

NOTICE TO INVESTORS

Under Regulation D: (1) The securities may be sold only to accredited investors, which for natural persons, are investors who meet certain minimum annual income or net worth thresholds; (2) The securities are being offered in reliance on an exemption from the registration requirements of the Securities Act and are not required to comply with specific disclosure requirements that apply to registration under the Securities Act; (3) The Commission has not passed upon the merits of or given its approval to the securities, the terms of the offering, or the accuracy or completeness of any offering materials; (4) The securities are subject to legal restrictions on transfer and resale and investors should not assume they will be able to resell their securities; and (5) Investing in securities involves risk, and investors should be able to bear the loss of their investment.

**CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM  
FOR ACCREDITED INVESTORS  
PREFERRED STOCK OFFERING**

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**GALLMAN INVESTMENT GROUP, INC.**

A South Carolina Corporation

311 Stanza Hill Rd.

Prosperity, SC 29127

[terrence@giggroupinc.com](mailto:terrence@giggroupinc.com)

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***5,400,000 Preferred Shares at \$5.56 per Share***

***Maximum Offering Amount – \$30,024,000***

***Minimum Subscription Amount per Investor: \$50,000***

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Gallman Investment Group, Inc., a South Carolina corporation, formed on August 08, 2008 (hereafter GIG or the “Company”) is conducting a Private Offering of up to 5,400,000 of its preferred stock (the “Shares”).

This Private Placement Memorandum (the “Memorandum”) relates to the offer (the “Offering”) of 5,400,000 of the Company’s Shares. The minimum investment amount is \$50,000.00, and a maximum Offering is \$30,024,000.00. *See Terms of the Placement.*

The Offering will terminate upon the earlier of: (i) the completion of the sale of all the Shares; (ii) August 1, 2024. The offering may be closed from time to time, in tranches of any number of Shares (collectively the “Closing”).

THE INVESTOR MAY LOSE HIS/HER PRINCIPAL AND INTEREST. THE PRINCIPAL INVESTMENT IN THIS OFFERING IS NOT PROTECTED. THE PURCHASE OF THESE SHARES INVOLVES RISK, AND THE INFORMATION PROVIDED IN THIS PRIVATE PLACEMENT MEMORANDUM REGARDING THE OFFERING PRIOR TO MAKING AN INVESTMENT. SHARES OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 (THE “SECURITIES ACT,”) AS AMENDED, OR APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION (THE “SEC,”) NOR HAS THE SEC PASSED UPON THE ACCURACY OR ADEQUACY OF THIS MEMORANDUM OR THE MERITS OF THIS

OFFERING, NOR IS IT INTENDED THAT THEY WILL ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

AN INVESTMENT IN THE SECURITIES OFFERED HEREBY IS SPECULATIVE AND INVOLVES A HIGH DEGREE OF RISK. *SEE RISK FACTORS*. THESE SECURITIES ARE NOT INSURED BY FDIC OR ANY OTHER AGENCY, AND ARE SUBJECT TO INVESTMENT RISK, INCLUDING THE POSSIBLE LOSS OF PRINCIPLE.

THE CLOSING OF THIS OFFERING SHALL TAKE PLACE AS DETERMINED BY THE COMPANY. THERE IS A MINIMUM SUBSCRIPTION. THE COMPANY MAY ELECT TO HOLD MORE THAN ONE CLOSING. THE FINAL CLOSING IS EXPECTED TO BE HELD ON OR BEFORE AUGUST 1, 2024, UNLESS THE COMPANY ELECTS TO EXTEND THE PERIOD DURING WHICH SHARES WILL BE OFFERED (THE "OFFERING PERIOD") BUT IN NO EVENT LATER THAN AUGUST 1, 2025.

THESE ARE SPECULATIVE SECURITIES WHICH INVOLVE A HIGH DEGREE OF RISK. ONLY THOSE INVESTORS WHO CAN BEAR THE LOSS OF THEIR ENTIRE INVESTMENT SHOULD INVEST IN THESE SHARES.

The Company may elect to engage one or more FINRA member firms (the "Placement Agents"), as placement agents for this Offering, in which event the Placement Agents will also conduct the Offering on a "best efforts" basis, and the Company would expect in such case to pay estimated total commissions based on a percentage of the purchase price of Shares acquired by Investors.

This Memorandum has been prepared in connection with a private offering to accredited investors of the Shares. Each investor will be required to execute a subscription agreement to effect its investment in the Shares. This Memorandum contains a summary of the Shares and certain other documents referred to herein. However, the summaries in this Memorandum do not purport to be complete and are subject to and qualified in their entirety by reference to the actual text of the relevant document, copies of which are attached here or will be provided to each prospective Investor upon request. Each prospective Investor should review this Memorandum and such other documents for complete information concerning the rights, privileges and obligations of investors in the Shares. If any of the terms, conditions or other provisions of the other documents are inconsistent with or contrary to the descriptions or terms in this Memorandum, such other documents shall control. The Company reserves the right to modify the terms of the Offering and the Shares described in this Memorandum, and any subscription is subject to the Company's ability to reject any commitment in whole or in part.

The Shares as described in this Memorandum are subject to restrictions on transferability and resale and may not be transferred or resold except as described herein. Investors should be aware that they will be required to bear the financial risks of this investment for an indefinite period of time. An investment in the Shares involves a high degree of risk, volatility, and illiquidity. A prospective Investor should thoroughly review the confidential information contained herein and the terms of the Shares, and carefully consider whether an investment in the Shares is suitable to the Investor's financial situation and goals. No person has been authorized to make any statement concerning the Company or the sale of the Shares discussed herein other than as set forth in this Memorandum, and any such statements, if made, must not be relied upon.

Investors should make their own investigations and evaluations of the Shares, including the merits and risks involved in an investment therein. Prior to any investment, the Company will give Investors the opportunity to ask questions of and receive answers and additional information from it concerning the terms and conditions of this Offering and other relevant matters to the extent the Company possesses the same or can acquire it without unreasonable effort or expense. Investors should inform themselves as to the legal requirements applicable to them in respect of the acquisition, holding and disposition of the Shares, and as to the income and other tax consequences to them of such acquisition, holding and disposition.

This Memorandum does not constitute an offer to sell, or a solicitation of an offer to buy, an interest in any jurisdiction in which it is unlawful to make such an offer or solicitation. Neither the United States Securities and Exchange Commission nor any other federal, state, or foreign regulatory authority has approved an investment in the Shares. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this Memorandum, nor is it intended that the foregoing authorities will do so. Any representation to the contrary is a criminal offense.

Investments in the Shares are denominated in United States dollars (\$) and Investors may tender United States dollars in exchange for the Shares. Such currencies are subject to any fluctuation in the rate of exchange and, in the case of digital assets, the exchange valuations. Such fluctuations may have an adverse effect on the value, price, or income of an Investor's investment. Each recipient hereof acknowledges and agrees that (i) the contents of this Memorandum constitute proprietary and confidential information, (ii) the Company and its affiliates derive independent economic value from such confidential information not being generally known, and (iii) such confidential information is the subject of reasonable efforts to maintain its secrecy. The recipient further agrees that the contents of this Memorandum are a trade secret, the disclosure of which is likely to cause substantial and irreparable competitive harm to the Company. Any reproduction or distribution of this Memorandum, in whole or in part, or the disclosure of its contents, without the prior written consent of the Company, is prohibited. Each person who has received this Memorandum is deemed to agree to return this Memorandum to the Company upon request. The existence and nature of all conversations regarding the Company and this offering must be kept confidential. This Memorandum may not be reproduced or circulated to any persons other than those selected by the Company and its sales agents, with the exception that such recipients may show it to their professional advisors. Investors should make their own investigations and evaluations of the Shares, including the merits and risks involved in an investment therein. Prior to any investment, the Company will give Investors the opportunity to ask questions of and receive answers and additional information from it concerning the terms and conditions of this Offering and other relevant matters to the extent the Company possesses the same or can acquire it without unreasonable effort or expense. Investors should inform themselves as to the legal requirements applicable to them in respect of the acquisition, holding and disposition of the Shares, and as to the income and other tax consequences to them of such acquisition, holding and disposition.

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AN INVESTMENT IN A SHARES INVOLVES A HIGH DEGREE OF RISK. IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF US AND THE TERMS OF THE

OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. YOU SHOULD ONLY INVEST IN OUR SHARES IF YOU CAN AFFORD A COMPLETE LOSS OF YOUR INVESTMENT. YOU SHOULD READ THE COMPLETE DISCUSSION OF THE RISK FACTORS OF THIS MEMORANDUM.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR PASSED UPON THE ADEQUACY OR ACCURACY OF THIS MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. SEE "CERTAIN NOTICES UNDER STATE SECURITIES LAWS."

THE SECURITIES OFFERED HEREBY ARE SPECULATIVE AND INVOLVE A HIGH DEGREE OF RISK. NO INVESTMENT IN THE SECURITIES SHOULD BE MADE BY ANY INVESTOR NOT FINANCIALLY ABLE TO LOSE THE ENTIRE AMOUNT OF ITS INVESTMENT. RISK DISCLOSURE STATEMENT

THE ATTORNEYS THAT PREPARED THESE OFFERING DOCUMENTS ("ATTORNEYS") HEREBY DISCLAIM ANY OPINION OR ASSURANCE OF ANY NATURE WHATSOEVER REGARDING THE ACCURACY, COMPLETENESS, REASONABLENESS, TIMELINESS OR VERACITY OF ANY OF THE ASSERTIONS, REPRESENTATIONS OR OTHER INFORMATION CONTAINED HEREIN, WHETHER QUALITATIVE OR QUANTITATIVE, OR REGARDING THE INVESTMENT- WORTHINESS OF THE SECURITIES DISCUSSED HEREIN ("SECURITIES"). ANY ASSERTION OR REPRESENTATION MADE HEREIN, AND ALL OTHER INFORMATION DISCLOSED HEREIN, WHETHER QUALITATIVE OR QUANTITATIVE, HAS BEEN MADE OR PROVIDED BY THE COMPANY. IN CONNECTION WITH THE PREPARATION OF THESE CONFIDENTIAL OFFERING DOCUMENTS, THE ATTORNEYS HAVE NOT BEEN ENGAGED TO ATTEST HERETO, OR TO OPINE IN RESPECT HEREOF. ACCORDINGLY, THE ATTORNEYS HAVE NOT PERFORMED ANY ANALYTICAL, CONFIRMATION, VALIDATION, VERIFICATION OR OTHER PROCEDURES IN RESPECT OF THE ASSERTIONS AND REPRESENTATIONS CONTAINED HEREIN, NOR IN RESPECT OF ANY OF THE OTHER INFORMATION DISCLOSED HEREIN, INCLUDING ANY SIMILAR TO THOSE PROCEDURES UNDERTAKEN BY AN INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT IN CONNECTION WITH AN AUDIT OF THE FINANCIAL STATEMENTS OF AN ISSUER OF SECURITIES FOR PURPOSES OF RENDERING AN OPINION THEREON. CONSEQUENTLY, POTENTIAL INVESTORS, IN DECIDING WHETHER OR NOT TO INVEST IN THE SECURITIES, ARE CAUTIONED NOT TO ASCRIBE ANY SPECIAL RELIANCE WHATSOEVER ON THESE OFFERING DOCUMENTS BY REASON THAT ATTORNEYS HAVE PREPARED THESE OFFERING DOCUMENTS.

#### **CERTAIN NOTICES REGARDING THESE OFFERING DOCUMENTS AND UNDER STATE SECURITIES LAWS**

**FOR RESIDENTS OF ALL STATES:** THE SECURITIES OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR THE SECURITIES LAWS OF ANY STATE AND ARE BEING OFFERED AND SOLD IN RELIANCE ON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT SET FORTH IN SECTION 4(A)(2) THEREOF AND RULE 506(C) OF REGULATION D PROMULGATED THEREUNDER TO ACCREDITED INVESTORS. RULE 506 OF REGULATION D SETS FORTH CERTAIN RESTRICTIONS AS TO THE NUMBER AND NATURE OF PURCHASERS OF SECURITIES OFFERED PURSUANT THERETO. WE HAVE ELECTED TO SELL SECURITIES IN THE UNITED STATES ONLY TO ACCREDITED INVESTORS AS SUCH TERM IS DEFINED IN RULE 501(A) OF REGULATION D. EACH PROSPECTIVE INVESTOR WILL BE REQUIRED TO MAKE REPRESENTATIONS AS TO THE BASIS UPON WHICH IT QUALIFIES AS AN ACCREDITED INVESTOR. PURSUANT TO RULE 506(C), INDEPENDENT VERIFICATION WILL BE REQUIRED.

THE SECURITIES OFFERED HEREBY WILL BE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT AND UNDER APPLICABLE STATE SECURITIES LAWS OR PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF

TIME. ONLY PERSONS WHO CAN AFFORD TO LOSE THEIR ENTIRE INVESTMENT IN THE SECURITIES SHOULD PURCHASE THE SECURITIES.

THE SECURITIES OFFERED HEREBY HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION (“SEC”), NOR HAS THE SEC OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THESE OFFERING DOCUMENTS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THE INFORMATION PRESENTED HEREIN WAS PRESENTED AND SUPPLIED SOLELY BY GALLMAN INVESTMENT GROUP, INC. AND IS BEING FURNISHED SOLELY FOR USE BY PROSPECTIVE INVESTORS IN CONNECTION WITH THE OFFERING. GALLMAN INVESTMENT GROUP, INC. MAKES NO REPRESENTATIONS AS TO THE FUTURE PERFORMANCE OF GALLMAN INVESTMENT GROUP, INC. THESE OFFERING DOCUMENTS WERE PREPARED BY GALLMAN INVESTMENT GROUP, INC.

THIS OFFERING IS SUBJECT TO WITHDRAWAL, CANCELLATION OR MODIFICATION BY GALLMAN INVESTMENT GROUP, INC. AT ANY TIME AND WITHOUT NOTICE. WE RESERVE THE RIGHT IN OUR SOLE DISCRETION TO REJECT ANY SUBSCRIPTION IN WHOLE OR IN PART NOTWITHSTANDING TENDER OF PAYMENT OR TO ALLOT TO ANY PROSPECTIVE INVESTOR LESS THAN THE NUMBER OF SECURITIES SUBSCRIBED FOR BY SUCH INVESTOR.

THESE OFFERING DOCUMENTS DO NOT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF ANY OFFER TO BUY ANY SECURITY OTHER THAN THE SECURITIES OFFERED HEREBY, NOR DOES IT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF ANY OFFER TO BUY SUCH SECURITIES BY ANYONE IN ANY JURISDICTION IN WHICH SUCH OFFER OR SOLICITATION IS NOT AUTHORIZED, OR IN WHICH THE PERSON MAKING SUCH OFFER OR SOLICITATION IS NOT QUALIFIED TO DO SO. NEITHER THE DELIVERY OF THESE OFFERING DOCUMENTS NOR ANY SALE MADE HEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN OUR AFFAIRS SINCE THE DATE HEREOF. THESE OFFERING DOCUMENTS CONTAIN SUMMARIES OF CERTAIN PERTINENT DOCUMENTS, APPLICABLE LAWS AND REGULATIONS. SUCH SUMMARIES ARE NOT COMPLETE AND ARE QUALIFIED IN THEIR ENTIRETY BY REFERENCE TO THE COMPLETE TEXTS THEREOF.

PROSPECTIVE INVESTORS ARE NOT TO CONSTRUE THE CONTENTS OF THESE OFFERING DOCUMENTS AS LEGAL OR TAX ADVICE. EACH PROSPECTIVE INVESTOR SHOULD CONSULT HIS OR HER OWN COUNSEL, ACCOUNTANT AND OTHER ADVISORS AS TO LEGAL, TAX AND RELATED MATTERS PRIOR TO PURCHASING ANY SECURITIES.

GALLMAN INVESTMENT GROUP, INC. DOES NOT MAKE ANY EXPRESS OR IMPLIED REPRESENTATION OR WARRANTY AS TO THE ACCURACY OR COMPLETENESS OF THE INFORMATION CONTAINED IN THESE OFFERING DOCUMENTS OR IN ANY ADDITIONAL EVALUATION MATERIAL, WHETHER WRITTEN OR ORAL, MADE AVAILABLE IN CONNECTION WITH ANY FURTHER INVESTIGATION OF GALLMAN INVESTMENT GROUP, INC. GALLMAN INVESTMENT GROUP, INC. EXPRESSLY DISCLAIMS ANY AND ALL LIABILITY THAT MAY BE BASED UPON SUCH INFORMATION, ERRORS THEREIN OR OMISSIONS THEREFROM. ONLY THOSE PARTICULAR REPRESENTATIONS AND WARRANTIES, IF ANY, WHICH MAY BE MADE TO A PARTY IN A DEFINITIVE WRITTEN AGREEMENT REGARDING A TRANSACTION INVOLVING GALLMAN INVESTMENT GROUP, INC., WHEN, AS AND IF EXECUTED, AND SUBJECT TO SUCH LIMITATIONS AND RESTRICTIONS AS MAY BE SPECIFIED THEREIN, WILL HAVE ANY LEGAL EFFECT. EXCEPT AS OTHERWISE EXPRESSLY PROVIDED TO THE CONTRARY IN WRITING, THESE OFFERING DOCUMENTS SPEAK AS OF THE DATE HEREOF. NEITHER THE DELIVERY OF THESE OFFERING DOCUMENTS NOR ANY SALE OF SECURITIES MADE HEREUNDER SHALL, UNDER ANY

CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF GALLMAN INVESTMENT GROUP, INC. AFTER THE DATE HEREOF.

NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS OTHER THAN THOSE CONTAINED IN THESE OFFERING DOCUMENTS IN CONNECTION WITH THE OFFERING OF SECURITIES BEING MADE PURSUANT HERETO, AND IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY GALLMAN INVESTMENT GROUP, INC.

THERE IS NO MARKET FOR OUR SECURITIES AND THERE IS NO ASSURANCES A PUBLIC MARKET WILL EVER BE ESTABLISHED. PURCHASERS OF THE SECURITIES ARE NOT BEING GRANTED ANY REGISTRATION RIGHTS. A PURCHASE OF THE SECURITIES SHOULD BE CONSIDERED AN ILLIQUID INVESTMENT.

BY ACCEPTING DELIVERY OF THESE OFFERING DOCUMENTS, EACH PROSPECTIVE INVESTOR HEREBY EXPRESSLY AGREES WITH GALLMAN INVESTMENT GROUP, INC. TO KEEP CONFIDENTIAL ALL OF THE CONTENTS HEREOF, INCLUDING, BUT NOT LIMITED TO, THE OFFERING AND ALL INFORMATION RELATED TO GALLMAN INVESTMENT GROUP, INC., AND NOT TO DISCLOSE THE SAME TO ANY THIRD PARTY AND/OR OTHERWISE USE THE SAME FOR ANY PURPOSE OTHER THAN AN EVALUATION BY SUCH OFFEREE OF A POTENTIAL INVESTMENT IN GALLMAN INVESTMENT GROUP, INC. OF THE SECURITIES OFFERED PURSUANT HERETO. WE HAVE CAUSED THESE OFFERING DOCUMENTS TO BE DELIVERED TO YOU IN RELIANCE UPON SUCH AGREEMENT BY YOU.

EACH PROSPECTIVE SUBSCRIBER, BY RECEIVING THESE OFFERING DOCUMENTS, AGREES TO RETURN THE SAME TO US IF (A) THE OFFEREE DOES NOT SUBSCRIBE TO PURCHASE ANY SECURITIES OFFERED HEREBY; (B) THE OFFEREE'S SUBSCRIPTION IS NOT ACCEPTED, AND/OR (C) THE OFFERING IS TERMINATED OR WITHDRAWN.

THESE OFFERING DOCUMENTS ARE SUBJECT TO AMENDMENT AND SUPPLEMENTATION AS APPROPRIATE. WE DO NOT INTEND TO UPDATE THE INFORMATION CONTAINED IN THE OFFERING DOCUMENTS FOR ANY INVESTOR WHO HAS ALREADY MADE AN INVESTMENT. WE MAY UPDATE THE INFORMATION CONTAINED HEREIN FROM TIME TO TIME AND PROVIDE SUCH UPDATED DOCUMENT TO POTENTIAL INVESTORS BUT UNDERTAKE NO OBLIGATION TO PROVIDE SUCH UPDATED DOCUMENTS TO AN INVESTOR WHO HAS ALREADY MADE HIS INVESTMENT.

