suit. Answer to the complaint was served by the Company on February 28, 2003. In 2003, Mr. Zutler filed a motion to have our attorney removed from the case on the basis that he would call our attorney as a witness. The motion was granted by the court, but the Company has appealed that ruling and the action is stayed pending determination of the appeal. The Company has filed a claim with its insurance carrier under its directors and officers and employment practices' liability policy. The carrier has agreed to cover certain portions of the claim as they relate to Mr. Siegel. The policy has a \$50,000 deductible and a liability limit of \$3,000,000 per policy year. At the present time, the carrier has agreed to cover the portion of the claim that relates to Mr. Siegel and has agreed to a fifty percent allocation of expenses.

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ACCESSITY CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED DECEMBER 31, 2003 AND 2002

14. COMMITMENTS AND CONTINGENCIES AND RELATED PARTY TRANSACTIONS (CONTINUED)

LITIGATION (CONTINUED)

Therefore, the Company must incur \$100,000 of legal expenses to satisfy the policy deductible before the carrier commences reimbursing the Company for fifty percent of the legal defense and/or any possible recovery in favor of the plaintiff.

The Company filed a Demand for Arbitration against Presidion Solutions, Inc., ("Presidion"), alleging that Presidion breached the terms of the Memorandum of Understanding (the "Memorandum") between the Company and Presidion, dated January 17, 2003. The Company is seeking a break-up fee of \$250,000 pursuant to the terms of the Memorandum, alleging that Presidion breached the Memorandum by wrongfully terminating the Memorandum. Additionally, the Company is seeking its out-of-pocket costs of due diligence, amounting to approximately \$37,000. Presidion has filed a counterclaim against the Company, alleging that the Company had breached the Memorandum and, therefore, owes Presidion a break-up fee of \$250,000. The Company believes that the claim alleged by Presidion is without merit. The case was heard before the American Arbitration Association in Broward County, Florida in late February 2004. A decision is expected during the second quarter of 2004.

No provision for any loss has been made with respect to either of the above matters.

In addition, the Company has filed a lawsuit seeking damages in excess of \$100,000,000 as a result of discovery conducted in connection with the Presidion matter described above, against Presidion's investment bankers, Mercator Group, LLC and related parties ("Mercator") and Taurus Global LLC ("Taurus"), ("the defendants"), alleging that these parties tortiously interfered in the transaction between the Company and Presidion. Mercator has made a motion to dismiss this action with a hearing pending some time in the future. The Company has obtained a default judgment against Taurus and intends to enforce this judgment. The final outcome of the Mercator action will most likely take an indefinite time to resolve. The Company currently has limited information regarding the financial condition of the defendants and the extent of their insurance coverage. Therefore, it is possible that the Company may prevail but may not be able to collect the judgment.

15. CLOSURE OF NEW YORK OFFICE

In conjunction with relocating its office within New York, and then to Florida during the fourth quarter of 2002, the Company incurred an aggregate expense of \$386,000, including \$216,000 relating to one-time employee termination benefits, and the remainder for relocation expenses. Such amounts are included in general and administrative expenses in the consolidated statement of operations.

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ACCESSITY CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED DECEMBER 31, 2003 AND 2002

16. SEGMENT INFORMATION

The Company currently reports two segments, medical and automotive. As described in Note 4, however, the Company participates in the automotive segment only through a profit-sharing arrangement; it no longer operates, or has liability for, the current activities of the automotive segment, which is under the managerial autonomy of ClaimsNet pursuant to its contractual arrangement with the Company. The Company manages these segments separately since each services different markets and users.

All of the Company's revenues are derived from customers within the continental United States. Segment information as of and for the years ended December 31, 2003 and 2002, follows:

	2003	2002
	-----	-----
Revenue:		
Automotive	\$ 280,000	\$ 2,895,000
Medical	378,000	--
	-----	-----
Consolidated total	\$ 658,000	\$ 2,895,000
	=====	=====
Segment profit (loss):		
Automotive	\$ 8,000	(\$ 760,000)
Medical	(195,000)	(182,000)
Other, corporate	(1,665,000)	(2,804,000)
	-----	-----
Consolidated total	(\$ 1,852,000)	(\$ 3,746,000)
	=====	=====

Segment profit (loss) is from continuing operations before provision for income taxes (benefit).