## **JURISDICTIONAL NOTICES**

### **FOR RESIDENTS OF ALL STATES:**

**THE PRESENCE OF A LEGEND FOR ANY GIVEN STATE REFLECTS ONLY THAT A LEGEND MAY BE REQUIRED BY THAT STATE AND SHOULD NOT BE CONSTRUED TO MEAN AN OFFER OR SALE MAY BE MADE IN A PARTICULAR STATE. IF YOU ARE UNCERTAIN AS TO WHETHER OR NOT OFFERS OR SALES MAY BE LAWFULLY MADE IN ANY GIVEN STATE, YOU ARE HEREBY ADVISED TO CONTACT THE COMPANY. THE SECURITIES DESCRIBED IN THESE OFFERING DOCUMENTS HAVE NOT BEEN REGISTERED UNDER ANY STATE SECURITIES LAWS (COMMONLY CALLED "BLUE SKY" LAWS). THESE SECURITIES MUST BE ACQUIRED FOR INVESTMENT PURPOSES ONLY AND MAY NOT BE SOLD OR TRANSFERRED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION OF SUCH SECURITIES UNDER SUCH LAWS, OR AN OPINION OF COUNSEL ACCEPTABLE TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED. THE PRESENCE OF A LEGEND FOR ANY GIVEN STATE REFLECTS ONLY THAT A LEGEND MAY BE REQUIRED BY THE STATE AND SHOULD NOT BE CONSTRUED TO MEAN AN OFFER OF SALE MAY BE MADE IN ANY PARTICULAR STATE.**

**IN MAKING ANY INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE PERSON OR ENTITY CREATING THE SECURITIES AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. NO FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY HAS RECOMMENDED THESE SECURITIES. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THESE OFFERING DOCUMENTS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.**

**THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. INVESTORS SHOULD BE AWARE THAT THEY WILL BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME. THESE SECURITIES ARE ALSO SUBJECT TO CERTAIN RESTRICTIONS AS SET FORTH IN THE SUBSCRIPTION AGREEMENT AND/OR THE CERTIFICATE INCORPORATION AND BYLAWS OF THE COMPANY.**

- 1. NOTICE TO ALABAMA RESIDENTS ONLY:** THESE SECURITIES ARE OFFERED PURSUANT TO A CLAIM OF EXEMPTION UNDER THE ALABAMA SECURITIES ACT. A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS NOT BEEN FILED WITH THE ALABAMA SECURITIES COMMISSION. THE COMMISSION DOES NOT RECOMMEND OR ENDORSE THE PURCHASE OF ANY SECURITIES, NOR DOES IT PASS UPON THE ACCURACY OR COMPLETENESS OF THESE CONFIDENTIAL OFFERING DOCUMENTS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.
- 2. NOTICE TO ALASKA RESIDENTS ONLY:** THE SECURITIES OFFERED HAVE NOT BEEN REGISTERED WITH THE ADMINISTRATOR OF SECURITIES OF THE STATE OF ALASKA UNDER PROVISIONS OF 3 AAC 08.500 - 3 AAC 08.504. THE INVESTOR IS ADVISED THAT THE ADMINISTRATOR HAS MADE ONLY A CURSORY REVIEW OF THE REGISTRATION STATEMENT AND HAS NOT REVIEWED THESE OFFERING DOCUMENTS SINCE THE OFFERING DOCUMENTS ARE NOT REQUIRED TO BE FILED WITH THE ADMINISTRATOR. THE FACT OF REGISTRATION DOES NOT MEAN THAT THE ADMINISTRATOR HAS PASSED IN ANY WAY UPON THE MERITS, RECOMMENDED, OR APPROVED THE SECURITIES. ANY REPRESENTATION TO THE CONTRARY IS A VIOLATION OF 45.55.170. THE INVESTOR MUST RELY ON THE INVESTOR'S OWN EXAMINATION OF THE PERSON OR ENTITY CREATING THE SECURITIES AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED IN MAKING AN INVESTMENT DECISION ON THESE SECURITIES.
- 3. NOTICE TO ARIZONA RESIDENTS ONLY:** THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE ARIZONA SECURITIES ACT IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION PURSUANT TO A.R.S. SECTION 44-1844 (1) AND THEREFORE CANNOT BE RESOLD UNLESS THEY ARE ALSO REGISTERED OR UNLESS AN EXEMPTION FROM REGISTRATION IS AVAILABLE.
- 4. NOTICE TO ARKANSAS RESIDENTS ONLY:** THESE SECURITIES ARE OFFERED IN RELIANCE UPON CLAIMS OF EXEMPTION UNDER THE ARKANSAS SECURITIES ACT AND SECTION 4(2) OF THE SECURITIES ACT OF 1933. A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS NOT BEEN FILED WITH THE ARKANSAS SECURITIES DEPARTMENT OR WITH THE SECURITIES AND EXCHANGE COMMISSION. NEITHER THE DEPARTMENT NOR THE COMMISSION HAS PASSED UPON THE VALUE OF THESE SECURITIES, MADE ANY RECOMMENDATIONS AS TO

THEIR PURCHASE, APPROVED OR DISAPPROVED THIS OFFERING OR PASSED UPON THE ADEQUACY OR ACCURACY OF THESE CONFIDENTIAL OFFERING DOCUMENTS. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

5. **NOTICE TO CALIFORNIA RESIDENTS:** THESE SECURITIES HAVE NOT BEEN QUALIFIED OR OTHERWISE APPROVED OR DISAPPROVED BY THE CALIFORNIA DEPARTMENT OF CORPORATIONS UNDER THE CALIFORNIA CORPORATIONS CODE. THESE SECURITIES ARE OFFERED IN CALIFORNIA IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION PROVIDED BY SECTIONS 25100, 25102 or 25105 OF THE CALIFORNIA CORPORATIONS CODE. ACCORDINGLY, DISTRIBUTION OF THIS MEMORANDUM AND OFFERS AND SALES OF THE SECURITIES REFERRED TO HEREIN ARE STRICTLY LIMITED TO PERSONS WHO THE COMPANY DETERMINES TO HAVE MET CERTAIN FINANCIAL AND OTHER REQUIREMENTS. THIS MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY WITH RESPECT TO ANY OTHER PERSON. IN ORDER TO RELY ON THE FOREGOING EXEMPTIONS, THE COMPANY WILL RELY IN TURN ON CERTAIN REPRESENTATIONS AND WARRANTIES MADE TO THE COMPANY BY THE INVESTORS IN THIS OFFERING. THOSE REPRESENTATIONS AND WARRANTIES ARE CONTAINED IN THE SUBSCRIPTION AGREEMENT, ATTACHED HERETO AS EXHIBIT A.
6. **FOR COLORADO RESIDENTS ONLY:** THE SALE OF THE SECURITIES WHICH ARE THE SUBJECT OF THIS OFFERING HAS NOT BEEN QUALIFIED WITH COMMISSIONER OF CORPORATIONS OF THE STATE OF COLORADO AND THE ISSUANCE OF SUCH SECURITIES OR PAYMENT OR RECEIPT OF ANY PART OF THE CONSIDERATION THEREFORE PRIOR TO SUCH QUALIFICATIONS IS UNLAWFUL, UNLESS THE SALE OF SECURITIES IS EXEMPTED FROM QUALIFICATION BY SECTION 25100, 25102, OR 25104 OF THE COLORADO CORPORATIONS CODE. THE RIGHTS OF ALL PARTIES TO THIS OFFERING ARE EXPRESSLY CONDITIONED UPON SUCH QUALIFICATIONS BEING OBTAINED, UNLESS THE SALE IS SO EXEMPT. THE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE COLORADO SECURITIES ACT OF 1991 BY REASON OF SPECIFIC EXEMPTIONS THEREUNDER RELATING TO THE LIMITED AVAILABILITY OF THE OFFERING.

THESE SECURITIES CANNOT BE RESOLD, TRANSFERRED OR OTHERWISE DISPOSED OF TO ANY PERSON OR ENTITY UNLESS SUBSEQUENTLY REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE COLORADO SECURITIES ACT OF 1991, IF SUCH REGISTRATION IS REQUIRED.

7. **NOTICE TO CONNECTICUT RESIDENTS ONLY:** SECURITIES ACQUIRED BY CONNECTICUT RESIDENTS ARE BEING SOLD AS A TRANSACTION EXEMPT UNDER SECTION 36b-31-21b-9b OF THE CONNECTICUT, UNIFORM SECURITIES ACT. THE SECURITIES HAVE NOT BEEN REGISTERED UNDER SAID ACT IN THE STATE OF CONNECTICUT. ALL INVESTORS SHOULD BE AWARE THAT THERE ARE CERTAIN RESTRICTIONS AS TO THE TRANSFERABILITY OF THE SECURITIES.
8. **NOTICE TO DELAWARE RESIDENTS ONLY:** IF YOU ARE A DELAWARE RESIDENT, YOU ARE HEREBY ADVISED THAT THESE SECURITIES ARE BEING OFFERED IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE DELAWARE SECURITIES ACT. THE SECURITIES CANNOT BE SOLD OR TRANSFERRED EXCEPT IN A TRANSACTION WHICH IS EXEMPT UNDER THE ACT OR



PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR IN A TRANSACTION WHICH IS OTHERWISE IN COMPLIANCE WITH THE ACT.

9. **NOTICE TO DISTRICT OF COLUMBIA RESIDENTS ONLY:** THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES BUREAU OF THE DISTRICT OF COLUMBIA NOR HAS THE COMMISSIONER PASSED UPON THE ACCURACY OR ADEQUACY OF THESE OFFERING DOCUMENTS. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.
10. **NOTICE TO FLORIDA RESIDENTS ONLY:** THE SECURITIES DESCRIBED HEREIN HAVE NOT BEEN REGISTERED WITH THE FLORIDA DIVISION OF SECURITIES AND INVESTOR PROTECTION UNDER THE FLORIDA SECURITIES ACT. THE SECURITIES REFERRED TO HEREIN WILL BE SOLD TO AND ACQUIRED BY THE HOLDER IN A TRANSACTION EXEMPT UNDER SECTION 517.061 OF SAID ACT. THE SECURITIES HAVE NOT BEEN REGISTERED UNDER SAID ACT IN THE STATE OF FLORIDA. IN ADDITION, ALL OFFEREEES WHO ARE FLORIDA RESIDENTS SHOULD BE AWARE THAT SECTION 517.061(11)(a)(5) OF THE ACT PROVIDES, IN RELEVANT PART, AS FOLLOWS: “WHEN SALES ARE MADE TO FIVE OR MORE PERSONS IN [FLORIDA], ANY SALE IN [FLORIDA] MADE PURSUANT TO [THIS SECTION] IS VOIDABLE BY THE PURCHASER IN SUCH SALE EITHER WITHIN 3 DAYS AFTER THE FIRST TENDER OF CONSIDERATION IS MADE BY THE PURCHASER TO THE ISSUER, AN AGENT OF THE ISSUER OR AN ESCROW AGENT OR WITHIN 3 DAYS AFTER THE AVAILABILITY OF THAT PRIVILEGE IS COMMUNICATED TO SUCH PURCHASER, WHICHEVER OCCURS LATER.” THE AVAILABILITY OF THE PRIVILEGE TO VOID SALES PURSUANT TO SECTION 517.061(11) IS HEREBY COMMUNICATED TO EACH FLORIDA OFFEREE. EACH PERSON ENTITLED TO EXERCISE THE PRIVILEGE TO AVOID SALES GRANTED BY SECTION 517.061 (11) (A)(5) AND WHO WISHES TO EXERCISE SUCH RIGHT, MUST, WITHIN 3 DAYS AFTER THE TENDER OF ANY AMOUNT TO THE COMPANY OR TO ANY AGENT OF THE COMPANY (INCLUDING THE SELLING AGENT OR ANY OTHER DEALER ACTING ON BEHALF OF THE PARTNERSHIP OR ANY SALESMAN OF SUCH DEALER) OR AN ESCROW AGENT CAUSE A WRITTEN NOTICE OR TELEGRAM TO BE SENT TO THE COMPANY AT THE ADDRESS PROVIDED IN THIS CONFIDENTIAL EXECUTIVE SUMMARY. SUCH LETTER OR TELEGRAM MUST BE SENT AND, IF POSTMARKED, POSTMARKED ON OR PRIOR TO THE END OF THE AFOREMENTIONED THIRD DAY. IF A PERSON IS SENDING A LETTER, IT IS PRUDENT TO SEND SUCH LETTER BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO ASSURE THAT IT IS RECEIVED AND ALSO TO EVIDENCE THE TIME IT WAS MAILED. SHOULD A PERSON MAKE THIS REQUEST ORALLY, HE MUST ASK FOR WRITTEN CONFIRMATION THAT HIS REQUEST HAS BEEN RECEIVED.
11. **NOTICE TO GEORGIA RESIDENTS ONLY:** THESE SECURITIES ARE OFFERED IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE GEORGIA SECURITIES ACT PURSUANT TO REGULATION 590-4-5-04 AND -01. THE SECURITIES CANNOT BE SOLD OR TRANSFERRED EXCEPT IN A TRANSACTION WHICH IS EXEMPT UNDER THE ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR IN A TRANSACTION WHICH IS OTHERWISE IN COMPLIANCE WITH THE ACT.
12. **NOTICE TO HAWAII RESIDENTS ONLY:** NEITHER THESE CONFIDENTIAL OFFERING DOCUMENTS NOR THE SECURITIES DESCRIBED HEREIN BEEN

APPROVED OR DISAPPROVED BY THE COMMISSIONER OF SECURITIES OF THE STATE OF HAWAII NOR HAS THE COMMISSIONER PASSED UPON THE ACCURACY OR ADEQUACY OF THESE CONFIDENTIAL OFFERING DOCUMENTS.

13. **NOTICE TO IDAHO RESIDENTS ONLY:** THESE SECURITIES EVIDENCED HEREBY HAVE NOT BEEN REGISTERED UNDER THE IDAHO SECURITIES ACT IN RELIANCE UPON EXEMPTION FROM REGISTRATION PURSUANT TO SECTION 30-14-203 OR 302(c) THEREOF AND MAY NOT BE SOLD, TRANSFERRED, PLEDGED OR HYPOTHECATED EXCEPT IN A TRANSACTION WHICH IS EXEMPT UNDER SAID ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION UNDER SAID ACT.
14. **NOTICE TO ILLINOIS RESIDENTS:** THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECRETARY OF THE STATE OF ILLINOIS NOR HAS THE STATE OF ILLINOIS PASSED UPON THE ACCURACY OR ADEQUACY OF THE CONFIDENTIAL OFFERING DOCUMENTS. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.
15. **NOTICE TO INDIANA RESIDENTS ONLY:** THESE SECURITIES ARE OFFERED PURSUANT TO A CLAIM OF EXEMPTION UNDER SECTION 23-2-1-2 OF THE INDIANA SECURITIES LAW AND HAVE NOT BEEN REGISTERED UNDER SECTION 23-2-1-3. THEY CANNOT THEREFORE BE RESOLD UNLESS THEY ARE REGISTERED UNDER SAID LAW OR UNLESS AN EXEMPTION FORM REGISTRATION IS AVAILABLE. A CLAIM OF EXEMPTION UNDER SAID LAW HAS BEEN FILED, AND IF SUCH EXEMPTION IS NOT DISALLOWED SALES OF THESE SECURITIES MAY BE MADE. HOWEVER, UNTIL SUCH EXEMPTION IS GRANTED, ANY OFFER MADE PURSUANT HERETO IS PRELIMINARY AND SUBJECT TO MATERIAL CHANGE.
16. **NOTICE TO IOWA RESIDENTS ONLY:** IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE PERSON OR ENTITY CREATING THE SECURITIES AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED; THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THESE OFFERING DOCUMENTS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. INVESTORS SHOULD BE AWARE THAT THEY WILL BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.
17. **NOTICE TO KANSAS RESIDENTS ONLY:** IF AN INVESTOR ACCEPTS AN OFFER TO PURCHASE ANY OF THE SECURITIES, THE INVESTOR IS HEREBY ADVISED THE SECURITIES WILL BE SOLD TO AND ACQUIRED BY IT/HIM/HER IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER SECTION 81-5-15 OF THE KANSAS SECURITIES ACT AND MAY NOT BE RE-OFFERED FOR SALE, TRANSFERRED, OR RESOLD EXCEPT IN COMPLIANCE WITH SUCH ACT AND APPLICABLE RULES PROMULGATED THEREUNDER.
18. **NOTICE TO KENTUCKY RESIDENTS ONLY:** IF AN INVESTOR ACCEPTS AN OFFER TO PURCHASE ANY OF THE SECURITIES, THE INVESTOR IS HEREBY ADVISED THE

SECURITIES WILL BE SOLD TO AND ACQUIRED BY IT/HIM/HER IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER TITLE 808 KAR 10:210 OF THE KENTUCKY SECURITIES ACT AND MAY NOT BE RE-OFFERED FOR SALE, TRANSFERRED, OR RESOLD EXCEPT IN COMPLIANCE WITH SUCH ACT AND APPLICABLE RULES PROMULGATED THEREUNDER.

19. **NOTICE TO LOUISIANA RESIDENTS ONLY:** IF AN INVESTOR ACCEPTS AN OFFER TO PURCHASE ANY OF THE SECURITIES, THE INVESTOR IS HEREBY ADVISED THE SECURITIES WILL BE SOLD TO AND ACQUIRED BY IT/HIM/HER IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER RULE 1 OF THE LOUISIANA SECURITIES LAW AND MAY NOT BE RE-OFFERED FOR SALE, TRANSFERRED, OR RESOLD EXCEPT IN COMPLIANCE WITH SUCH ACT AND APPLICABLE RULES PROMULGATED THEREUNDER.
20. **NOTICE TO MAINE RESIDENTS ONLY:** THE ISSUER IS REQUIRED TO MAKE A REASONABLE FINDING THAT THE SECURITIES OFFERED ARE A SUITABLE INVESTMENT FOR THE PURCHASER AND THAT THE PURCHASER IS FINANCIALLY ABLE TO BEAR THE RISK OF LOSING THE ENTIRE AMOUNT INVESTED. THESE SECURITIES ARE OFFERED PURSUANT TO AN EXEMPTION UNDER §16202(15) OF THE MAINE UNIFORM SECURITIES ACT AND ARE NOT REGISTERED WITH THE SECURITIES ADMINISTRATOR OF THE STATE OF MAINE. THE SECURITIES OFFERED FOR SALE MAY BE RESTRICTED SECURITIES AND THE HOLDER MAY NOT BE ABLE TO RESELL THE SECURITIES UNLESS: (1) THE SECURITIES ARE REGISTERED UNDER STATE AND FEDERAL SECURITIES LAWS, OR (2) AN EXEMPTION IS AVAILABLE UNDER THOSE LAWS.
21. **NOTICE TO MARYLAND RESIDENTS ONLY:** IF YOU ARE A MARYLAND RESIDENT AND YOU ACCEPT AN OFFER TO PURCHASE THESE SECURITIES PURSUANT TO THESE CONFIDENTIAL OFFERING DOCUMENTS, YOU ARE HEREBY ADVISED THAT THESE SECURITIES ARE BEING SOLD AS A TRANSACTION EXEMPT UNDER SECTION 11-602(9) OF THE MARYLAND SECURITIES ACT. THE SECURITIES HAVE NOT BEEN REGISTERED UNDER SAID ACT IN THE STATE OF MARYLAND. ALL INVESTORS SHOULD BE AWARE THAT THERE ARE CERTAIN RESTRICTIONS AS TO THE TRANSFERABILITY OF THE SECURITIES.
22. **NOTICE TO MASSACHUSETTS RESIDENTS ONLY:** THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE MASSACHUSETTS UNIFORM SECURITIES ACT, BY REASON OF SPECIFIC EXEMPTIONS THEREUNDER RELATING TO THE LIMITED AVAILABILITY OF THIS OFFERING. THESE SECURITIES CANNOT BE SOLD, TRANSFERRED, OR OTHERWISE DISPOSED OF TO ANY PERSON OR ENTITY UNLESS THEY ARE SUBSEQUENTLY REGISTERED OR AN EXEMPTION FROM REGISTRATION IS AVAILABLE.
23. **NOTICE TO MICHIGAN RESIDENTS ONLY:** THESE SECURITIES ARE BEING OFFERED IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE MICHIGAN SECURITIES ACT. THE SECURITIES CANNOT BE SOLD OR TRANSFERRED EXCEPT IN A TRANSACTION WHICH IS EXEMPT UNDER THE ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR IN A TRANSACTION WHICH IS OTHERWISE IN COMPLIANCE WITH THE ACT.