Identifiable assets:		
Automotive	\$ 130,000	\$ 303,000
Medical	145,000	3,000
Other, corporate	5,207,000	7,463,000
	-----	-----
Consolidated total	\$ 5,482,000	\$ 7,769,000
	=====	=====

The Company does not allocate taxes, investment and other income, interest expense, or general and administrative expenses to its individual segments. The segment profit (loss) shown above reflects those costs that are directly and specifically identifiable with the operating activities of the segment.

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ACCESSITY CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED DECEMBER 31, 2003 AND 2002

16. SEGMENT INFORMATION (CONTINUED)

	2003	2002
	-----	-----
Capital expenditures::		
Automotive	\$ --	\$ 114,000
Medical	17,000	--
Other, corporate	23,000	382,000
	-----	-----
Consolidated total	\$ 40,000	\$ 496,000
	=====	=====
Depreciation and amortization:		
Automotive	\$ 155,000	\$ 201,000
Medical	2,000	--
Other, corporate	142,000	200,000
	-----	-----
Consolidated total	\$ 299,000	\$ 401,000
	=====	=====

17. INCOME TAXES

The Company accounts for income taxes according to the provisions of Statement of Financial Accounting Standards (SFAS) 109, "Accounting for Income Taxes". Under the liability method specified by SFAS 109, deferred tax assets and liabilities are determined based on the difference between the financial statement and tax bases of assets and liabilities as measured by the enacted tax rates which will be in effect when these differences reverse.

At December 31, 2003 and 2002, the Company has a net operating loss carryforward of approximately \$3,600,000 and \$2,000,000. At December 31, 2003 and 2002, the Company has provided a valuation allowance for the full amount of its deferred tax asset since it is more likely than not that the Company will not realize the benefit.

At December 31, 2003, the Company's net operating loss carryforwards are scheduled to expire as follows:

Year ended December 31,	
2018	\$ 642,000
2019	946,000
2021	439,000
2023	1,573,000

	\$3,600,000

ACCESSITY CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED DECEMBER 31, 2003 AND 2002

17. INCOME TAXES (CONTINUED)

Income tax expense (benefit) was allocated as follows:

	2003	2002
Loss from continuing operations	\$ --	(\$ 2,276,619)
Income from discontinued operations	--	4,200,249
Income tax expense	\$ --	\$ 1,923,630

Income tax expense (benefit) from continuing operations was comprised of the following:

	2003	2002
Current tax expense, state and local	\$ --	\$ 23,630
Deferred benefit:		
Federal	--	(1,955,211)
State and local	--	(345,038)
	--	(2,300,249)
Income tax (benefit)	\$ --	(\$ 2,276,619)

A reconciliation of U.S. statutory federal income tax expense (benefit) to income tax expense (benefit) on earnings (loss) from continuing operations is as follows:

<TABLE><CAPTION>

	2003		2002	
	AMOUNT	%	Amount	%
<S> Expected tax (benefit) at U.S. statutory rate	(\$ 629,575)	(34.0%)	(\$ 1,273,651)	(34.0%)
State taxes, net of Federal effect	--	--	6,471	.2
Intraperiod allocation to adjust effective tax rate	--	--	(1,009,439)	(26.9)
Operating losses generating no current tax benefit	629,575	34.0	--	--
Income tax expense (benefit)	\$ --	--	(\$ 2,276,619)	(60.7%)

</TABLE>

ACCESSITY CORP. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)

YEARS ENDED DECEMBER 31, 2003 AND 2002

17. INCOME TAXES (CONTINUED)

Deferred tax assets and liabilities consist of the following:

	2003	2002
Deferred tax assets:		
Net operating loss carryforwards	\$ 1,350,000	\$ 750,000
Deferred compensation	--	40,000
Other	10,000	--
	1,360,000	790,000
Deferred tax liability, other	--	(20,000)
	1,360,000	770,000
Valuation allowance	(1,360,000)	(770,000)

- 10.1 Stock Purchase Agreement dated October 29, 2001 by and among PHH Vehicle Management Services, LLC, and driversshield.com Corp., and driversshield.com FS Corp incorporate by reference as Exhibit 10.1 to the Form 10-QSB for the period ended September 30, 2002.
- 10.2 Employment Agreement between the Company and Barry Siegel dated February 4, 2002 previously filed with the Commission and incorporated by reference hereto.
- 10.3 Employment Agreement between the Company and Barry J. Spiegel dated February 4, 2002 previously filed with the Commission and incorporated by reference hereto.
- 10.4 Employment Agreement between the Company and Philip Kart dated February 4, 2002 previously filed with the Commission and incorporated by reference hereto.
- 10.5 Employment Agreement between the Company and John M. McIntyre dated July 15, 2002 previously filed with the Commission and incorporated by reference hereto.
- 10.6 First Amendment to the Employment Agreement between the Company and Philip Kart dated November 15, 2002 previously filed with the Commission and incorporated by reference hereto.
- 10.7 Amended 1995 Incentive Stock Plan of Accessity Corp. previously filed with the Commission and incorporated by reference hereto.
- 10.8 Strategic Partnership Agreement by and among DriverShield CRM Corp., Accessity Corp., f/k/a DriverShield Corp. and ClaimsNet, Inc., dated December 17, 2002 previously filed with the Commission and incorporated by reference hereto.
- 10.9 Employment Agreement between Sentaur Corp., f/k/a DRVR Corp. and Steven T. DeLisi dated June 18, 2002 previously filed with the Commission and incorporated by reference hereto.
- 10.10 Lease Agreement dated May 28, 2002 between the Company and B & B Lakeview Realty Corp. previously filed with the Commission and incorporated by reference hereto.
- 10.11 First Amendment to the Lease Agreement dated July 10, 2002 between the Company and B & B Lakeview Realty Corp. previously filed with the Commission and incorporated by reference hereto.
- 10.12 Stock Purchase Agreement dated as of August 1, 2003 by and among American Member Corp. and Accessity Corp. previously filed as Exhibit 10.1 with the Company's Form 10-QSB for the period ended September 30, 2003 and incorporated by reference hereto.
- 10.13 Employment Termination Agreement dated August 1, 2003 by and between Accessity Corp., f/k/a driversshield.com Corp. and Barry J. Spiegel previously filed as Exhibit 10.2 with the Company's Form 10-QSB for the period ended September 30, 2003 and incorporated by reference hereto.
- 10.14 Web Site Linking Agreement dated August 1, 2003 by and among Accessity Corp., American Member Corp. and DriverShield ADS Corp. previously filed as Exhibit 10.3 with the Company's Form 10-QSB for the period ended September 30, 2003 and incorporated by reference hereto.
- 13.1 Form 10-QSB for the quarter ending March 31, 2003 incorporated by reference hereto and previously filed with the Commission.
- 13.2 Form 10-QSB for the quarter ending June 30, 2003 incorporated by reference hereto and previously filed with the Commission.
- 13.3 Form 10-QSB for the quarter ending September 30, 2003 incorporated by reference hereto and previously filed with the Commission.
- 14.1 Code of Ethics filed herein.
- 21 List of subsidiaries filed herein.
- 31.1 Certification of Barry Siegel, Chief Executive Officer, pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
- 31.2 Certification of Philip Kart, Chief Financial Officer, pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
- 32.1 Certification of Barry Siegel, Chief Executive Officer, pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
- 32.2 Certification of Philip Kart, Chief Financial Officer, pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

ACCESSITY CORP.
CODE OF BUSINESS CONDUCT AND ETHICS
FOR
SENIOR CORPORATE OFFICERS
(EFFECTIVE MARCH 29, 2004)

Introduction

This Code of Ethics (the "Code") embodies the commitment of Accessity Corp. and our subsidiaries to conduct our business in accordance with all applicable laws, rules and regulations and the highest ethical standards. All of our officers who hold the positions of Chief Executive Officer, Chief Financial Officer, Chief Accounting Officer and Controller ("Covered Parties") are expected to adhere to the principles and procedures set forth in this Code. For purposes of Section 406 of the Sarbanes-Oxley Act of 2002 and the rules promulgated thereunder, sections A, B, C, D, E, F, G, H and I of this Code shall be our code of ethics for our principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions. This Code is separate and apart from, and in addition to, any other policies our company may have in effect, from time to time, relating to our employees, officers and Board of Directors.

A. Code Compliance and Reporting

The Covered Parties should strive to identify and raise potential issues before they lead to problems, and should ask about the application of this Code whenever in doubt. Any Covered Party who becomes aware of any existing or potential violation of this Code should promptly notify the Audit Committee of our Board of Directors or, if we do not have an Audit Committee, each member of our Board of Directors (see Exhibit A attached hereto for contact information) (we refer to such contacts as the "Appropriate Ethics Contact"). We will take such disciplinary or preventive action as we deem appropriate to address any existing or potential violation of this Code brought to our attention. Any questions relating to how these policies should be interpreted or applied should be addressed to the Appropriate Ethics Contact.