24. **NOTICE TO MINNESOTA RESIDENTS ONLY:** THESE SECURITIES BEING OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER CHAPTER 80A OF THE MINNESOTA SECURITIES LAWS AND MAY NOT BE SOLD, TRANSFERRED, OR OTHERWISE DISPOSED OF EXCEPT PURSUANT TO REGISTRATION, OR AN EXEMPTION THEREFROM.
25. **NOTICE TO MISSISSIPPI RESIDENTS ONLY:** THE SECURITIES ARE OFFERED PURSUANT TO A CLAIM OF EXEMPTION UNDER THE MISSISSIPPI SECURITIES ACT. A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS NOT BEEN FILED WITH THE MISSISSIPPI SECRETARY OF STATE OR WITH THE SECURITIES AND EXCHANGE COMMISSION. NEITHER THE SECRETARY OF STATE NOR THE COMMISSION HAS PASSED UPON THE VALUE OF THESE SECURITIES OR APPROVED OR DISAPPROVED THIS OFFERING. THE SECRETARY OF STATE DOES NOT RECOMMEND THE PURCHASE OF THESE OR ANY OTHER SECURITIES. EACH PURCHASER OF THE SECURITIES MUST MEET CERTAIN SUITABILITY STANDARDS AND MUST BE ABLE TO BEAR AN ENTIRE LOSS OF THIS INVESTMENT. THE SECURITIES MAY NOT BE TRANSFERRED FOR A PERIOD OF ONE (1) YEAR EXCEPT IN A TRANSACTION WHICH IS EXEMPT UNDER THE MISSISSIPPI SECURITIES ACT OR IN A TRANSACTION IN COMPLIANCE WITH THE MISSISSIPPI SECURITIES ACT.
26. **FOR MISSOURI RESIDENTS ONLY:** THE SECURITIES OFFERED HEREIN WILL BE SOLD TO, AND ACQUIRED BY, THE PURCHASER IN A TRANSACTION EXEMPT UNDER SECTION 4.G OF THE MISSOURI SECURITIES LAW OF 1953, AS AMENDED. THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER SAID ACT IN THE STATE OF MISSOURI. UNLESS THE SECURITIES ARE SO REGISTERED, THEY MAY NOT BE OFFERED FOR SALE OR RESOLD IN THE STATE OF MISSOURI, EXCEPT AS A SECURITY, OR IN A TRANSACTION EXEMPT UNDER SAID ACT.
27. **NOTICE TO MONTANA RESIDENTS ONLY:** IN ADDITION TO THE INVESTOR SUITABILITY STANDARDS THAT ARE OTHERWISE APPLICABLE, ANY INVESTOR WHO IS A MONTANA RESIDENT MUST HAVE A NET WORTH (EXCLUSIVE OF HOME, FURNISHINGS AND AUTOMOBILES) IN EXCESS OF FIVE (5) TIMES THE AGGREGATE AMOUNT INVESTED BY SUCH INVESTOR IN THE SECURITIES.
28. **NOTICE TO NEBRASKA RESIDENTS ONLY:** IF AN INVESTOR ACCEPTS AN OFFER TO PURCHASE ANY OF THE SECURITIES, THE INVESTOR IS HEREBY ADVISED THE SECURITIES WILL BE SOLD TO AND ACQUIRED BY IT/HIM/HER IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER CHAPTER 15 OF THE NEBRASKA SECURITIES LAW AND MAY NOT BE RE-OFFERED FOR SALE, TRANSFERRED, OR RESOLD EXCEPT IN COMPLIANCE WITH SUCH ACT AND APPLICABLE RULES PROMULGATED THEREUNDER.
29. **NOTICE TO NEVADA RESIDENTS ONLY:** IF ANY INVESTOR ACCEPTS ANY OFFER TO PURCHASE THE SECURITIES, THE INVESTOR IS HEREBY ADVISED THE SECURITIES WILL BE SOLD TO AND ACQUIRED BY IT/HIM/HER IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER SECTION NRS 90.530 OF THE NEVADA SECURITIES LAW. THE INVESTOR IS HEREBY ADVISED THAT THE ATTORNEY GENERAL OF THE STATE OF NEVADA HAS NOT PASSED ON OR ENDORSED THE MERITS OF THIS OFFERING AND THE FILING OF THE OFFERING WITH THE BUREAU OF SECURITIES DOES NOT CONSTITUTE APPROVAL OF THE ISSUE, OR SALE THEREOF, BY THE BUREAU OF SECURITIES OR THE DEPARTMENT OF LAW AND

PUBLIC SAFETY OF THE STATE OF NEVADA. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL. NEVADA ALLOWS THE SALE OF SECURITIES TO 25 OR FEWER PURCHASERS IN THE STATE WITHOUT REGISTRATION. HOWEVER, CERTAIN CONDITIONS APPLY, I.E., THERE CAN BE NO GENERAL ADVERTISING OR SOLICITATION AND COMMISSIONS ARE LIMITED TO LICENSED BROKER-DEALERS. THIS EXEMPTION IS GENERALLY USED WHERE THE PROSPECTIVE INVESTOR IS ALREADY KNOWN AND HAS A PRE-EXISTING RELATIONSHIP WITH THE COMPANY. (SEE NRS 90.530.11.)

30. **NOTICE TO NEW HAMPSHIRE RESIDENTS ONLY:** NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE UNDER THIS CHAPTER HAS BEEN FILED WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY, OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER, OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.
31. **NOTICE TO NEW JERSEY RESIDENTS ONLY:** IF YOU ARE A NEW JERSEY RESIDENT AND YOU ACCEPT AN OFFER TO PURCHASE THESE SECURITIES PURSUANT TO THESE CONFIDENTIAL OFFERING DOCUMENTS, YOU ARE HEREBY ADVISED THAT THESE CONFIDENTIAL OFFERING DOCUMENTS HAVE NOT BEEN FILED WITH OR REVIEWED BY THE ATTORNEY GENERAL OF THE STATE OF NEW JERSEY PRIOR TO ITS ISSUANCE AND USE. THE ATTORNEY GENERAL OF THE STATE OF NEW JERSEY HAS NOT PASSED ON OR ENDORSED THE MERITS OF THIS OFFERING. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.
32. **NOTICE TO NEW MEXICO RESIDENTS ONLY:** THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES DIVISION OF THE NEW MEXICO DEPARTMENT OF BANKING NOR HAS THE SECURITIES DIVISION PASSED UPON THE ACCURACY OR ADEQUACY OF THESE CONFIDENTIAL OFFERING DOCUMENTS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.
33. **NOTICE TO NEW YORK RESIDENTS ONLY:** THESE OFFERING DOCUMENTS HAVE NOT BEEN REVIEWED BY THE ATTORNEY GENERAL OF THE STATE OF NEW YORK PRIOR TO ITS ISSUANCE AND USE. THE ATTORNEY GENERAL OF THE STATE OF NEW YORK HAS NOT PASSED ON OR ENDORSED THE MERITS OF THIS OFFERING. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL. THE COMPANY HAS TAKEN NO STEPS TO CREATE AN AFTER MARKET FOR THE SECURITIES OFFERED HEREIN AND HAS MADE NO ARRANGEMENTS WITH BROKERS OF OTHERS TO TRADE OR MAKE A MARKET IN THE SECURITIES. AT SOME TIME IN THE FUTURE, THE COMPANY MAY ATTEMPT TO ARRANGE FOR INTERESTED BROKERS TO TRADE OR MAKE A MARKET IN THE SECURITIES AND TO QUOTE THE SAME IN A PUBLISHED QUOTATION MEDIUM, HOWEVER, NO SUCH ARRANGEMENTS HAVE BEEN MADE AND THERE IS NO ASSURANCE THAT ANY BROKERS WILL EVER HAVE SUCH AN

INTEREST IN THE SECURITIES OF THE COMPANY OR THAT THERE WILL EVER BE A MARKET THEREFORE.

34. **NOTICE TO NORTH CAROLINA RESIDENTS ONLY:** IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE PERSON OR ENTITY CREATING THE SECURITIES AND THE TERMS OF THE OFFERING, INCLUDING MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FORGOING AUTHORITIES HAVE NOT CONFIRMED ACCURACY OR DETERMINED ADEQUACY OF THESE OFFERING DOCUMENTS. REPRESENTATION TO THE CONTRARY IS UNLAWFUL. THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. INVESTORS SHOULD BE AWARE THAT THEY WILL BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.
35. **NOTICE TO NORTH DAKOTA RESIDENTS ONLY:** THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES COMMISSIONER OF THE STATE OF NORTH DAKOTA NOR HAS THE COMMISSIONER PASSED UPON THE ACCURACY OR ADEQUACY OF THESE CONFIDENTIAL OFFERING DOCUMENTS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.
36. **NOTICE TO OHIO RESIDENTS ONLY:** IF AN INVESTOR ACCEPTS AN OFFER TO PURCHASE ANY OF THE SECURITIES, THE INVESTOR IS HEREBY ADVISED THE SECURITIES WILL BE SOLD TO AND ACQUIRED BY IT/HIM/HER IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER SECTION 1707.03(X) OF THE OHIO SECURITIES LAW AND MAY NOT BE RE-OFFERED FOR SALE, TRANSFERRED, OR RESOLD EXCEPT IN COMPLIANCE WITH SUCH ACT AND APPLICABLE RULES PROMULGATED THEREUNDER.
37. **NOTICE TO OKLAHOMA RESIDENTS ONLY:** THESE SECURITIES ARE OFFERED FOR SALE IN THE STATE OF OKLAHOMA IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION FOR PRIVATE OFFERINGS. ALTHOUGH A PRIOR FILING OF THESE CONFIDENTIAL OFFERING DOCUMENTS AND THE INFORMATION HAS BEEN MADE WITH THE OKLAHOMA SECURITIES COMMISSION, SUCH FILING IS PERMISSIVE ONLY AND DOES NOT CONSTITUTE AN APPROVAL, RECOMMENDATION OR ENDORSEMENT, AND IN NO SENSE IS TO BE REPRESENTED AS AN INDICATION OF THE INVESTMENT MERIT OF SUCH SECURITIES. ANY SUCH REPRESENTATION IS UNLAWFUL.
38. **NOTICE TO OREGON RESIDENTS ONLY:** THE SECURITIES OFFERED HAVE BEEN REGISTERED WITH THE CORPORATION COMMISSION OF THE STATE OF OREGON UNDER PROVISIONS OF ORS 59.049. THE INVESTOR IS ADVISED THAT THE COMMISSIONER HAS MADE ONLY A CURSORY REVIEW OF THE REGISTRATION STATEMENT AND HAS NOT REVIEWED THESE OFFERING DOCUMENTS SINCE THESE OFFERING DOCUMENTS ARE NOT REQUIRED TO BE FILED WITH THE COMMISSIONER. THE INVESTOR MUST RELY ON THE INVESTOR'S OWN EXAMINATION OF THE COMPANY CREATING THE SECURITIES, AND THE TERMS OF

THE OFFERING INCLUDING THE MERITS AND RISKS INVOLVED IN MAKING AN INVESTMENT DECISION ON THESE SECURITIES.

39. **NOTICE TO PENNSYLVANIA RESIDENTS ONLY:** EACH PERSON WHO ACCEPTS AN OFFER TO PURCHASE SECURITIES EXEMPTED FROM REGISTRATION BY SECTION 203(d), DIRECTLY FROM THE ISSUER OR AFFILIATE OF THIS ISSUER, SHALL HAVE THE RIGHT TO WITHDRAW HIS ACCEPTANCE WITHOUT INCURRING ANY LIABILITY TO THE SELLER, UNDERWRITER (IF ANY) OR ANY OTHER PERSON WITHIN TWO (2) BUSINESS DAYS FROM THE DATE OF RECEIPT BY THE ISSUER OF HIS WRITTEN BINDING CONTRACT OF PURCHASE OR, IN THE CASE OF A TRANSACTION IN WHICH THERE IS NO BINDING CONTRACT OF PURCHASE, WITHIN TWO (2) BUSINESS DAYS AFTER HE MAKES THE INITIAL PAYMENT FOR THE SECURITIES BEING OFFERED. IF YOU HAVE ACCEPTED AN OFFER TO PURCHASE THESE SECURITIES MADE PURSUANT TO A PROSPECTUS WHICH CONTAINS A NOTICE EXPLAINING YOUR RIGHT TO WITHDRAW YOUR ACCEPTANCE PURSUANT TO SECTION 207(m) OF THE PENNSYLVANIA SECURITIES ACT OF 1972 (70 PS § 1-207(m)), YOU MAY ELECT, WITHIN TWO (2) BUSINESS DAYS AFTER THE FIRST TIME YOU HAVE RECEIVED THIS NOTICE AND A PROSPECTUS TO WITHDRAW FROM YOUR PURCHASE AGREEMENT AND RECEIVE A FULL REFUND OF ALL MONEYS PAID BY YOU. YOUR WITHDRAWAL WILL BE WITHOUT ANY FURTHER LIABILITY TO ANY PERSON. TO ACCOMPLISH THIS WITHDRAWAL, YOU NEED ONLY SEND A LETTER OR TELEGRAM TO THE ISSUER (OR UNDERWRITER IF ONE IS LISTED ON THE FRONT PAGE OF THE CONFIDENTIAL OFFERING DOCUMENTS) INDICATING YOUR INTENTION TO WITHDRAW. SUCH LETTER OR TELEGRAM SHOULD BE SENT AND POSTMARKED PRIOR TO THE END OF THE AFOREMENTIONED SECOND BUSINESS DAY. IF YOU ARE SENDING A LETTER, IT IS PRUDENT TO SEND IT BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO ENSURE THAT IT IS RECEIVED AND ALSO EVIDENCE THE TIME WHEN IT WAS MAILED. SHOULD YOU MAKE THIS REQUEST ORALLY, YOU SHOULD ASK WRITTEN CONFIRMATION THAT YOUR REQUEST HAS BEEN RECEIVED. NO SALE OF THE SECURITIES WILL BE MADE TO RESIDENTS OF THE STATE OF PENNSYLVANIA WHO ARE NON-ACCREDITED INVESTORS. EACH PENNSYLVANIA RESIDENT MUST AGREE NOT TO SELL THESE SECURITIES FOR A PERIOD OF TWELVE (12) MONTHS AFTER THE DATE OF PURCHASE, EXCEPT IN ACCORDANCE WITH WAIVERS ESTABLISHED BY RULE OR ORDER OF THE COMMISSION. THE SECURITIES HAVE BEEN ISSUED PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENT OF THE PENNSYLVANIA SECURITIES ACT OF 1972. NO SUBSEQUENT RESALE OR OTHER DISPOSITION OF THE SECURITIES MAY BE MADE WITHIN 12 MONTHS FOLLOWING THEIR INITIAL SALE IN THE ABSENCE OF AN EFFECTIVE REGISTRATION, EXCEPT IN ACCORDANCE WITH WAIVERS ESTABLISHED BY RULE OR ORDER OF THE COMMISSION, AND THEREAFTER ONLY PURSUANT TO AN EFFECTIVE REGISTRATION OR EXEMPTION.
40. **NOTICE TO RHODE ISLAND RESIDENTS ONLY:** THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE DEPARTMENT OF BUSINESS REGULATION OF THE STATE OF RHODE ISLAND NOR HAS THE DIRECTOR PASSED UPON THE ACCURACY OR ADEQUACY OF THESE OFFERING DOCUMENTS. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.
41. **NOTICE TO SOUTH CAROLINA RESIDENTS ONLY:** THESE SECURITIES ARE BEING OFFERED PURSUANT TO A CLAIM OF EXEMPTION UNDER THE SOUTH CAROLINA

UNIFORM SECURITIES ACT. A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS NOT BEEN FILED WITH THE SOUTH CAROLINA SECURITIES COMMISSIONER. THE COMMISSIONER DOES NOT RECOMMEND OR ENDORSE THE PURCHASE OF ANY SECURITIES, NOR DOES IT PASS UPON THE ACCURACY OR COMPLETENESS OF THESE CONFIDENTIAL OFFERING DOCUMENTS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

42. **NOTICE TO SOUTH DAKOTA RESIDENTS ONLY:** THESE SECURITIES ARE BEING OFFERED FOR SALE IN THE STATE OF SOUTH DAKOTA PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE SOUTH DAKOTA BLUE SKY LAW, CHAPTER 47-31, WITH THE DIRECTOR OF THE DIVISION OF SECURITIES OF THE DEPARTMENT OF COMMERCE AND REGULATION OF THE STATE OF SOUTH DAKOTA. THE EXEMPTION DOES NOT CONSTITUTE A FINDING THAT THESE CONFIDENTIAL OFFERING DOCUMENTS ARE TRUE, COMPLETE, AND NOT MISLEADING, NOR HAS THE DIRECTOR OF THE DIVISION OF SECURITIES PASSED IN ANY WAY UPON THE MERITS OF, RECOMMENDED, OR GIVEN APPROVAL TO THESE SECURITIES. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.
43. **NOTICE TO TENNESSEE RESIDENT ONLY:** IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THESE OFFERING DOCUMENTS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD. EXCEPT AS PERMITTED UNDER THE SECURITIES ACT OF 1933, AS AMENDED AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISK OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.
44. **NOTICE TO TEXAS RESIDENTS ONLY:** THE SECURITIES OFFERED HEREUNDER HAVE NOT BEEN REGISTERED UNDER APPLICABLE TEXAS SECURITIES LAWS AND, THEREFORE, ANY PURCHASER THEREOF MUST BEAR THE ECONOMIC RISK OF THE INVESTMENT FOR AN INDEFINITE PERIOD OF TIME BECAUSE THE SECURITIES CANNOT BE RESOLD UNLESS THEY ARE SUBSEQUENTLY REGISTERED UNDER SUCH SECURITIES LAWS OR AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE. FURTHER, PURSUANT TO §109.13 UNDER THE TEXAS SECURITIES ACT, THE COMPANY IS REQUIRED TO APPRISE PROSPECTIVE INVESTORS OF THE FOLLOWING: A LEGEND SHALL BE PLACED, UPON ISSUANCE, ON CERTIFICATES REPRESENTING SECURITIES PURCHASED HEREUNDER, AND ANY PURCHASER HEREUNDER SHALL BE REQUIRED TO SIGN A WRITTEN AGREEMENT THAT HE WILL NOT SELL THE SUBJECT SECURITIES WITHOUT REGISTRATION UNDER APPLICABLE SECURITIES LAWS, OR EXEMPTIONS THEREFROM.
45. **NOTICE TO UTAH RESIDENTS ONLY:** THESE SECURITIES ARE BEING OFFERED IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE



UTAH SECURITIES ACT. THE SECURITIES CANNOT BE TRANSFERRED OR SOLD EXCEPT IN TRANSACTIONS WHICH ARE EXEMPT UNDER THE ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR IN A TRANSACTION WHICH IS OTHERWISE IN COMPLIANCE WITH THE ACT.

46. **NOTICE TO VERMONT RESIDENTS ONLY:** THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES DIVISION OF THE STATE OF VERMONT NOR HAS THE COMMISSIONER PASSED UPON THE ACCURACY OR ADEQUACY OF THESE OFFERING DOCUMENTS. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.
47. **NOTICE TO VIRGINIA RESIDENTS ONLY:** IF AN INVESTOR ACCEPTS AN OFFER TO PURCHASE ANY OF THE SECURITIES, THE INVESTOR IS HEREBY ADVISED THE SECURITIES WILL BE SOLD TO AND ACQUIRED BY IT/HIM/HER IN A TRANSACTION UNDER SECTION 13.1-514 OF THE VIRGINIA SECURITIES ACT AND MAY NOT BE REOFFERED FOR SALE, TRANSFERRED, OR RESOLD EXCEPT IN COMPLIANCE WITH SUCH ACT AND APPLICABLE RULES PROMULGATED THEREUNDER.
48. **NOTICE TO WASHINGTON RESIDENTS ONLY:** THE ADMINISTRATOR OF SECURITIES HAS NOT REVIEWED THE OFFERING OR CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM AND THE SECURITIES HAVE NOT BEEN REGISTERED IN RELIANCE UPON THE SECURITIES ACT OF WASHINGTON, CHAPTER 21.20 RCW, AND THEREFORE, CANNOT BE RESOLD UNLESS THEY ARE REGISTERED UNDER THE SECURITIES ACT OF WASHINGTON, CHAPTER 21.20 RCW, OR UNLESS AN EXEMPTION FROM REGISTRATION IS MADE AVAILABLE.
49. **NOTICE TO WEST VIRGINIA RESIDENTS ONLY:** IF AN INVESTOR ACCEPTS AN OFFER TO PURCHASE ANY OF THE SECURITIES, THE INVESTOR IS HEREBY ADVISED THE SECURITIES WILL BE SOLD TO AND ACQUIRED BY IT/HIM/HER IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER SECTION 15.06(b)(9) OF THE WEST VIRGINIA SECURITIES LAW AND MAY NOT BE REOFFERED FOR SALE, TRANSFERRED, OR RESOLD EXCEPT IN COMPLIANCE WITH SUCH ACT AND APPLICABLE RULES PROMULGATED THEREUNDER.
50. **NOTICE TO WISCONSIN RESIDENTS ONLY:** IN ADDITION TO THE INVESTOR SUITABILITY STANDARDS THAT ARE OTHERWISE APPLICABLE, ANY INVESTOR WHO IS A WISCONSIN RESIDENT MUST HAVE A NET WORTH (EXCLUSIVE OF HOME, FURNISHINGS AND AUTOMOBILES) IN EXCESS OF THREE AND ONE-THIRD (3 1/3) TIMES THE AGGREGATE AMOUNT INVESTED BY SUCH INVESTOR IN THE SECURITIES OFFERED HEREIN.
51. **FOR WYOMING RESIDENTS ONLY:** ALL WYOMING RESIDENTS WHO SUBSCRIBE TO PURCHASE SECURITIES OFFERED BY THE COMPANY MUST SATISFY THE FOLLOWING MINIMUM FINANCIAL SUITABILITY REQUIREMENTS IN ORDER TO PURCHASE SECURITIES: (1) A NET WORTH (EXCLUSIVE OF HOME, FURNISHINGS AND AUTOMOBILES) OF TWO HUNDRED FIFTY THOUSAND DOLLARS (\$250,000); AND (2) THE PURCHASE PRICE OF SECURITIES SUBSCRIBED FOR MAY NOT EXCEED TWENTY PERCENT (20%) OF THE NET WORTH OF THE SUBSCRIBER; AND (3) "TAXABLE INCOME" AS DEFINED IN SECTION 63 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED, DURING THE LAST TAX YEAR AND ESTIMATED "TAXABLE INCOME" DURING THE CURRENT TAX YEAR SUBJECT TO A FEDERAL INCOME TAX

RATE OF NOT LESS THAN THIRTY-THREE PERCENT (33%). IN ORDER TO VERIFY THE FOREGOING, ALL SUBSCRIBERS WHO ARE WYOMING RESIDENTS WILL BE REQUIRED TO REPRESENT IN THE SUBSCRIPTION AGREEMENT THAT THEY MEET THESE WYOMING SPECIAL INVESTOR SUITABILITY REQUIREMENTS.

#### **INVESTOR NOTICES GENERALLY**

THIS CONFIDENTIAL OFFERING MEMORANDUM (THE “MEMORANDUM”) IS BEING PROVIDED TO SELECTED RECIPIENTS IN CONNECTION WITH A PROPOSED OFFERING OF SHARES BY GALLMAN INVESTMENT GROUP, INC. (THE “COMPANY”). AN INVESTMENT IN THE COMPANY INVOLVES A HIGH DEGREE OF RISK, INCLUDING THE POSSIBILITY OF A TOTAL LOSS OF INVESTMENT, AND INVESTORS (EACH, AN “INVESTOR,” AND COLLECTIVELY “INVESTORS”) SHOULD NOT INVEST ANY PROCEEDS IN THIS OFFERING UNLESS THEY CAN AFFORD TO LOSE THEIR ENTIRE INVESTMENT. THERE IS NO MARKET FOR THE OFFERED SHARES AND NONE IS EXPECTED TO DEVELOP IN THE FORSEEABLE FUTURE.

PROSPECTIVE INVESTORS SHOULD NOT ACQUIRE THE OFFERED SHARES IF THE INVESTOR ANTICIPATES THAT IT WILL HAVE A NEED FOR THE PROCEEDS CONTRIBUTED. THE OFFERED SHARES WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933 (THE “SECURITIES ACT”) OR UNDER ANY STATE SECURITIES LAW. THE TRANSFER OF SHARES ACQUIRED HEREUNDER WILL BE RESTRICTED. SEE “RISK FACTORS” BELOW FOR A NON-EXCLUSIVE LIST OF ISSUES THAT THE BOARD OF DIRECTORS OF THE COMPANY BELIEVES PRESENT THE MOST SUBSTANTIAL RISKS TO AN INVESTOR IN THIS OFFERING.

THIS IS NOT AN OFFER TO SELL OR A SOLICITATION OF ANY OFFER TO BUY THE OFFERED SHARES DESCRIBED HEREIN IN ANY JURISDICTION TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH AN OFFER OR SALE.

THE OFFERED SHARES MAY BE SOLD ONLY TO “ACCREDITED INVESTORS,” WHICH FOR NATURAL PERSONS ARE INVESTORS WHO MEET CERTAIN MINIMUM ANNUAL INCOME OR NET WORTH THRESHOLDS.

THE SUITABILITY STANDARDS DISCUSSED IN THE INVESTOR SUITABILITY QUESTIONNAIRE REPRESENT MINIMUM SUITABILITY STANDARDS FOR PROSPECTIVE INVESTORS. EACH PROSPECTIVE INVESTOR SHOULD DETERMINE FOR HIMSELF, HERSELF, OR ITSELF WHETHER AN INVESTMENT IN THE OFFERED SHARES IS APPROPRIATE.

OFFEREES OF SHARES ARE NOT TO CONSTRUE THE CONTENTS OF THESE DOCUMENTS AS LEGAL OPINIONS OR TAX ADVICE. EACH INVESTOR MUST RELY UPON THEIR OWN REPRESENTATIVES, INCLUDING THEIR OWN LEGAL COUNSEL AND ACCOUNTANT, AS TO LEGAL, TAX, AND RELATED MATTERS CONCERNING THE COMPANY AND AN INVESTMENT THEREIN.

THE OFFERED SHARES ARE BEING OFFERED IN RELIANCE ON AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND ARE NOT REQUIRED TO COMPLY WITH SPECIFIC DISCLOSURE REQUIREMENTS THAT APPLY TO REGISTRATION UNDER THE SECURITIES ACT.

THE OFFERED SHARES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION (THE “SEC”), ANY STATE SECURITIES

COMMISSION OR OTHER REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THIS OFFERING OR THE ACCURACY OR ADEQUACY OF THESE DOCUMENTS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

SINCE THERE ARE SUBSTANTIAL RESTRICTIONS ON THE TRANSFERABILITY OF THE OFFERED SHARES OFFERED HEREBY, EACH OFFEREE SHOULD PROCEED ON THE ASSUMPTION THAT THE OFFEREE MUST BEAR THE ECONOMIC RISK OF THE INVESTMENT FOR AN EXTENDED PERIOD. THE OFFERED SHARES MAY NOT BE TRANSFERRED EXCEPT IN COMPLIANCE WITH THE COMPANY'S CERTIFICATE OF INCORPORATION AND BYLAWS. IN ADDITION, THE OFFERED SHARES ARE NOT REGISTERED FOR SALE TO THE PUBLIC UNDER THE SECURITIES ACT OR THE SECURITIES LAWS OF ANY STATE AND ARE BEING OFFERED AND SOLD IN RELIANCE ON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF SAID SECURITIES ACT AND SUCH LAWS. THE OFFERED SHARES MAY BE SOLD, TRANSFERRED OR OTHERWISE DISPOSED OF BY AN INVESTOR ONLY IF, AMONG OTHER THINGS, REGISTRATION IS ACCOMPLISHED, UNLESS EXEMPTIONS FROM REGISTRATION AND QUALIFICATION ARE AVAILABLE, AS DETERMINED BY THE BOARD, IN ITS SOLE AND ABSOLUTE DISCRETION.

ALL DOCUMENTS RELATING TO THIS OFFERING (INCLUDING ANY ADDITIONAL INFORMATION THAT MAY BE PROVIDED BY THE COMPANY) WILL BE MADE AVAILABLE TO THE OFFEREE NAMED ABOVE AND ITS REPRESENTATIVES, IF ANY, UPON REQUEST, AND REPRESENTATIVES OF THE COMPANY WILL BE AVAILABLE TO OFFEREES AND THEIR REPRESENTATIVES TO PROVIDE ANSWERS TO QUESTIONS CONCERNING THIS OFFERING, PROVIDED THAT THE COMPANY SHALL HAVE NO OBLIGATION TO DISCLOSE ANY PROPRIETARY INFORMATION OR TO MAKE ANY REPRESENTATIONS (WHETHER ORAL OR WRITTEN) OTHER THAN THOSE SET FORTH IN THESE DOCUMENTS. ANY INFORMATION (WHETHER ORAL OR WRITTEN) OTHER THAN THAT CONTAINED IN DOCUMENTS FURNISHED BY THE COMPANY MUST NOT BE RELIED UPON.

#### **NOTICES, CONFIDENTIALITY AND RELATED MATTERS**

Each recipient hereof agrees by accepting this Memorandum that the information contained herein is of a confidential nature and that such recipient will treat such information in a strictly confidential manner and that such recipient will not, directly or indirectly, disclose or permit its affiliates or representatives to disclose, any information to any other person or entity, or reproduce information such, in whole or in part, without the prior written consent of the Company. Each recipient of this Memorandum further agrees to use the information solely for the purpose of analyzing the desirability of an investment in the Company to such recipient and for no other purpose whatsoever.

ANY REPRODUCTION OR DISTRIBUTION OF THESE OFFERING DOCUMENTS AND EXHIBITS, IN WHOLE OR IN PART, OR THE DIVULGENCE OF ANY OF ITS CONTENTS WITHOUT THE PRIOR WRITTEN CONSENT OF THE COMPANY IS PROHIBITED. NO PERSON IS AUTHORIZED TO GIVE ANY INFORMATION OR MAKE ANY REPRESENTATION NOT CONTAINED IN THESE OFFERING DOCUMENTS OR AN AUTHORIZED SUMMARY HEREOF, OR IN ANY AGREEMENT CONTEMPLATED HEREBY, AND ANY INFORMATION OR REPRESENTATION NOT CONTAINED HEREIN OR IN SUCH AUTHORIZED SUMMARY OR AGREEMENT MUST NOT BE RELIED UPON.

#### **NOTICE REGARDING FORWARD-LOOKING STATEMENTS**

The statements contained in this Memorandum that are not historical facts are forward-looking statements that represent management’s beliefs and assumptions based on currently available information. Forward-looking statements include all statements that are not historical facts and can be identified by the use of forward-looking terminology such as the words “believes,” “intends,” “may,” “will,” “should,” “anticipates,” “expects,” “projects,” “could,” “plans,” or comparable terminology or by discussions of strategy or trends. Although management believes that the expectations reflected in such forward-looking statements are reasonable, we cannot give any assurances that these expectations will prove to be correct. Such statements by their nature involve risks and uncertainties that could significantly affect expected results, and actual future results could differ materially from those described in such forward-looking statements.

Among the factors that could cause actual future results to differ materially are the risks and uncertainties discussed in this Memorandum. While it is not possible to identify all factors, management continues to face many risks and uncertainties including, but not limited to, our ability to meet the requirements to complete any potential project, the results of operations and our profitability, the acceptance in the market in general as discussed more thoroughly in the risk factors section of this Memorandum. Should one or more of these risks materialize, or should the underlying assumptions prove incorrect, actual results could differ materially from those expected. We disclaim any intention or obligation to update publicly or revise such statements whether as a result of new information, future events or otherwise.

#### SUMMARY OF THE OFFERING

The offering is not underwritten and is being offered on a “best efforts” basis by the Company through its officers and directors. The Company has set a maximum Subscription amount with gross proceeds of \$30,024,000. Upon the procurement of \$30,024,000 in investment capital, funds will be available for use by the Company at its discretion. This Offering may also be sold by FINRA (formerly NASD (National Association of Securities Dealers)) member brokers or dealers who enter into an agreement with the Company, who will receive commissions of up to 5% of the price of Shares, sold. The Company reserves the right to pay expenses related to this Offering from the proceeds of the Offering.

	<b>Sale Price</b>	<b>Selling Commissions</b>	<b>Proceeds To Company</b>
Per Share	\$5.56	\$.27	\$5.29
<b>Total</b>	<b>\$30,024,000</b>	<b>\$1,501,200</b>	<b>\$28,522,800</b>

- i) The minimum Subscription requirement is \$50,000.00 for 8,992 shares, unless waived by the Company.
- ii) The Company may pay commissions or fees to licensed broker-dealers and/or finders in an amount not to exceed 5%.
- iii) The Shares are being offered for sale by the Company on a “best efforts” basis.

## COMPANY OVERVIEW

Gallman Investment Group, Inc., is a South Carolina registered Corporation. It's a production company designed for the local communities to build and own assets, lift people out of poverty and build infrastructure using fintech technology and the financial marketplace. GIG is dedicated to acquiring, developing, and delivering highly substantive marketable stories in both Major Motion Picture and Limited Series formats. GIG's mission seeks inclusion and providing "high exposure" jobs for underprivileged communities.

Investors, institutions, and investment banks are taking notice and finding that Fintech is changing the world for many people. This has been made possible through access to finance, media, and entertainment regardless of background, geo-political or geography with the use of cellphones, social media, and internet access. Every outlet is geared to reach people through digital access investors and businesses are both taking notice. For GIG (a fintech and media company) it is a grandeur moment.

GIG created the trajectory for this evolution of business, politics, and social inclusion with a built-in marketing (film) component and asset base (share) that benefit its investors and customers. Urban communities provide most of the resources (labor, social, and culture) that is the base for most markets. It's all too imperative that the market and investment should meet.

Today, more funds are directed towards developing black venture companies, private equity groups, and funding conferences and businesses. This attracts more institutional and investment banking funds and soon more diverse publicly traded companies as these funds are scaled in communities from investments, jobs, education, and infrastructure development.

Until this evolution of fintech, block chain, and social media, black and urban communities made up less than 0.01 percent of publicly traded companies on the stock market. This made a great market for the digital world and now more companies are using their products and service to target. Investment banks and institutional investors are now not only investing in these opportunities like GIG who target these communities both for uplifting but also marketing for other opportunities. Fintech is addressing these divides as funders have put funds to work in these new emerging market opportunities here in the US and abroad. Some market leaders now require a diverse board before going public. Already this new model has companies using creative ways to market their new evolve. Some venture capital companies have media and entertainment departments, and some media and entertainment departments have venture departments. GIG, has both. GIG Company is also a model led by a true story from its Founder and CEO Terrence Gallman in NO RIGHT WAY production.

Largely until GIG, these people and communities have not been reached and are starting to attract investment banks and institutional investors. The JOBS Act served as another good catalyst to stimulate investors and early small-staged entrepreneurs. However, they are still on the surface and the available jobs are mostly underpaid or above average skill that are not complimentary for the communities they target. Therefore, a new more innovative model is needed just like GIG, a company created to integrate these communities into the market as investors, and productions geared for them to own the revenue streams and a new job market in entertainment and finance as well.

Films are increasingly finding their way into movie theaters and home DVD players around the world, thanks to the proliferation of Internet technology and the expansion of markets in both industrialized and rapidly emerging countries. GIG Group Media will be venturing into film production and distribution to tap the huge market available globally. According to IbisWorld, the global production and distribution of film is [\\$117.9 billion](#) in 2022 and it's expected to increase by 1.7% within this year. The United States of America movie and video production industry is [\\$18.2 billion](#) and still expected

to grow at 1.9% in this year 2022. This shows an increase from the past years of 2020 and 2021 which had been greatly affected by COVID-19.

GIG is a digital and fintech financial marketplace and film Production Company that is dedicated to acquiring, developing, and delivering substantive and highly marketable stories in both Major Motion Picture and Limited Series formats and leverage its audiences to market and distribute a co-branded debit card, app comprised of mutually beneficial accounts and an app that serves its productions and merchandise. We pride ourselves in our Unique Value Proposition which is Monetizing A-list level intellectual properties spanning all genres and demographics via major-motion picture and original series formats.

GIG Media is an Intellectual Property Acquisition and Major Motion-Picture/Limited Series Development and Production Department of the Company. GIG Media will be a standalone entertainment media company specializing on developing, acquiring, and distributing star-driven commercial films across all channels, including theaters, digital/transactional, streaming, and television. In discussion, GIG is anticipating procuring the rights to a slate of productions that could produce an estimated gross of 6.5 billion. Already in production is NO RIGHT WAY slated for production.

GIG, an Intellectual Property Acquisition & Major Motion Picture and Limited Series Development and Production Company, is pleased to announce the update for No Right Way Production, LLC. No Right Way, a Feature Film Production, has been budgeted at \$27.4 million (\$4-5 million estimate from South Carolina State Film Commission Tax Incentive Program). Earnings and Projected Revenue numbers are being determined and will be made available in our upcoming Pro-Forma. No Right Way is based on the book Finding Me by Terrence L. Gallman. The Screenplay has been written and adapted by Clay Ayers. Anthony Hemingway to Direct. Ed Cathell III Producing. Courtney B. Vance, Angela Bassett, Jeffrey M. Zucker, David Weild IV, and Dr. Lisa L. Smith Executive Producing. Writer Clay Ayers beautifully adapts Gallman's story as a work of his own.

No Right Way perfectly encompasses the main character's ability to integrate himself and his model into Wall Street. Following the main character's journey from childhood poverty, discrimination, and crime only to emerge from the crucible of prison as a true Wall Street success story and an inspiration to the community that raised him and to whom he is dedicated to lifting via GIG Group and its Community Partners.

Through this film media, GIG will be able to reach a huge mass of people and be able to enlighten and connect them to financial and banking services.

GIG's mission, shared by its benefactors and sponsors, is deeply rooted in the spirit of inclusion, and seeks to provide a wide spectrum of "high-exposure/resume-building" jobs for underprivileged communities. Additionally, GIG provides an opportunity for underprivileged communities to participate and integrate in the Global and Domestic Financial Markets, starting with local Financial Institutions in community partnership with GIG.

Today a large percentage of people do not have access to bank accounts or banking services and financial services even though it's essential for everyone. Having a prepaid card is an essential and inexpensive way to connect people to financial and banking services that handle tasks from bill payments to direct deposits from employers. We plan to build networks within urban community sectors where cash is the main method of transactions and sign-up customers and partner with other institutes that provide these services.

We will do so by providing an inexpensive debit card program and market financial education, literacy, and opportunity partnerships. We will adopt the business model that MasterCard uses in Kenya and South Africa led by MasterCard President Mark Elliott.