B. Personal Conflicts of Interest and Related Party Transactions

A "personal conflict of interest" occurs when an individual's private interest improperly interferes with the interests of the company. Personal conflicts of interest, whether actual or apparent, are prohibited as a matter of company policy, unless they have been approved or waived by the company. In particular, a Covered Party must never use or attempt to use his or her position at the company to obtain any improper personal benefit for himself or herself, for his or her family members, or for any other person, including loans or guarantees of obligations, from any person or entity, use of corporate property, information or opportunity. Service to the company should never be subordinated to personal gain and advantage. Conflicts of interest, whether actual or apparent, should, to the extent possible, be avoided.

To ensure good faith negotiation, fair dealing and stockholder value, the company has adopted a policy relating to related party transactions. To this end, any and all transactions contemplated to be entered into between the company and any Related Person, Related Entity or Family Member (each as defined below) must be on terms that are commercially reasonable and no less favorable to the company as the company could obtain from unrelated third parties and such terms must be approved by a majority of the disinterested members of the Board of Directors. For purposes of this policy, the term (i) "Related Person" shall mean any officer, director or holder of more than 5% of the outstanding voting stock of the company or any subsidiary thereof, (ii) "Related Entity" shall mean any corporation, partnership, limited liability company, association or other entity in which a Related Person is an officer, director, manager or holder of more than 5% of the outstanding voting interests thereof, and (iii) "Family Member" shall mean the Related Person's spouse, any other natural person who is related to the Related Person or his or her spouse to the second degree and any other natural person who resides with the Related Person.

Any Covered Party who is aware of a material transaction or relationship that could reasonably be expected to give rise to a conflict of interest or any

related party transaction should discuss the matter promptly with the Appropriate Ethics Contact.

C. Public Disclosure, Confidentiality and Dissemination of Information

It is company policy that the information in our public communications, including our filings made with the United States Securities and Exchange Commission, and/or included on our website, be full, fair, accurate, timely and understandable. All Covered Parties who are involved in the company's disclosure process are responsible for acting in furtherance of this policy. In particular, these individuals are required to maintain familiarity with the disclosure requirements applicable to the company and are prohibited from knowingly misrepresenting, omitting, or causing others to misrepresent or omit, material facts about the company to others, whether within or outside the company, including the company's independent auditors.

It is also company policy that all Covered Parties must maintain, as a condition to their employment, the confidentiality of confidential information entrusted to them by the company or its suppliers and customers, except when disclosure is explicitly authorized or required by laws or regulations or approved by our Board of

Directors. Confidential information includes all non-public information that might be of use to competitors, or harmful to the company or its customers, if disclosed. It also includes information that suppliers and customers have entrusted to us. The obligation to preserve confidential information continues even after employment ends.

It is very important that the information disseminated about the company be both accurate, consistent and appropriate within the regulatory framework in which the company must operate. For this reason, the company has instituted a policy which requires all dissemination of non-public information relating to the company be approved by the Company's Board of Directors. The Board of Directors approval process for the dissemination of information in each instance will include the following determinations: the circumstance giving rise to the need or desirability to disseminate information, who will be authorized to disseminate the information, whether any conditions, limitations or restrictions will be placed on the recipient of the non-public information, and what information may be disseminated. Additionally, the dissemination of any information (public or non-public) in extraordinary/non-routine transactions and situations must be authorized by the Board of Directors, and the same standards and procedure relating to the dissemination of non-public information will apply. Examples of such extraordinary/non-routine transaction or situations include, among other things, capital raising transactions (issuances of common stock, convertible or non-convertible preferred stock, warrants and other equity securities, convertible or non-convertible debt, lines of credit and any combination thereof), mergers, acquisitions and sales or dispositions of material assets or equity in subsidiaries or other companies, discussions with analysts and/or public and private securities offerings or sales by the Company or its security-holders.

D. Compliance with Laws, Rules and Regulations

It is company policy to comply with all applicable laws, rules and regulations. It is the personal responsibility of each Covered Party to adhere to the standards and restrictions imposed by those laws, rules and regulations. If a Covered Party is not aware or familiar with the laws, rules or regulations that apply specifically to our business, they must request that the Appropriate Ethics Contact provide such information.