The credit card industry is experiencing continuous growth for the past 5 years and a growing need for electronic payment forms, this industry is expected to grow in the future too, being the future mode of payment. We capitalize on this growth in the industry by providing services at a lower cost and by providing better customer support and by aiming to build long-term relationships with customers.

We will advertise our business on different websites and get celebrities endorsements. We will also sponsor different events, which will help us grow our business. Projected financial statements are also presented below.



## 1. COMPANY OVERVIEW

The GIG Group Media is a next-generation global media company that produces and distributes content in a variety of formats, including film, television, sports, digital, and music. GIG Group Media is more than just a collection of entertainment-related businesses; it's a content engine that can use each of these business units, alone and collectively, to create content across all mediums, offering customers what they want, when they want it, and with very high-quality content.

In our studios we already have in production NO RIGHT WAY that will open wide doors for us in the film production and distribution industry engaged by Ramos Law for Production legal, fiancé, sales, packaging and distribution led by Nicole Compass and Tiffany Boyle. Through this film media, GIG Group will be able to reach a huge mass of people and be able to enlighten and connect them to financial and banking services.

Our platform boasts economic and wealth inclusion with books, curriculum, online courses, mobile app, website, and tours that promote economic inclusion, money management, financial literacy and asset building as means to crime prevention and wealth building. AI- based, fintech and block chain related

marketing and promotion. Resolving the uses around the unbanked, poverty and inclusion with access to financial services that affect people everyday lives.

We also help customers in successful investment in stocks and manage their portfolios and advise them when necessary.

### **Our Vision**

To ensure that every eligible person in their urban community has a prepaid debit card and provide best services as brokerage house.

### **Our Mission**

Be the platform that reduces the wealth inequality gap by providing every eligible person with access to financial services and education. Develop a business that provides outstanding execution for trades while providing insightful financial advice to its clients.

## **2. BUSINESS DESCRIPTION**

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GIG Group Media (“GIG Group”) will be a standalone entertainment media company specializing on developing, acquiring, and distributing star-driven commercial films across all channels, including theaters, digital/transactional, streaming, and television. Already in production NO RIGHT WAY. Through this film media, GIG group will be able to reach a huge mass of people and be able to enlighten and connect them to financial and banking services.

Today a large percentage of people do not have access to bank accounts or banking services and financial services even though it’s essential for everyone. Having a prepaid card is an essential and inexpensive way to connect people to financial and banking services that handle tasks from bill payment to direct deposits from employers.

It is also essential to access other vital investment opportunities to broaden your financial base. To reduce costs of theft and crime related to cash transactions, companies are moving to a cashless economy. This shines light on wealth inequality (now at its highest in 50 years) and can be directly linked to the lack of financial and economic inclusion. Yet, global wealth can be linked to the rise of tech, social and mobile applications producing the growing base of millionaires.

The economic expansion in the US is the longest on record. Emerging markets investment is at record highs. The fact that millions still live beneath the poverty line, unable to meet the basic costs of living, can be directly linked to the lack of access to financial and capital markets, primarily banking.

Today, most transactions are electronic. Without mobile banking accounts, people do not have access to moving and/or saving money. The result is a high vulnerability to the dangers that accompany a cash economy - the very dangers that banks are rushing to handle.

### **GIG GROUP MEDIA:**

The GIG Group is a next-generation global media company that produces and distributes content in a variety of formats, including film, television, sports, digital, and music. GIG Group is more than just a collection of entertainment-related businesses; it's a content engine that can use each of these business units, alone and collectively, to create content across all mediums, offering customers what they want, when they want it, and with very high-quality content.



In our studios we already have in production NO RIGHT WAY that will open wide doors for us in the film production and distribution industry. Through this film media, GIG Group will be able to reach a huge mass of people and be able to enlighten and connect them to financial and banking services.

### Businesses

GIG Group will have seven divisions under it which will include the following:

- **GIG Studios:** This film production section of GIG Group is the Company's first largest division with three films already in production, NO RIGHT WAY, with an estimated gross projection of \$50 million gross.
- **GIG Media Home Entertainment:** All major digital download, streaming licensing to the revenue cascades, video-on-demand, and Blu-ray platforms will be supported by GIG Media Home Entertainment's titles. The division shall publish selected titles from GIG's partner companies in addition to the studio's theatrical features.
- **GIG International:** This division oversees both the studio's own films and third-party releases in terms of global sales and distribution.
- **GIG Sports:** With sports being the world's top job and entertainment, GIG Sports will be one of the world's largest professional sports agencies, offering services ranging from contract negotiations to unique film and television content development to NBA, NFL, and MLB stars.
- **GIG Digital Studios:** GIG Digital Studios is a production and graphics division that generates special effects and produces, directs, and edits web series. In addition, the division generates branded entertainment initiatives that match brand partners with relevant GIG divisions and builds campaigns with internet celebrities in favor of GIG films.
- **GIG Music:** This branch will oversee film music in-house, as well as release soundtracks and score albums from major studios and television networks.
- **GIG Education:** From long-term programs to summer courses, GIG Education provides a variety of film, media, and performing arts programs.
- **GIG Partnerships for internships:** Through GIG's partnership with The Challenge 4 Change Initiative, it will offer paid internships to formerly incarcerated people so as to gain valuable work skills to sustain careers. The intended **outcomes of the Interning at GIG** include the following:
  - Interns will learn how to handle themselves like professionals.
  - Help them develop hard and soft skills.
  - Can end up finding employment in the Hollywood studios they are interning in.
  - They will be provided with support and mentorship to make sure they feel at home, and succeed in life.

More so, through the GIG partnerships with leading financial institutions like Weild and Co. Investment Bank, the underprivileged communities will be taught financial skills and how to save and get a debit card that can help them in monitoring their expenses and enable them to save more.

**GIG GROUP, a subsidiary of GIG Inc., is in various phases of Intellectual Property acquisition, development, and preproduction of the following film/series projects:**

## FILM SOURCE

The number of subscriptions to online video STREAMING services worldwide reached 1.1 billion in 2020, according to data by The Motion Picture. To add on this, 44% of US adults go to the movie theater at least once a month.

Current projects are primarily sole-sourced from Hollywood's **Clay Ayers**, a longtime writer for Quentin Tarantino's A Band Apart. Ayers's resume and background with major studios (Universal, Sony, Miramax, 20th Century Fox) dates to 2000 with his Universal #1 Box Office opener The Watcher (starring Keanu Reeves in the wake of his iconic role in The Matrix).

Also projects are sole-sourced from Esteemed Hollywood's Director Anthony Hemingway who work expands over 3 decades to include AHP's slate extends beyond "No Right Way," promising a rich tapestry of narratives that span genres and themes that not only highlights AHP's versatility but also its commitment to storytelling that matters, stories that resonate with the zeitgeist and address the pressing issues of our time.

## GIG BUSINESS MODEL

GIG Group Media intends to have several sources of income which includes the following:

1. **Membership Fees:** Monthly subscriptions will be the main source of revenue. We shall have multiple pricing tiers, allowing customers to select the plan that best suits their needs. The price difference will be determined by the following factors:
  - Number of screens that can be watched at the same time.
  - Number of phones or tablets to download on
  - HD available
  - Ultra HD available
2. **DVD Rentals:** DVD-by-mail will be a business model GIG will use in which clients rent DVDs and other comparable discs containing films, television series, video games, and other media online and have them mailed to them. In most cases, the renter and GIG will communicate via the company's website, which will operate on an e-commerce basis. A customer typically selects titles from a list of titles available online and adds them to a queue. GIG sends out a customer's requested titles when they become available. When the customer is done with the DVD, they return it to the company by mail.
3. **Merchandising:** In exchange for up-front fees and a share of sales to retailers, GIG will license the characters to manufacturers. GIG will sell Toys, T-shirts, and lunchboxes are examples of licensed items that can draw as much attention to a film before it's out in the market. In most cases, up to 40% of movie goods are sold prior to the release of the film. Monetizing A-list level intellectual properties spanning all genre and demographics via major- motion picture and original series formats.

## GIG UNIQUE VALUE PROPOSITION

Monetizing A-list level intellectual properties spanning all genres and demographics via major-motion picture and original series formats.

### **GIG KEY SUCCESS FACTORS**

The entertainment industry has many competitors, but we believe in our competitive advantages which includes the following:

- A-list material and talent.
- Award-winning producers, directors, cinematographers, writers, editors, and production designers.
- Venue format prioritization: 12% theatrical, 15% cable/tv networks, 73% streaming.

### **TEAM**

#### **TERRENCE L. GALLMAN**

##### **President/CEO, GIG**

Gallman currently leads GIG Group whose mission, shared by its benefactors and sponsors, is deeply rooted in the spirit of inclusion, and seeks to provide a wide spectrum of "high exposure/resume-building" jobs for underprivileged communities and provides an opportunity for underprivileged communities to participate and integrate in the Global and Domestic Financial Markets. starting with local Financial Institutions in community partnership with GIG.

Gallman is also AUTHOR of Love's Journey: The Road Less Traveled, Wall Street Bonds: The Urban Renaissance, JUSTUS screenplay, and the autobiography FINDING ME, the subject of the upcoming feature film "NO RIGHT WAY." Gallman represented Justice Inform and Reconciliation at the 72nd United Nations General Assembly Hall opening on September 12, 2015.

#### **JOCELYN PEARSON**

##### **Global Marketing Executive, GIG**

Jocelyn Pearson is an Internationally-accomplished marketing expert with over 20 years' experience working in renowned wealth, asset management and financial brands – most recently Executive Vice President of Global Marketing with BNY Mellon Investments. She has extensive experience modernizing traditional brands and developing unique positioning for emerging brands.

Prior to her work in financial services, Pearson was best known for the redesign of UPS.com, advancing It from a shipping application to an e-commerce tool that handles over 12 million transactions per day. Moreover, it became the gateway to all UPS services and an expanded brand experience. The updated site led to an evolution in the brand platform, progressing UPS from a mover of goods to an -enabler of global commerce through the movement of goods, information and funds.' Pearson led the change of the landmark from the noteworthy 'package with bow' to the current 'shield of pride.'

She Is now at the forefront of a movement for Investment inclusivity, having launched a cooperative marketing group to support small businesses that are beneficiaries of the JOBS ACT. Pearson has developed successful marketing and growth strategies for startup and fintech firms now collectively valued at \$9B in total revenues.

#### **LOREN SMITH**

**Global Administrative and Strategic Executive, GIG****Board Director I Asset Management I Policy Advisor I Market Research**

Loren A. Smith Jr. is the president of Skyline Policy Risk Group. From 2017 to 2021, he worked at the U.S. Department of Transportation and served as Deputy Assistant Secretary for Policy. There, his work included serving as DOT's chief environmental review permitting officer and as a member of the task force on regulatory reform, covering everything from trucking hours of service to supersonic aviation. From 2009 to 2016, he was an analyst for Capital Alpha Partners, a Washington-based research firm that studies public policy for investors. He specialized in transportation policy, particularly relating to autos and infrastructure, and published more than 500 research notes.

**MARC ELLIOTT, ELLIOTT AND PAINTER****CERTIFIED PUBLIC ACCOUNTANT**

Marc began his career in public accounting in 1982, primarily serving family-owned and closely held businesses and organizations. He co-founded Elliott & Painter in 2004 and provides tax planning, business consulting, audit, and other assurance services for professional practices, service-based businesses, and wholesale/distribution companies, as well as nonprofit and local governmental entities.

**DENISE SMITH, ELLIOTT AND PAINTER****CERTIFIED PUBLIC ACCOUNTANT**

Denise is a Certified Public Accountant (CPA) with more than 43 years of accounting, auditing, assurance, consulting, compliance, and taxation experience. Prior to joining Elliott & Painter, she was a partner at a local CPA firm and a director with a Southeast Regional CPA firm, where she served in the firm's Owner-Managed Business Industry Group, Education and Not-for-Profit Industry Group, and Estate and Trusts Industry Group. She was also a graduate of that firm's Leadership program and served as a course instructor for their internal training programs.

**JOHN BENEMERITO, ESQ. BENEMERITO LAW****GENERAL COUNSEL**

Benemerito Law empowers founders to navigate fundraising complexities with finesse. As a trusted partner and through our support network, we assist startups in raising capital and turning their visions into reality to propel them forward.

**FINTECH FINANCIAL MARKETPLACE AND PHONE APP:****WALL STREET BONDS: THE URBAN RENAISSANCE CARD**

LESS THAN 0.16% OF PUBLIC COMPANIES ARE MINORITY OWNED. AS OF 2022 LESS THAN 1.4% OF PRIVATE EQUITY IS MANAGED BY MINORITY-OWNED COMPANIES.

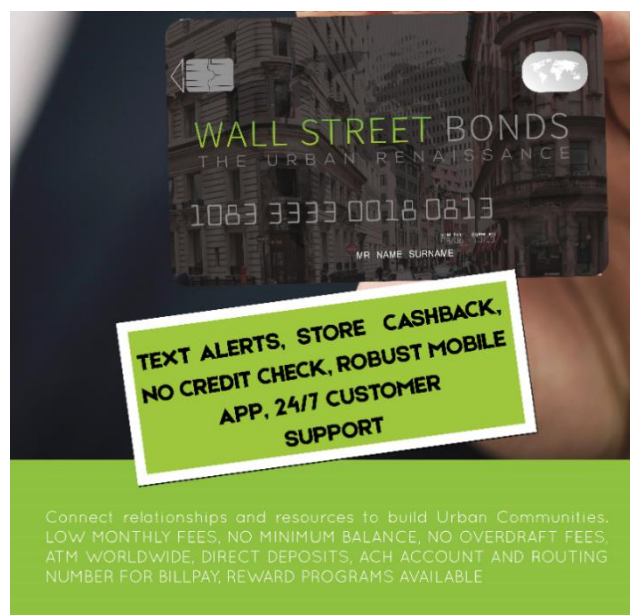
***WHY GALLMAN INVESTMENT GROUP, INC. MATTERS***

GIG is a South Carolina Corporation with its Wall Street partners committed to urban renaissance. GIG is dedicated to developing and delivering substantive and highly marketable stories in both Major Motion Picture and Series formats. As of 2023, GIG has plans for hundreds of film and series productions spanning every genre and demographic (15% theatrical/85% streaming et al). Thanks to the successful legislation of the JOBS ACT, fintech accessibility, and exclusive Intellectual Properties/films and series.

The Urban Renaissance is focused on solutions to these dual challenges by providing a prepaid debit card connecting millions of people who are unbanked; and by educating them about the importance of having access to financial services.

## GIG

Per Weild and Co. by 2025, the global financial service industry is expected to grow to \$28.5 trillion. The future is bright for this sector as more companies are investing in mobile payment and banking solutions, data and analytics tools, AI capabilities, digital platforms, and more financial services.



## 3. MARKET ANALYSIS

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### THE PROBLEM

**Less than 0.01% of public traded funds serve urban communities** i.e., investment banks, institutional investments, municipal organizations, depository institutions etc. This leaves the less disadvantaged people in the community like the people of color with not enough support or funds through different institutions or investors to boost their businesses.

From this problem that has been persisting for long, GIG has come in place to provide financial education and offer entertainment through films and movies that involve the local community to help at-risk individuals avoid the criminal justice system and address society's social issues. Additionally, through partnerships with financial institutions, GIG provides opportunities for underprivileged communities to participate and integrate in the Global and Domestic Financial Markets.

**Emerging Markets (International and overseas Markets) attracts most retirement fund accounts etc.** Cash-rich global pension funds are starting to increase their miniscule emerging market allocations, raising the prospect of a rapid acceleration in flows that could swamp the relatively small asset class. Retirement funds in the world's 13 biggest pension markets hold assets of around \$26 trillion -- almost 10 times the value of MSCI's emerging stock index and three times the entire stock of emerging local

currency debt in the world. So far, little of that huge cash stock has come to emerging markets. Fund managers estimate allocations at 5 percent, making them grossly underweight a sector that comprises almost half of the world economy and 13 percent of global stock indices. GIG is ready to help businesses get listed on the stock exchange and attract more pension funds' investments.

**The disadvantaged people in the community face a lot of rejection in the business and employment arena.** They have received 5 generations (400 years) of underprivileged jobs and business opportunities from municipal, city and state government, and private industries. This discrimination has made most of them criminals and they end up spending most of their lifetime in prison. Researchers have estimated varying annual costs of crime in the United States that range from \$690 billion to \$3.41 trillion per year. GIG can help reduce criminal injustice by involving the local and disadvantaged communities in educating and enlightening them about financial, business and funding matters. To add, involving them in our film productions that are meant to give them hope and make them own the process as well.

**Diversity has been an issue among several industries, both in the United States and globally.** People of color and those from disadvantaged backgrounds find diversity issues in their employment journey and those in business, find it hard to access funding. There is discretionary discrimination among the dispersion of capital, and it is worst depending on a person's color and background.

In the United States, only [1.2% of Venture Capital funding](#) went to Black entrepreneurs in 2022. From that, just **0.34%** of the total venture capital spent in the U.S. went to Black women.

The largest increase and pro-capital events have happened in the last decade and are increasing at a rate much less than the rise in debt whereas the equity gap among whites, blacks and minorities continues near the same. The capital markets are in a dire strait set of uncertain circumstances. Unless the debt is serviced by equitable capital dispersion, it will continue to stall growth. Recent intervention from the successful legislation of JOBS Act and recent NASDAQ and Securities Exchange Commission rulings sparked inclusion and diversity in the listing markets.

To add to this, a new trend has also emerged that supports the effort of inclusion which started with the siege from COVID. The IRS was able to register thousands of businesses into its SBA programs, and therefore, industries were able to create a work-from-home model and online job opportunities. This model has continued until today and the industries are better and well-equipped to survive in any given situation now than before.

A surge of new Artificial Intelligence such as ChatGPT and Bard programs that can execute light years' worth of work from the ease of a cellphone anywhere in the internet world, are widely available. This has integrated the global market supply and demand chain across every industry.

This has opened an opportunity seized by **The Challenge 4 Change initiative** which started a decade ago with a mission of helping youths from the urban community and bringing development. The Challenge 4 Change Initiative, GIG's (Gallman Investment Group Inc.), Urban Renaissance and Wall Street Bonds are led by Terrence Gallman. Terrence wants to intervene and make sure that there is equity, diversity and inclusion for the less privileged communities. Using his life story and the companies, he wants to open visibility and provide equal opportunities to the underprivileged communities in the corporate and film industry, who otherwise are mostly subjected to discretionary discrimination that prohibits a full meaning and productive development that leads to great opportunities in life.

Terrence is the Founder and President of Gallman Investment Group Inc. a film, fintech, finance and media company. He is also the founder of The Challenge 4 Change Initiative, a non-profit organization. The two companies will partner and co-host with Film Commissions and provide youths and individuals

with the ability to learn, gain skills, find jobs and offer trade and supply materials, that will integrate them into the entertainment productions. Entertainment productions have for decades led every aspect of business revenue streams and it's the main driver of innovation, opportunity and creativity.

### THE ECONOMIC CHALLENGE

In 1992, there were 621,912 Black-owned businesses in the U.S. By 2012, that number rose to 2.58 million, before decreasing to 1.1 million by 2020 (pre-pandemic). Two months later, this number had fallen to 640,000. Periods of ups and downs are common to all businesses. However, Black entrepreneurs continue to encounter unique obstacles that make it difficult to reach the same level of success as many of their competitors, such as a limited access to startup capital, fewer useful connections, and operating in lower-revenue industries.

#### i) Capital

Approximately 44% of Black business owners rely on cash to fund their business, compared to 37% for the average small business owner. Cash is a riskier means of financing a business, as it dips into funds also needed for essential items and paying bills, whereas a commercial loan allows business owners to retain much of their liquid assets. But getting access to loans isn't easy.

In 2018, the likelihood of large banks approving at least some financing for White-owned firms was 64.8%, compared to 44.8% for their Black-owned counterparts. Additionally, in 2017, banks were also three times more likely to follow up with White applicants than with more qualified Black business owners. In 2014, 28.4% of Black entrepreneurs found that their profits were negatively impacted by their access to capital, while 22.6% were themselves negatively impacted by the actual cost of capital.

#### ii) Connections

Black business owners have less access to the types of mentor and peer networks that can help grow a business—and they are less likely to have family connections who can help. In a 2017 survey conducted by Prosperity Now, 23.3% of White firm owners gained prior work experience as part of a family member's business, compared to 12.6% of Black entrepreneurs.

#### iii) Cash Flow

Black firms are more frequently found in industries with a lower earning potential, including beauty salons, childcare, home healthcare services, janitorial services, and barbershops. And even in these sectors, White businesses still tend to earn more than competing Black-owned businesses.

Meanwhile, Black businesses in more lucrative sections—including physician and mental health offices, plumbing and heating/air conditioning contractors, offices of lawyers, and full-service restaurants—also earn less than White counterparts.

Overall, Black-owned firms averaged \$58,000 in revenue in 2017, while White businesses averaged \$546,000.<sup>24</sup>

### TARGET MARKET

#### Movie production Department:

There is a huge demand for movies and films mostly from the end users who are millennial and generation Z who fall in the age group of 18 to 41 years. They tend to stream movies on a daily and weekly basis. These age groups are frequently in the media spotlight, and we believe that these generations are the future of digital media and drive different and changing viewing habits more so than older adults.

Therefore, investing in a crowd-owned production company like GIG, is the most appropriate way to tap this huge market and even create more jobs for the local communities.

#### **Fintech-financial marketplace Department:**

According to our research data below, the statistics of the unbanked, an estimated 5.4% of U.S. households (approximately 7.1 million) were “unbanked” in 2019, meaning that no one in the household had a checking or savings account at a bank or credit union (i.e., bank). Black and Latinx consumers in the US face lack of access to necessary financial products and services. Making up just 32% of the US population, Black and Latinx households represent 64% of the country’s unbanked and 47% of its underbanked households.

GIG plans to target this unbanked group by offering them financial education, literacy and opportunity partnerships for their businesses. We also plan to provide an inexpensive debit card program that can help them in paying bills. Through financial education, the unbanked will learn the importance of having a bank account, the importance of saving, the importance of having a good credit standing, how to open businesses, how to find funding and many more.

#### **Asset Building:**

Very few black businesses are in the stock market and thus, very few can be seen by investors so that they can get funding to expand their businesses. GIG will help the people of color in finding ways of getting investors and partnerships that can help them build on their assets and wealth. We shall help them to get listed on the stock exchange as well.

#### **Criminal Justice Stats show mostly affected people are from these communities.**

##### *The Amount of Incarceration of POC*

Communities of color make up a disproportionate share of the American imprisoned population, according to a new [study](#) from The Sentencing Project, a Washington, D.C.-based research, and advocacy center, highlighting racial and ethnic disparities among Black, Latino and white incarcerated Americans.

The study found that Black Americans are incarcerated at nearly 5 times the rate of white Americans, whereas Latino Americans are imprisoned 1.3 times the rate of white Americans.

According to the report, Black Americans are incarcerated at a state average of 1,240 per 100,000 residents, whereas Latino Americans are imprisoned at a rate of 349 per 100,000 residents. White, non-Latino Americans, meanwhile, are incarcerated at 261 per 100,000 residents.

[Wisconsin](#) leads the nation with the highest rate of imprisonment of Black Americans, with 2,742 per 100,000 Black residents incarcerated in state prisons. Among the country's Latino population, [Arizona](#) has the highest incarceration rate, with 742 per 100,000 Latino Americans imprisoned.

#### **Black, Latino and white American imprisonment rate per 100,000 residents**

State	Black	Latino	White
Wisconsin	2742	475	230
Oklahoma	2395	480	511
Idaho	2387	673	502
Montana	2272	293	371
Arizona	2105	742	428
Iowa	2084	327	225



Alaska	1987	238	417
Oregon	1932	376	344
Vermont	1737	-	239
Nebraska	1733	395	195
Kansas	1661	362	265
South Dakota	1660	432	280
Delaware	1654	355	324
California	1623	353	175
Colorado	1603	518	236
Arkansas	1597	252	450
Texas	1547	471	452
Nevada	1543	319	379
Ohio	1530	312	273
Pennsylvania	1523	469	206
Connecticut	1512	579	156
Michigan	1479	-	230
Indiana	1443	243	320
Louisiana	1411	28	381
Florida	1411	227	340
Utah	1383	299	167
Kentucky	1370	188	466
West Virginia	1337	155	348
Wyoming	1337	525	381
Maine	1331	-	143
Missouri	1297	214	336
Virginia	1246	135	287
New Mexico	1229	393	216
Washington	1195	287	222
Illinois	1166	223	156
Alabama	1132	-	421
Mississippi	1107	211	398
Minnesota	1023	186	105
New Jersey	1009	162	81
Georgia	1006	216	361
Tennessee	989	163	296
Hawaii	947	84	410
North Dakota	848	407	172
South Carolina	823	172	217
Rhode Island	821	239	131
North Carolina	810	194	209
New York	754	285	96
Maryland	746	123	141
New Hampshire	742	241	269
Massachusetts	466	260	63

### The impact of poverty and lack of job/education opportunities in impoverished areas

Poverty has devastating consequences for the people who live in it. Much research focusing on childhood poverty has been conducted and these studies make it very clear that childhood poverty has

lifelong consequences. In general, poor children are more likely to be poor as adults, more likely to drop out of high school, more likely to become a teenaged parent, and more likely to have employment problems. Although only 1 percent of children who are never poor end up being poor as young adults, 32 percent of poor children become poor as young adults.

The U.S. Census Bureau defines “deep poverty” as living in a household with a total cash income below 50 percent of its poverty threshold. According to the Census Bureau, in 2016, 18.5 million people lived in deep poverty. Those in deep poverty represented 5.8 percent of the total population and 45.6 percent of those in poverty.

While poverty thresholds vary by size and household composition, for a single individual under 65 years old, deep poverty would be an income below \$6,243 in 2016. For a family of four with two children, it would be \$12,169.50.

In terms of race, Census Bureau data show that those who are Black or Hispanic are most likely to be in deep poverty, with poverty rates of **10.8 and 7.6 percent**, respectively. Those who are White and not Hispanic or Asian are least likely to live in deep poverty, with poverty rates of 4.1 and 5.2 percent.

A recent study used government data to follow children born between 1968 and 1975 until they were ages 30 to 37. The researchers compared individuals who lived in poverty in early childhood to those whose families had incomes at least twice the poverty line in early childhood. Compared to the latter group, adults who were poor in early childhood.

- had completed two fewer years of schooling on average;
- had incomes that were less than half of those earned by adults who had wealthier childhoods;
- received \$826 more annually in food stamps on the average;
- were almost three times more likely to report being in poor health;
- were twice as likely to have been arrested (males only); and
- were five times as likely to have borne a child (females only).

### Consequences of poverty

- **Family Problems:** The poor are at greater risk for family problems, stress, including divorce and domestic violence. When these problems occur, poor families have fewer resources to deal with these problems.
- **Health, Illness, and Medical Care:** The poor have health problems, including infant mortality, earlier adulthood mortality, and mental illness, and receive inadequate medical care. Poor children have inadequate nutrition and, for this reason, suffer health, behavioral, and cognitive problems. These problems affect their performance in school and landing stable employment as adults, and this ensures that poverty persists across generations. Many poor people are uninsured or underinsured. Poverty is responsible for almost 150,000 deaths annually.
- **Education:** Poor children typically go to rundown schools with inadequate facilities where they receive inadequate schooling. Therefore, they are less likely to graduate from high school or to go to college. Their lack of education in turn restricts them and their own children to poverty, once again helping to ensure a vicious cycle of continuing poverty across generations.
- **Crime and Victimization:** Poor people account for the bulk of street crime and street crime victims (homicide, robbery, burglary, etc.). The reasons behind it are deep frustration and stress of living in poverty and the fact that many poor people live in high- crime neighborhoods. There are over 2 million people now in US prisons and jails because of crime and victimization who come from poor or near-poor backgrounds.

- Lack of job/education opportunities:** The historical relationships in the United States between privileged and marginalized communities play a major role in the administering of unequal and inadequate education to these socially excluded communities. The black unemployment rate is nearly or more than twice the white unemployment rate regardless of educational attainment.

Researchers examined the level of racial discrimination in the United States labor market by randomly assigning identical résumés black-sounding or white-sounding names and observing the impact on requests for interviews from employers. **Results found that résumés with white-sounding names received 50 percent more callbacks than those with black-sounding names**, indicating that, all other things being equal, considerable racial discrimination exists in the American labor market.

### Black unemployment is significantly higher than white unemployment regardless of educational attainment.

Unemployment rate by race and education level

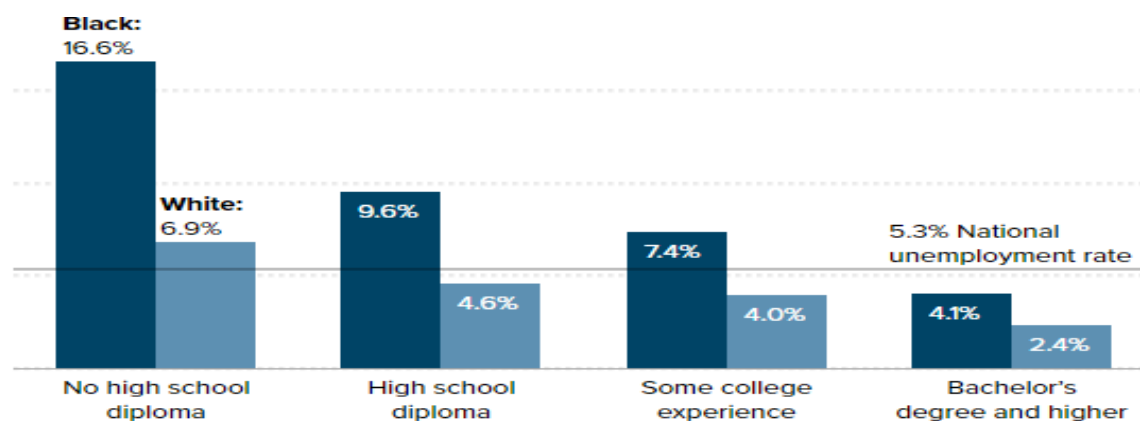


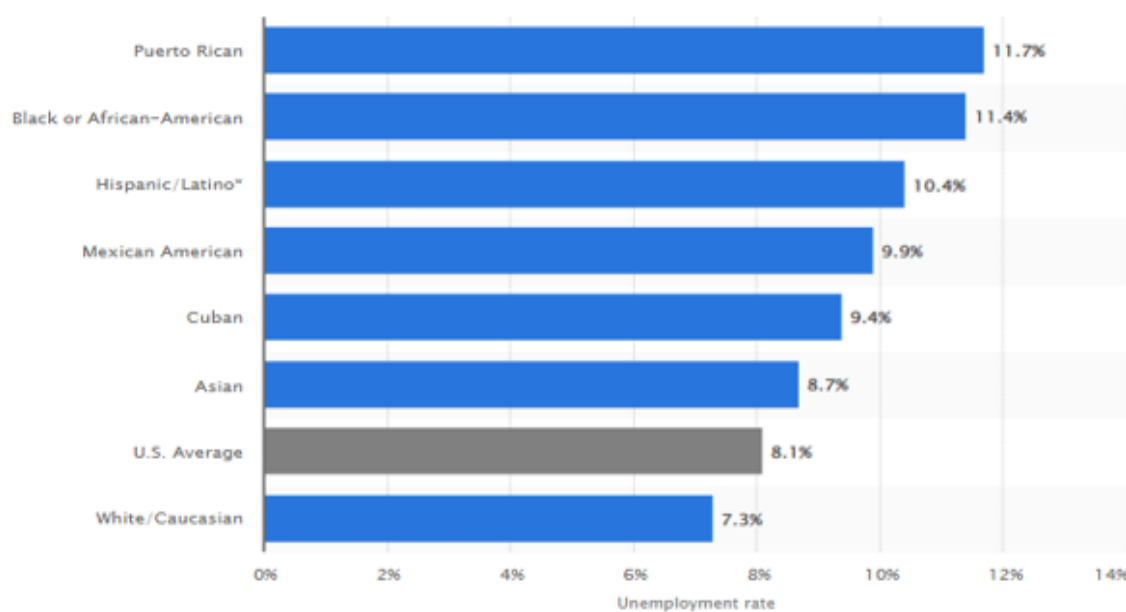
Chart Data

**Source:** Author's calculations based on monthly Current Population Survey data. The 12-month averages include data for December 2014 through November 2015 and is calculated for people age 25 or older.

The average unemployment rate for black college graduates has been 4.1 percent—nearly two times the average unemployment rate for white college graduates (2.4 percent) and equivalent to the unemployment rate of whites with an associate degree or who have not completed college (4.0 percent). The largest disparity is seen among those with less than a high school diploma: while whites with less than a high school diploma have an unemployment rate of 6.9 percent, the black unemployment rate is 16.6 percent—over two times the white average.

### Unemployment rate in the United States in 2020, by ethnicity

In 2020, 11.7 percent of the Black or African American population in the United States were unemployed, the highest unemployment rate of any ethnicity. In 2020, the national unemployment rate stood at 8.1 percent.



### The impact on generations for the drug laws, and how that has changed with decriminalization of marijuana possession

Drug legalization could remove or reduce the very problems that cause the greatest public concern: the **crime, corruption, and violence** that attend the operation of illicit drug markets.

#### Drug legalization would benefit the United States in several ways:

- Save Federal, State, and local governments billions of dollars a year
- Lead to reduced crime and safer neighborhoods
- Enhance public health
- About one-third of inmates would not be in prison if it were no longer a crime to possess or traffic in illicit drugs.
- Dangers to public health from using heroin, cocaine, and marijuana would be greatly reduced since legalizing drugs would probably reduce the use of harmful drugs.

#### Negative effect of drug legalization

- Negative effect of legalizing marijuana is that there is an increase in adolescent use due to increased availability, greater social acceptance, and possibly lower prices.

### The percentage of unbanked and why?

An estimated 5.4% of U.S. households (approximately 7.1 million) were “unbanked” in 2019, meaning that no one in the household had a checking or savings account at a bank or credit union (i.e., bank).

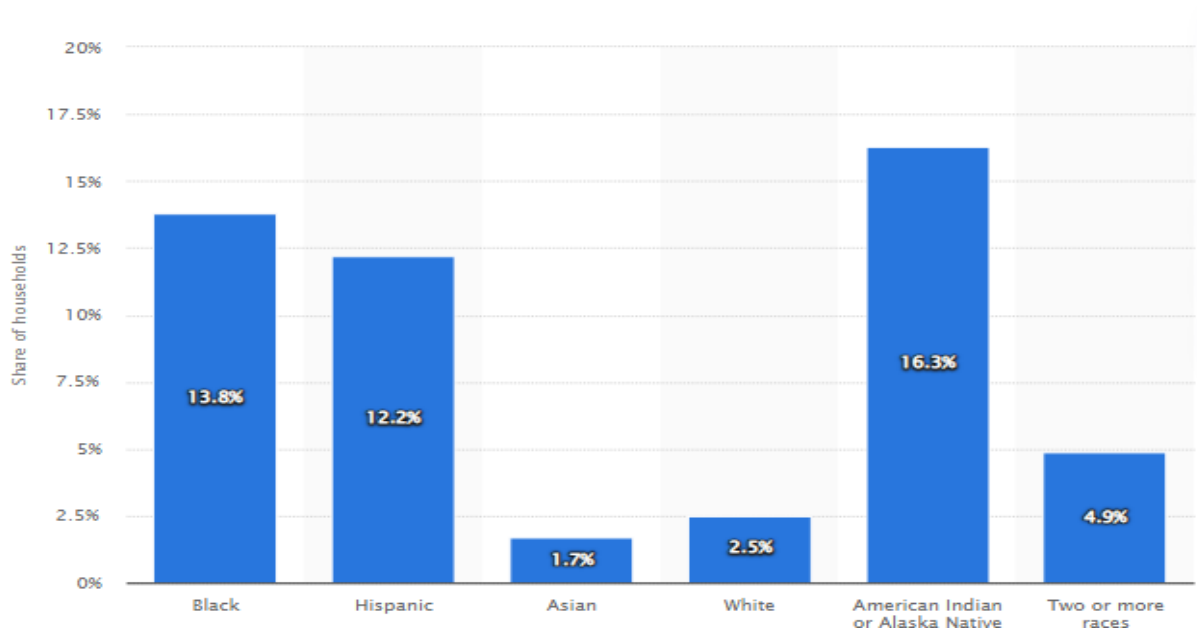
Black and Latinx consumers in the US face lack of access to necessary financial products and services. Making up just 32% of the US population, Black and Latinx households represent 64% of the country’s unbanked and 47% of its underbanked households.

In many Black and Latinx communities, check cashers and payday lenders are more common than bank branches and open after hours. People in these communities often turn to alternative financial institutions, which are non-bank services with high transaction costs.

Due to lack of bank accounts, families cannot generate the data that helps establish creditworthiness. This makes it difficult to access the credit needed to fund wealth-creating activities such as investing in education or a business venture.

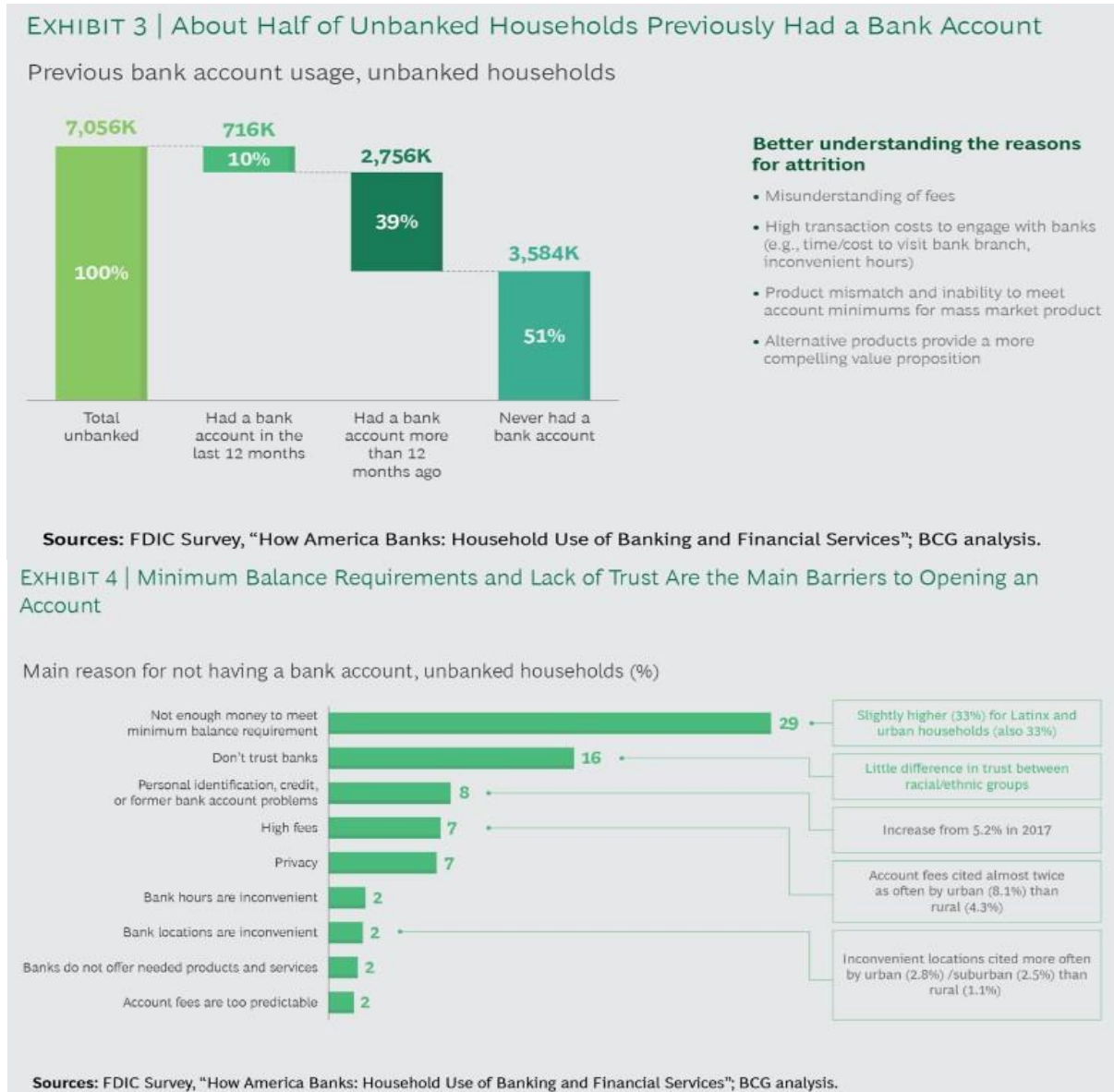
13.8 of the U.S. households with black ethnicity were unbanked in 2019, which means that they had no account at an insured institution. The corresponding rate for households with American Indian or Alaska Native ethnicity was 16.3 percent.