Generally, it is both illegal and against company policy for any Covered Party who is aware of material nonpublic information relating to the company, any of the company's clients or any other private or governmental issuer of securities to buy or sell any securities of those issuers, or recommend that another person buy, sell or hold the securities of those issuers.

More detailed rules governing the trading of securities by a Covered Party are contained in our Insider Trading Policy. Any Covered Party who is uncertain about the legal rules involving his or her purchase or sale of any company securities or any securities in issuers that he or she is familiar with by virtue of his or her work for the company should consult with the Appropriate Ethics Contacts before making any such purchase or sale.

E. Protection and Proper Use of Company Assets

All Covered Parties should endeavor to protect the company's assets and ensure their efficient use. Theft, carelessness, and waste have a direct impact on the company's profitability. Any suspected incident of fraud or theft should be immediately reported for investigation. Company equipment should not be used for non-company business, though incidental personal use may be permitted.

The obligation of a Covered Party to protect the company's assets includes its proprietary information. Proprietary information includes intellectual property such as trade secrets, patents, trademarks, and copyrights, as well as business, marketing and service plans, engineering, manufacturing ideas, designs, databases, records, salary information and any unpublished financial data and reports. Unauthorized use or distribution of this information would violate company policy. It could also be illegal and result in civil or even criminal penalties.

F. Reporting any Illegal or Unethical Behavior

Each Covered Party is encouraged to talk to the Appropriate Ethics Contact about illegal or unethical behavior and when in doubt about the best course of action in a particular situation. It is the policy of the company not to allow retaliation for reports of misconduct by others made in good faith by a Covered Party. Covered Parties are expected to cooperate in internal investigations of misconduct, a failure of which may be deemed grounds for termination or suspension of employment.

G. Compliance Procedures

We must all work to ensure prompt and consistent action against violations of this Code. However, in some situations it is difficult to know right from wrong. Since we cannot anticipate every situation that will arise, it is important that we have a way to approach a new question or problem. These are the steps to keep in mind:

- o Make sure you have all the facts. In order to reach the right solutions, we must be as fully informed as possible.
- o Ask yourself: What specifically am I being asked to do? Does it seem unethical or improper? This will enable you to focus on the specific question you are faced with and the alternatives you have. Use your judgment and common sense; if something seems unethical or improper, it probably is.
- o Clarify your responsibility and role. In most situations, there is shared responsibility. Are your colleagues informed? It may help to get others

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- o involved and discuss the problem.
- o Discuss the problem with the Audit Committee, or if there is no Audit Committee, the Board of Directors. This is the basic guidance for all situations.
- o You may report ethical violations in confidence and without fear of retaliation. If your situation requires that your identity be kept secret, your anonymity will be protected. As stated earlier, the company does not permit retaliation of any kind against employees for good faith reports of ethical violations.
- o Always ask first, act later: If you are unsure of what to do in any situation, seek guidance before you act.

H. Special Ethics Obligations For Employees and Officers with Financial Reporting Obligations

Financial and Accounting Officers and Managers hold an important and elevated role in corporate governance. As a result of this elevated role, Financial and Accounting Officers and Managers are vested with both the responsibility and authority to protect, balance, and preserve the interests of all of the company's stakeholders, including shareholders, clients, employees, suppliers, and citizens of the communities in which our business is conducted. Financial and Accounting Officers and Managers fulfill this responsibility by prescribing and enforcing the policies and procedures employed in the operation of the company's financial organization, and by demonstrating the following:

Financial and Accounting Officers and Managers will exhibit and promote the highest standards of honest and ethical conduct through the establishment and operation of policies and procedures that:

- o Encourage professional integrity in all aspects of the financial organization, by eliminating inhibitions and barriers to responsible behavior, such as coercion, fear of reprisal, or alienation from the financial organization or the enterprise itself.
- o Prohibit and eliminate the occurrence of conflicts between what is in the best interest of the enterprise and what could result in material personal gain for a member of the financial organization, including Financial and Accounting Officers and Managers.
- o Provide a mechanism for members of the finance organization to inform the Audit Committee, or if there is no Audit Committee, the Board of Directors, of deviations in practice from policies and procedures governing honest and ethical behavior.