#### Share of unbanked households in the United States 2019, by ethnicity



#### Why they are underbanked

According to FDIC survey there are several reasons why blacks and other POC are underbanked. To add to this, other underbanked people had bank accounts previously but no longer have them today. They also have reasons for being underbanked today and some include high transaction costs, misunderstanding the fees and many more.



**Mistrust of banks** is widespread irrespective of race: in the data, there seems to be no meaningful difference in distrust between Black, Latinx, and white households.

**Having insufficient funds** is a greater barrier, with 29% of unbanked households citing minimum balance requirements as the top reason for not accessing mainstream financial services.

Those without bank accounts **lack awareness of banking products** and **specific, newer products**.

For many households, the barrier is that a **mainstream bank account often has overdraft fee policies that are unclear or difficult to navigate**. For someone who has little liquid savings to act as a buffer, not knowing the order in which different transactions will be posted can pose the risk of overdraft fees.

Although products with low maintenance fees and no minimum balance are becoming more common across the industry, **lack of fee transparency, high overdraft fees, and the difficulty of navigating bank terms** remain barriers to sustained use of mainstream financial products.

Meanwhile, there are many structural barriers to opening an account at a mainstream bank. For example, in areas known as “bank deserts” (with few to no bank branches), accessing services in person means people must travel out of their neighborhoods, which is costly and time-consuming. Additionally, **bank hours** can make it hard for people who work long days or have multiple jobs to find time for a visit. **Paperwork** can be burdensome or contain technical jargon or terms and conditions that are hard to navigate. Among non-English-speaking customers, **language can be another obstacle**. For income- and language-constrained communities, banks are exclusive, rather than inclusive.

## REASONS FOR REMAINING UNBANKED

There are three primary barriers that prevent lower- and moderate-income workers from becoming banked:

### 1) Financial Barriers

- Believe they do not have enough money to maintain a bank account
- Distrust of banks (due to negative previous experience with banks) or desire for privacy.

### 2) Social Barriers

- Lack desire or need to establish an account
- Absent role models; don’t know anyone who participates in mainstream financial system

### 3) Institutional Barriers

- Inconvenient bank locations and hours
- High bank account fees
- Needed products and services are not offered by banks
- Poor credit history or negative ChexSystems status (a check verification database that financial institutions use to assess the risk level of potential customers)

## *Credit history and the requirements for getting an account*

Your credit history **tells businesses how you pay your bills**. Those businesses then decide if they want to give you a credit card, a job, an apartment, a loan, or insurance. A credit score is a number. It is based on your credit history. A high credit score means you have good credit. A low credit score means you have bad credit. Different companies have different scores. Low scores are around 300. High scores are around 700-850.

## **What you need to open a checking account**

You can apply online for a checking account if you’re 18 years or older and a legal U.S. resident. You’ll need the following information:

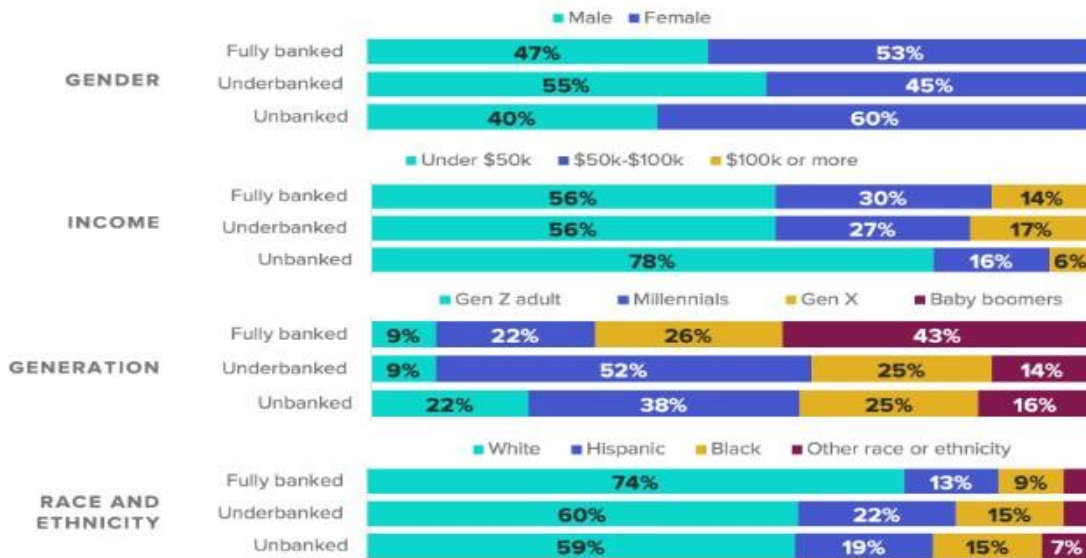
- 1) Social Security number or Individual Taxpayer Identification Number (ITIN)
- 2) A valid, government-issued photo ID like a driver’s license, passport, or state/ military ID.
- 3) A minimum opening deposit of \$25 to activate your account (once you’ve been approved). This can be paid with a credit, debit or prepaid card, a transfer from another U.S. Bank account or a transfer from another financial institution.

## **MARKET SIZE**

### **Characteristics of the underbanked**

- One in 10 adults says they do not have a checking or savings account.
- Underbanked consumers are more likely to be men, while unbanked consumers are more likely to be women.

### Unbanked Individuals Poorer, Younger and Less White Than Fully Banked U.S. Adults



Household Characteristics	Number of Households (1000s)	Unbanked Households (%)	Underbanked Households (%)	Banked: Fully Banked Households (%)
<b>All</b>	129,276	6.50%	18.70%	68.40%
<b>Family Income</b>				
Less than \$15,000	15,997	25.70%	20.90%	47.70%
\$15,000 to \$30,000	19,842	12.30%	22.40%	58.30%
\$30,000 to \$50,000	25,610	5.10%	22.80%	65.40%
\$50,000 to \$75,000	23,763	1.50%	19.70%	72.80%
At least \$75,000	44,064	0.60%	13.30%	79.90%
<b>Household Type</b>				
Female Individual	24,262	7.60%	15.70%	70.00%
Male Individual	21,776	9.20%	18.90%	65.30%
Unmarried Female-headed Family	15,172	15.40%	27.50%	51.20%
Unmarried Male-headed Household	6,600	9.90%	25.40%	58.50%
Married Couple	61,138	2.50%	16.90%	74.30%
<b>Race/Ethnicity</b>				
Caucasian	85,599	3.00%	14.10%	77.10%
African-American	18,201	16.90%	30.40%	45.80%
Asian	6,792	2.50%	17.50%	69.20%
Other	2,030	12.80%	28.00%	55.80%
Hispanic	16,655	14.00%	28.90%	49.70%
<b>Language</b>				
Spanish Not Only Language Spoken	124,329	5.80%	18.20%	69.70%
Spanish is Only Language Spoken	4,947	24.40%	32.20%	36.00%



Age Group				
15-24	6,625	10.00%	29.30%	56.50%
25-34	20,997	8.50%	23.10%	62.50%
35-44	21,532	7.80%	22.20%	63.60%
45-54	23,277	6.90%	19.30%	67.10%
55-64	24,484	5.90%	17.80%	70.30%
65+	32,361	3.90%	11.60%	77.50%
Disability Status				
Disabled, age 25 to 64	11,297	18.10%	24.70%	52.20%
Not Disabled, age 25 to 64	78,993	5.70%	19.90%	68.00%
Not applicable (not age 25 to 64)	38,985	4.90%	14.60%	73.90%
Education				
No High School Diploma	12,461	22.40%	24.30%	46.30%
High School Diploma	33,334	9.40%	20.30%	63.70%
Some College	37,355	5.10%	20.80%	67.80%
College Degree	46,127	1.30%	14.40%	78.30%

The Credit Card Providers industry has experienced strong growth over the five years to 2019. While a slow recovery from the recession hampered many other industries, the weak economy played to this industry's strength. Fewer consumers qualified for credit and bank accounts and instead opted for prepaid cards. A growing need for electronic payment forms and rising fees in traditional banking institutions made prepaid cards attractive. As a result, revenue is expected to grow significantly over the next few years.

The gap in wealth equalities leads to ever more problems that come with rising costs of goods and services. Lack of access to financial services costs more and people unable to afford a conventional bank account must rely on alternative financial services to pay for services, transportation, pay bills and shop. Also due to this, there are also socio-economic problems and there is inadequate access to mainstream development for peoples.

We plan to build network within urban community sectors where cash is their main method of transactions; and sign-up customers and also partner with local/regional employers, businesses, schools, churches, nonprofits, community organizations and institutions that provide services. By providing these services, which are the present need, we expect to grow our company in future. The major competitors of the company are ACCION, RUSHCARD and GREENDOT.

## EXECUTIVE SUMMARY

GALLMAN INVESTMENT GROUP, INC. is a privately held company that began as a business structuring consulting firm. Using a compilation of our background, knowledge of the commerce department economic indicators (ISM, GDP, Oil and gas Futures, Durable Goods report, etc...) that directly affect small businesses we created a very profitable business model that makes the little guys a large conglomerate. Until recently Mr. Terrence L. Gallman managing Director of C4CI (The Challenge 4 Change Initiative), Managing Director of Gallman Investment Group, Inc., conjoined a host of his talents and experience together. As Director of C4CI an awareness and prevention firm that hosts public speaking engagements, awareness conventions, pre and post incarceration programs, school and community awareness curriculums, and a vision of community housing (apartments, job training, school, substance abuse, mental counseling, parenting, transportation, community awareness and involvement programs (mentoring) etc... This vision is conjoined with Mr. Terrence L. Gallman, consist of his array of educated entertainment books, plays, film, and speaking engagements and conferences that addresses and meet both the spiritual, moral, ethical, and intellectual needs of our society.

- Film Production Company- Acquire Intellectual Properties and Produce

- Debit Card Program-Provided debit card accounts as Alternative Financial Services to include unbanked consumers.

Assets included are:

Debit Card Program 1 million cardholders need 42000 per month in 24 months equals 1 million card holders referrals fees and transaction fees are based on contract (bps basis point system).

Everyone needs to make money. To make money you have to have value. To make more money you have to add more value, and everyone needs to make more money. Add a business card to every individual and business. Adding a TV commercial and radio broadcast to every business and/or event, a website to every person, brand, or business. A print flyer for every person, brand, business, and/or event is our purpose.

GALLMAN INVESTMENT GROUP, INC. is seeking funding to expand the company's media, print, and publishing. To grow and expand its present operations GALLMAN INVESTMENT GROUP, INC. will have to raise working capital. The raised capital will be utilized in expanding the media, print, and publishing division.

The following chart shows the multiple streams of income projected over the next three years.

<b>PROFIT AND LOSS STATEMENT</b>			
	<b>PROJECTED</b>		
	<b>2024</b>	<b>2025</b>	<b>2026</b>
<b>REVENUES</b>			
Revenues	\$ 1,600,000.00	\$ 11,250,000.00	\$ 25,000,000.00
<b>Total Revenue</b>	<b>\$ 1,600,000.00</b>	<b>\$ 11,750,000.00</b>	<b>\$ 25,000,000.00</b>
<b>Total Expenses</b>	<b>\$ 1,100,000.00</b>	<b>\$ 2,750,000.00</b>	<b>\$ 4,500,000.00</b>
<b>NET PROFIT</b>	<b>\$ 500,000.00</b>	<b>\$ 9,000,000.00</b>	<b>\$ 20,500,000.00</b>

<b>CASH FLOW PROJECTIONS</b>			
	<b>PROJECTED</b>		
	<b>2024</b>	<b>2025</b>	<b>2026</b>
<b>Operating Cash at beginning</b>	\$ -	\$ 500,000.00	\$ 9,000,000.00
<b>Source of new cash</b>			

Revenue	\$		\$	11,250,000.00	\$	29,000,000.00
		1,600,000.0				
		0				
<b>Total source of cash</b>	<b>\$</b>		<b>\$</b>	<b>11,750,000.00</b>	<b>\$</b>	<b>29,000,000.00</b>
		<b>1,600,000.0</b>				
		<b>0</b>				
<b>Uses of cash</b>						
Expenses Paid	\$		\$	2,750,000.00	\$	5,500,000.00
		1,100,000.0				
		0				
<b>Total uses of cash</b>	<b>\$</b>		<b>\$</b>	<b>2,750,000.00</b>	<b>\$</b>	<b>5,500,000.00</b>
		<b>1,100,000.0</b>				
		<b>0</b>				
<b>Closing cash balance</b>	<b>\$</b>	<b>500,000.00</b>	<b>\$</b>	<b>9,000,000.00</b>	<b>\$</b>	<b>23,500,000.00</b>

### **Mission**

Our mission is to provide a alternative business model to increase profits through joint ventures and mergers. By utilizing our services and benefiting from our mergers they become a large organization that compete with the big companies.

The Company: Gallman Investment Group, Inc. is a South Carolina Corporation formed in 2008. Its principal office is located at 311 Stanza Hill Rd, Prosperity, South Carolina 29127.

### **Use of Proceeds**

Once \$30,024,000 is raised, the Company will make use of the funds that cover administrative, marketing, and production costs. The Company will establish a Public Relations campaign that will attract potential buyers of its products and students to the tutorial services.

The anticipated net proceeds to the Corporation from the initial sale of 5,400,000 shares of Preferred Stock being offered by the Corporation, shall be \$30,024,000 after placement costs, if any.

### **INVESTOR SUITABILITY STANDARDS**

#### **Accredited Investors**

Rule 501(a) of Regulation D defines an “accredited investor” as any person who comes within any of the following categories, or whom the issuer reasonably believes comes within any of the following categories, at the time of the sale of the securities to that person:

- (1) Any bank as defined in section 3(a)(2) of the Securities Act, or any savings and loan association or other institution as defined in section 3(a)(5)(A) of the Securities Act whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to section 15 of the Exchange Act; any insurance company as defined in section 2(a)(13) of the Securities Act; any investment company registered under the Investment Company Act of 1940 or a business development company as defined in section 2(a)(48) of that Act; any Small Business Investment Company licensed by the U.S. Small Business Administration under section 301(c) or (d) of the Small Business Investment Act of 1958; any plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of \$5,000,000; any employee

benefit plan within the meaning of the Employee Retirement Income Security Act of 1974 if the investment decision is made by a plan fiduciary, as defined in section 3(21) of such act, which is either a bank, savings and loan association, insurance company, or registered investment adviser, or if the employee benefit plan has total assets in excess of \$5,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors;

(2) Any private business development company as defined in section 202(a)(22) of the Investment Advisers Act of 1940;

(3) Any organization described in section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of \$5,000,000;

(4) Any director, executive officer, or general partner of the issuer of the securities being offered or sold, or any director, executive officer, or general partner of a general partner of that issuer;

(5) Any natural person whose individual net worth, or joint net worth with that person's spouse, exceeds \$1,000,000;

(6) Any natural person who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with that person's spouse in excess of \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year;

(7) Any trust, with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in § 230.506(b)(2)(ii); and

(8) Any entity in which all of the equity owners are accredited investors.

**For purposes of calculating net worth:**

- (A) The person's primary residence shall not be included as an asset;
- (B) Indebtedness that is secured by the person's primary residence, up to the estimated fair market value of the primary residence at the time of the sale of securities, shall not be included as a liability (except that if the amount of such indebtedness outstanding at the time of sale of securities exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of the primary residence, the amount of such excess shall be included as a liability); and
- (C) Indebtedness that is secured by the person's primary residence in excess of the estimated fair market value of the primary residence at the time of the sale of securities shall be included as a liability.

In determining income, a subscriber should add to the subscriber's adjusted gross income any amounts attributable to tax exempt income received, losses claimed as a limited partner in any limited partnership, deduction claimed for depletion, contribution to an IRA or Keogh plan, alimony payments, and any amount by which income for long-term capital gains has been reduced in arriving at adjusted gross income.

**Additional Provisions and Requirements**

In addition to the foregoing suitability standards, we cannot accept subscriptions from anyone if the representations required are either not provided or are provided but are inconsistent with our determination that the investment is suitable for the subscriber. In addition to the financial information we require, the representations we require of you state that you:

- Have received this Memorandum, together with the Exhibits attached hereto;
- Understand that no federal or state agency has made any finding or determination as to the fairness for investment in, nor made any recommendation or endorsement of, the Shares; and
- Understand that an investment in the Company will not, in itself, create a qualified retirement plan as described in the Internal Revenue Code and that you must comply with all applicable provisions of the Internal Revenue Code in order to create a qualified retirement plan. You will also represent that you are familiar with the risk factors we describe and that this investment matches your investment objectives. Specifically, you will represent to us that you:
- Understand that there will be no public market for the Shares, that there are substantial restrictions on repurchase, sale, assignment or transfer of the Shares,

and that it may not be possible to readily liquidate an investment in the Shares; and

- Have investment objectives that correspond to those described elsewhere in this Memorandum. You will also represent to us that you have the capacity to invest in our Shares by confirming that:
- You are legally able to enter into a contractual relationship with us, and, if you are an individual, have attained the age of majority in the state in which you live; and
- If you are a manager, that you are the manager for the Company on behalf of which you are purchasing the Shares and have due authority to purchase Shares on behalf of the Company.

If you are purchasing as a fiduciary, you will also represent that the above representations and warranties are accurate for the person(s) for whom you are purchasing Shares. By executing the Subscription Agreement, you will not be waiving any rights under the Securities Act or the Exchange Act.

We have the right to refuse a subscription for Shares if in our sole discretion if we believe that the prospective Investor does not meet the suitability requirements. It is anticipated that comparable suitability standards (including state law standards applicable in particular circumstances) may be imposed by us in various jurisdictions in connection with any resale of the Shares.

**Subscription Procedures**

Each Investor herein will be required to do the following:

1. Complete, sign and deliver to us a Subscription Agreement (subject to the guidance below);

2. Deliver payment by check or wire, or USD, pursuant to the instructions on the Subscription Agreement.

**Investors within the United States, or who are U.S. persons, and who are subscribing on the basis of being an accredited investor should complete and return the form of subscription attached hereto as Exhibit A.**

### **Transfer Restrictions**

The issuance and sale of the Shares have not been registered under the Securities Act or any other applicable securities laws, and we do not expect that the Shares will be registered once created. Unless so registered, the Shares may not be offered, sold, pledged or otherwise transferred within the United States or to or for the account of any U.S. Person, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any other applicable securities laws. Investors will generally be required to maintain and hold their Shares for a period of one year from the issuance of the Shares. The Shares are not redeemable at the option of the holder, and shareholders will not have the right to withdraw their capital. It is not contemplated that the Shares will ever be registered. No public market for the Shares may ever develop.

### **RISK FACTORS**

IN ADDITION TO THE OTHER INFORMATION IN THIS MEMORANDUM, YOU SHOULD CAREFULLY CONSIDER THE FOLLOWING RISK FACTORS BELOW BEFORE MAKING AN INVESTMENT DECISION TO PURCHASE SHARES OFFERED HEREBY. THE PURCHASE OF SHARES IS ONLY SUITABLE FOR PERSONS OR ENTITIES THAT CAN AFFORD THE RISK OF LOSS OF THEIR ENTIRE INVESTMENT. IF ANY OF THE FOLLOWING RISKS ACTUALLY OCCUR, OUR BUSINESS, FINANCIAL CONDITION, OR RESULTS OF OPERATIONS COULD BE MATERIALLY AND ADVERSELY AFFECTED. THE RISKS AND UNCERTAINTIES DESCRIBED BELOW ARE NOT THE ONLY ONES WE FACE.