Financial and Accounting Officers and Managers will establish and manage the enterprise transaction and reporting systems and procedures to ensure that:

- o Business transactions, expenses, and requests for reimbursement of expenses are properly authorized, and to the extent required, completely and accurately recorded on the company's books and records in accordance with Generally Accepted Accounting Principles (GAAP) and established company financial policy.
- o The retention or proper disposal of company records shall be in accordance with applicable legal and regulatory requirements.
- o Periodic financial communications and reports will be delivered in a manner that facilitates a high degree of clarity of content and meaning so that readers and users can determine their significant and consequence.

I. Amendment, Modification and Waiver

This Code may be amended or modified by our Board of Directors. Waivers of this Code may only be granted by the Audit Committee, or if we do not have an Audit Committee, our Board of Directors. Waivers will be disclosed as required by the Securities Exchange Act of 1934, as amended, and the rules promulgated thereunder and any applicable rules relating to the maintenance of the listing of our securities on any stock exchange.

EXHIBIT A

Appropriate Ethics Contact

Accessity Corp. Audit Committee(1)
c/o Accessity Corp.
12514 West Atlantic Boulevard
Coral Springs, FL 33071

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(1) If there is no Audit Committee, communications addressed to the Audit Committee will be given to each member of the Company's Board of Directors.

LIST OF SUBSIDIARIES

Name of Subsidiary

State of Incorporation

DriverShield CRM Corp.

Delaware

Sentaur Corp.

Florida

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002
PURSUANT TO REGULATION SS.240.15D-14 AS PROMULGATED
BY THE SECURITIES AND EXCHANGE COMMISSION

In connection with the Annual Report of Accessity Corp. (the "Company") on Form 10-KSB for the period ended December 31, 2003, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Barry Siegel, Chairman of the Board, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 pursuant to Regulation ss.240.15d-14 as promulgated by the Securities and Exchange Commission, that:

- (1) I have reviewed the Report being filed;
- (2) Based on my knowledge, the Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by the Report;
- (3) Based on my knowledge, the financial statements, and other financial information included in the Report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in the Report;
- (4) The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:
 - (i) Designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which the Report is being prepared;
 - (ii) Evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of the Report ("Evaluation Date"); and
 - (iii) Presented in the Report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;
- (5) I and the other certifying officers have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of the board of directors (or persons fulfilling the equivalent function):
 - (i) All significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and Report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and
 - (ii) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and
- (6) The registrant's other certifying officers and I have indicated in the report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

By /s/ Barry Siegel

Barry Siegel

Chairman of the Board, President and
Chief Executive Officer

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002
PURSUANT TO REGULATION SS.240.15D-14 AS PROMULGATED
BY THE SECURITIES AND EXCHANGE COMMISSION

In connection with the Annual Report of Accessity Corp. (the "Company") on Form 10-KSB for the period ended December 31, 2003, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Philip Kart, Senior Vice President, Secretary, Treasurer and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 pursuant to Regulation ss.240.15d-14 as promulgated by the Securities and Exchange Commission, that:

- (1) I have reviewed the Report being filed;
- (2) Based on my knowledge, the Report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by the Report;
- (3) Based on my knowledge, the financial statements, and other financial information included in the Report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in the Report;
- (4) The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and have:
 - (i) Designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which the Report is being prepared;
 - (ii) Evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of the Report ("Evaluation Date"); and
 - (iii) Presented in the Report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;
- (5) I and the other certifying officers have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of the board of directors (or persons fulfilling the equivalent function):
 - (i) All significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal controls; and
 - (ii) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and
- (6) The registrant's other certifying officers and I have indicated in the Report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

By /s/ Philip Kart

Philip Kart
Senior Vice President, Secretary,
Treasurer and Chief Financial Officer

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Accessity Corp. (the "Company") on Form 10K for the period ended December 31, 2003, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Barry Siegel, Chairman of the Board, Secretary and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report containing the financial statements for the Company fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects the financial condition and results of operations of the Company.

By /s/ Barry Siegel

Barry Siegel
Chairman of the Board, President and
Chief Executive Officer

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Accessity Corp. (the "Company") on Form 10-KSB for the period ended December 31, 2003, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Philip Kart, Senior Vice President, Secretary and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report containing the financial statements for the Company fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects the financial condition and results of operations of the Company.

By /s/ Philip Kart

Philip Kart
Senior Vice President, Secretary and
Chief Financial Officer