### **SHARES MAY HAVE NO VALUE. BUYER MAY LOSE ALL AMOUNTS PAID.**

Buyer has carefully reviewed, acknowledges, understands and assumes the following risks, as well as all other risks associated with the Shares (including those not discussed herein), all of which could render the Shares worthless or of little value:

#### **Risks Related to the Company**

*This Memorandum contains forward-looking statements.*

Certain information contained in this Memorandum constitutes “forward-looking statements,” which can be identified by the use of forward-looking terminology such as “may,” “will,” “should,” “expect,” “anticipate,” “project,” “estimate,” “intend,” “continue” or “believe” or the negatives thereof or other variations thereon or similar terminology. Due to various risks and uncertainties, actual events or the actual performance of the Company may differ materially from those reflected or contemplated by such forward-looking statements. Investors are cautioned not to place undue reliance on such statements.

*The Company has limited operating history, which makes it hard to evaluate its ability to generate revenue through operations.*

The Company has only limited operations, assets and revenues. As a consequence, while the Company is beginning to develop its application, it does not have sufficient revenues or financial results or history upon which prospective investors may base an assessment of its business and prospects. The Company's operations are subject to all of the risks inherent in the establishment of a developing business in a highly competitive market.

The Company's limited operating history may make it difficult to evaluate its current business and future prospects. The Company will continue to encounter risks and difficulties frequently experienced by growing companies in rapidly developing and changing industries, including challenges in forecasting accuracy, determining appropriate investments of its limited resources, gaining market acceptance, managing a complex regulatory landscape, and developing new projects.

The likelihood of its success must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with developing and expanding businesses and the competitive environment in which it operates. If the Company fails to successfully address these risks, its business, financial condition, and results of operations would be materially harmed. Any investment in the Company should be considered a high-risk investment because the investor will be placing funds at risk in an unseasoned early-stage company with unforeseen costs, expenses, competition and other problems to which such companies are often subject.

The Company's current operating model may require changes in order for it to scale its operations efficiently. Purchasers should consider the Company's business and prospects in light of the risks and difficulties it faces as an early-stage company. The Company is focused on developing its business and exploring opportunities.

The Company does not have any material cash reserves or operations at this time. No assurances can be given that we will generate sufficient revenue or obtain necessary financing to continue as a going concern.

***Payments made pursuant to the terms of the Shares may detract from the capital the Company could otherwise deploy to improve its business.***

Any capital used to make payments related to the Shares detracts from the capital available for the Company to deploy in developing its business. Diverting the funds from the Company's operations may put the Company at a significant disadvantage in comparison to its competitors who do not make similar payments. This disadvantage may have an adverse impact on the operations and financial conditions of the Company.

***The Company may be forced to cease operations.***

It is possible that, due to any number of reasons, including, but not limited to the inability by the Company to establish the Shares' utility, the failure of commercial relationships, or intellectual property ownership challenges, the Company may no longer be viable to operate, and the Company may dissolve.

***The Company may not successfully develop or reconstruct the operations.***

In addition, the development of the products will require significant capital funding, expertise of the Company's management and time and effort in order to be successful. The Company may have to make changes to the specifications of the products plan for any number of reasons, or the Company may be unable to develop the products in a way that realizes those specifications. It is possible that the product

construction may not ever occur. The products, if successfully developed and reconstructed, may not meet investor expectations at the time of purchase of Shares.

Furthermore, despite good faith efforts to develop and complete the construction of the products and subsequently to maintain the products, it is still possible that the products will fail to be adequately developed or maintained, which may negatively impact the products or the Shares. The Company may, but is not obligated to, use the proceeds of this Offering to make significant investments to develop and construct viable operations upon which shareholders and can realize utility and value. The Company may not have or may not be able to obtain the technical skills and expertise needed to successfully develop the products. While the Company is seeking to competitively recruit experts, there may, from time to time, be a general scarcity of management, technical, scientific, research, marketing, and personnel with appropriate training to develop and maintain the products.

***Company's operations may not be widely adopted and may have limited users.***

It is possible that the business, if developed, will not be used by a large number of organizations, or that there will be limited interest in the creation and development of the business. Such a lack of use or interest could negatively impact the development of the operations, the value of the Shares and the financial position of the Company.

***Alternative properties may be established that compete with the Business in this case.***

It is possible that alternative properties could be established that utilize the same or a similar protocol or regulations that will underlie the business or that will facilitate services that are materially similar to the business. The business may compete with these alternative properties, which could negatively impact the business and the Shares.

***Some market participants in the industry may oppose Company operations.***

The market participants who may oppose may include market participants with significantly greater resources, including financial resources and political influence, than the Company has. The ability of the Company to operate and achieve its commercial goals could be adversely affected by any actions of any such market participants that result in the need to have a material adverse effect on the Company's operations and financial conditions.

***We need additional capital to develop our business. If we fail to obtain additional capital, we may not be able to implement our business plan.***

The continuation of our operations will require the commitment of substantial additional resources. Currently, we have no established bank-financing arrangements. Our expenses are at a minimum, and therefore, most of the capital raised will be utilized as described herein.

There can be no any assurance that any additional financing will be available to us, or if available, will be on terms favorable to us. The sale of additional equity securities will result in dilution to our shareholders. The occurrence of indebtedness would result in increased debt service obligations and could require us to agree to operating and financing covenants that would restrict our operations. If adequate additional financing is not available on acceptable terms, we may not be able to continue our business operations.

***Our Certificate and the Bylaws provide for indemnification of the officers and shareholders.***

Our Certificate and Bylaws provides for the indemnification of our officers and shareholders at our expense and limit their liability to the Company. This may result in a major cost to us because company resources may be expanded for the benefit of the shareholders and present or former officers.



***We are dependent on key personnel.***

The Company's operations and business strategy are dependent upon the knowledge and business connections of the shareholders and the Board. Even if we are able to find additional personnel, it is uncertain whether we could find someone who could develop our business along the lines described in this Memorandum. We could fail without the services of the shareholders and the Board.

The success of the Company will be highly dependent on the expertise and performance of its management team. There can be no assurance that the shareholders and the Board or any additional members of the management team will continue to be associated with the Company or any of their affiliates throughout the life of the Company. The loss of the services of one or more of these individuals could have a material adverse effect on the performance of the Company.

***General economic conditions and recent events may affect the Company and its operations.***

Various sectors of the global financial markets have been experiencing an extended period of adverse conditions. These conditions have resulted in reduced liquidity, greater volatility, general widening of credit spreads and a lack of price transparency. The short and long-term impact of these events is uncertain but could have a material effect on general economic conditions, consumer and business confidence and market liquidity. Investments made by the Company are expected to be sensitive to the performance of the overall economy. A negative impact on economic fundamentals and consumer and business confidence would likely increase market volatility and reduce liquidity, both of which could have a material adverse effect on the ability of the Company to dispose of or realize its assets or investments at favorable multiples and on the performance of the Company generally, and these or similar events may affect the ability of the Company to execute its investment strategies.

***The Company does not expect to make any distributions to holders of the Shares and there can be no assurance of repurchases of Shares.***

The Company does not expect to make any distributions to the holders of the Shares other than as set forth herein. However, there can be no assurance that holders of the Shares will not owe taxes with respect to their ownership of Shares, and thus such taxes will have to be paid from the holders' own funds.

***There will exist recourse to the Company's assets.***

The Company's assets are available to satisfy all liabilities and other obligations of the Company. If the Company becomes subject to a liability, parties seeking to have the liability satisfied may have recourse to the Company's assets generally and not be limited to any particular asset, such as the asset representing the investment giving rise to the liability or to any particular operating subsidiary of the Company.

***The Company is undertaking this Offering pursuant to a private offering exemption.***

The Company intends to offer the Shares without registration under any securities laws in reliance on an exemption for private offerings to accredited investors. While the Company believes reliance on such exemption is justified, there can be no assurance that factors such as the manner in which offers and sales are made, the scope of disclosure provided, failures to make notices, filings, or changes in applicable laws, regulations or interpretations will not cause the Company to fail to qualify for such exemptions under U.S. federal or one or more states' securities laws. Failure to so qualify could result

in the rescission of sales of Shares at prices higher than the current value of those Shares, potentially materially and adversely affecting the Company's performance and business. Further, even non-meritorious claims that offers and sales of Shares were not made in compliance with applicable securities laws could materially and adversely affect the ability of the shareholders and the officers they name to conduct the Company's business.

***Regulatory, legal and tax changes may adversely affect the Company.***

Legal, tax and regulatory changes, as well as judicial decisions, could adversely affect the Company. In response to the recent global financial crisis, there have been unprecedented legislative and regulatory actions taken by numerous governmental authorities and their agencies. Many of these actions have been directed at the securities industry in general and specific segments of the industry. Additional legislative and regulatory action is likely. Changes to the securities laws and regulations could occur during the term of the Company and may adversely affect the Company and its ability to operate. Such risks are often difficult or impossible to predict, avoid or mitigate. The effect on the Company of any such regulatory or legal changes could be substantial and adverse.

***Our financial condition and results of operation will depend on our ability to manage future growth effectively.***

Our ability to achieve our investment objective will depend on our ability to grow, which will depend, in turn, on the ability of the Board and the officers it names to execute on our business plan. The management team of Company will have substantial responsibilities under the Certificate and Bylaws. In addition, the employees of the Company may also be called upon to provide managerial assistance. Any failure to manage our future growth effectively could have a material adverse effect on our business, financial condition, and results of operations.

***The Company may experience fluctuations in its quarterly results.***

The Company could experience fluctuations in its quarterly operating results due to a number of factors, including the level of its expenses; variations in, the timing of, and the recognition of realized and unrealized gains or losses; the degree to which we encounter competition in our markets; and general economic conditions. As a result of these factors, results for any period should not be relied upon as being indicative of performance in future periods.

***Misconduct by employees of the Company or third-party service providers could cause significant losses to the Company.***

Misconduct by employees of the Company or third-party service providers could cause significant losses to the Company. Losses could also result from actions by third-party service providers, including, without limitation, failing to recognize trades and misappropriating assets. In addition, employees and third-party service providers may improperly use or disclose confidential information, which could result in litigation or serious financial harm, including limiting the Company's business prospects or future marketing activities. No assurances can be given that the due diligence performed by the Company or the shareholders will identify or prevent any such misconduct.

***There is always doubt concerning the Company's ability to continue as a going concern.***

The Company's ability to continue as a going concern is subject to its ability to generate a profit and/or obtain necessary funding from outside sources, including obtaining additional funding from the sale of the Shares offered hereby upon consummation of an acquisition, increasing sales or obtaining loans and grants from various financial institutions where possible. Company's continued net operating losses increase the difficulty in meeting such goals and there can be no assurances that such methods will

prove successful. If Company is unable to continue as a going concern, the investors may lose their entire investment.

***If the Company's operations do not achieve and maintain market acceptance, its business will not be successful.***

The Company's success is dependent upon the commercial viability of its operations in its markets. For its business to be successful, however, it must convince potential customers of both the effectiveness and economic benefits of our business as compared to currently existing or future business developments. There can be no assurances that the Company will be able to do so. If its technologies do not achieve and maintain market acceptance, its business will not be successful.

***If the Company does not develop sales and marketing capabilities or marketing arrangements successfully, it will not be able to market its business successfully.***

At the present time, the Company's principal executive officers devote substantial time to sales efforts, and the Company's sales efforts are significantly reliant upon the contacts and experience of its executive officers and members of its board of directors. The Company intends to develop its sales and marketing capabilities through the appointment of sales representatives and independent distributors. If the Company is unable to do so, it will have difficulty selling its services, which would materially adversely affect its business, prospects, financial condition and results of operations.

***If the Company is unable to secure adequate third-party suppliers, the Company's competitive position and profit margins could be materially affected,***

The Company is dependent on third parties to supply various parts and components. While the Company believes there are numerous suppliers available to satisfy its anticipated requirements, failure or refusal of an existing supplier to fulfill an order could result in the Company's inability to deliver its services on a timely and competitive basis. Further, the inability to obtain favorable pricing terms from third parties could affect the Company's competitive position and the Company's profit margins.

***The Company is dependent upon its management team and the loss of any of these individuals would harm its business.***

The Company is dependent on the efforts of its key management personnel. While the Company has employment agreements with other persons, each may resign at any time. The loss of officers of the Company, or the Company's inability to recruit and train additional key personnel in a timely manner, could materially and adversely affect its business and its future prospects. The Company does not have life insurance on any of its key management personnel.

***If the Company is unable to effectively manage its growth, its ability to implement its business strategy and its operating results will likely be materially adversely affected.***

In the event the Company is successful in generating business, such success will likely place a significant strain on its management, administrative, operating and financial infrastructures. To manage its business and planned growth effectively, the Company must successfully develop, implement, maintain and enhance its financial and accounting systems and controls, integrate new personnel and businesses, and manage expanded operations. If the Company is unable to manage its growth, its operating results may be adversely affected.

***If the Company fails to develop the services that are competitive, satisfy certification standards and meet customer needs, its business, revenues, financial condition and operating results will be materially adversely affected.***

The market for the Company's services is characterized by rapidly changing and evolving governmental and industry standards, including developments in required regulatory certifications. The introduction of the services and the emergence of new governmental and industry standards can render Company's existing goals obsolete and unmarketable and can exert price pressure on the business. It is critical to the Company's success that it anticipate changes in governmental and industry standards and successfully acquire and introduce new, enhanced and competitive techniques on a timely basis. The Company cannot assure you that it will have adequate resources available to develop the services, that it will be able to successfully introduce new ideas, that the services will achieve market acceptance or that the introduction of the services or plan or technological developments by others will not render it obsolete. If the Company fails to develop services that are competitive, satisfy certification standards and meet customer needs, its financial condition and operating results will be materially adversely affected.

***The Company must comply with complex laws and regulations, which make it costlier and more difficult for it to successfully conduct its business.***

The Company must comply with complex laws and regulations, which can make it more difficult for it to retain its rights under such contracts. These laws and regulations affect how the Company and its customers can do business and, in some instances, impose added costs on the Company's business. Any changes in applicable laws and regulations could restrict its ability to maintain its existing business model, which could limit its ability to conduct its business and materially and adversely affect its revenues and results of operations.

***If the Company fails to comply with laws and regulations, it may be subject to costly civil and criminal penalties and administrative sanctions.***

The Company's business is highly regulated by United States federal, state and other agencies, including the Securities and Exchange Commission, and is subject to laws and regulations that affect its business model. If a government review or investigation were to uncover improper or illegal activities on the Company's part in connection with the business, the Company may be subject to civil and criminal penalties and administrative sanctions, including termination of contracts, forfeiture of profits, price reductions, suspension of business activities, determination of non-responsibility, fines and suspension or debarment from doing business with government agencies. The imposition of civil or criminal penalties or administrative sanctions could materially adversely affect our business, financial condition and results of operations. In addition, the United States may adopt new laws, or a government, domestic or foreign, may reform its procurement practices or adopt new rules and regulations that could be costly to satisfy or that could impair the Company's ability to continue its business model.

***The Company's efforts to comply with changing certification standards may prove costly, and if it fails to comply, it may lose business.***

The Company's services must meet the standards of government agencies. If the Company fails to obtain any necessary certifications in a timely manner, the Company's ability to operate its business may be adversely affected and it may lose customers. As a result, its business, prospects, revenues and operating results may be materially adversely affected.

***The Company anticipates that it will encounter a long sales and implementation cycle requiring significant resource commitments.***

The implementation of the Company's services involves significant resource commitments. The Company expends substantial time and money educating potential clients as to the value of services and assessing the feasibility of integrating its systems and processes with theirs. The potential client

may not engage the Company's services offered. Failure to engage clients may have a negative impact on revenue and income.

*If the Company may be unable to prevent third parties from infringing upon or misappropriating its intellectual property or otherwise gaining access to its technology, its business, financial condition and results of operations, and its ability to compete effectively, could be materially and adversely affected.*

The Company's success may depend in part on its ability to protect its intellectual property. However, such intellectual property rights may be difficult to protect. Monitoring and defending

the Company's intellectual property rights can entail significant expense, and the outcome is unpredictable, especially when dealing with the federal government, which imposes strict marketing requirements for the protection of intellectual property and generally takes an aggressive posture toward rights in intellectual property used in the performance of its contracts. The Company may initiate additional claims or litigation, against third parties for infringement of its proprietary rights or to establish the validity of its proprietary rights. Any such litigation, whether or not it is ultimately resolved in the Company's favor, could result in significant expense to it and divert the efforts of Company's technical and management personnel. If the Company fails to protect its intellectual property rights adequately, the Company's competitors might gain access to its technology and its business would be harmed.

*The Company's services may infringe or be alleged to infringe on the intellectual property rights of others, which could lead to costly disputes or disruptions.*

If patent holders or other holders of intellectual property initiate legal proceedings against the Company or a customer, the Company may be forced into protracted and costly litigation. Any allegation of infringement against the Company could be time consuming and expensive to defend or resolve, result in substantial diversion of management resources, cause product shipment delays, or force the Company to enter into royalty or license agreements rather than dispute the merits of such allegation. The Company may not be successful in defending such litigation and it may not be able to procure any required royalty or license agreements on terms acceptable to it, or at all. The Company's technologies may not be able to withstand third-party claims against their use.

#### **Risks Relating to the Offering, the Company's Common and Preferred Shares and the Acquisition.**

*This is a "best effort" offering with a minimum offering amount, and the Company has critical cash requirements that may not be satisfied by this Offering.*

This is a "best effort" offering. However, the Company may accept subscription amounts upon receipt of the required subscription documents, regardless of the amount of the total subscriptions the Company has received. If the Maximum Offering Amount is not received, the Company will only be able to partially implement the business strategies outlined in this Memorandum and will require additional funds for full implementation of post-Acquisition plans. Even if the Company receives the Maximum Offering Amount, it may require significant additional amounts of capital. If any other offering is completed, there is no assurance that the offering price will be higher than the offering price of the Shares in this Offering. If required, the Company intends to seek additional capital needed to fund the operations through corporate partnerships or public or private equity or debt financings. Additional financing may not be available on terms acceptable to the Company, or at all. Should the Company raise funds through the incurrence of debt, it may become subject to covenants that may significantly restrict the Company operations. In the event the Company issues additional equity, the Company's

shareholders may suffer significant dilution. If the Company is unable to obtain financing on acceptable terms or at all, its ability to continue the business as planned will be significantly impaired and it may cause the Company to cease operations.

***The Company has not retained independent counsel to represent its interests in connection with this Offering, and thus Investors have not received any benefits that the involvement of independent counsel might bring to the Offering.***

All of the outstanding Shares of the Company is owned by affiliates of the Company, which is represented by counsel in connection with this Offering. The Company, the shareholders of which will own a majority of the outstanding shares of the Company following the Offering, is also represented by counsel in connection with this Offering. Investors are advised to seek their own independent counsel in connection with their decision to invest in the Company and to discuss this point with such counsel.

***The Company has not paid and does not intend to pay dividends in the near future.***

The Company does not expect to pay cash dividends on the Company's Shares in the foreseeable future. Assuming the Company could eliminate any probable short-term or other deficit, any future determination to declare or pay dividends will be at the discretion of the Company's Board and will be dependent on the Company's results of operations, financial condition, contractual and legal restrictions and other factors deemed relevant by the Board.

***There currently exists no public trading market for Company shares; and should a public trading market develop in the future, of which there can be no assurance, such trading will likely be subject to the "penny stock" rules.***

The shares of the Company are currently not quoted on any stock exchange or electronic quotation systems and, until either a public offering is completed, or SEC shell company requirements are complied with, no public market can exist. Should a public trading market for the shares develop in the future, of which there can be no assurance, the shares will likely be quoted on the OTC Bulletin Board, OTCQX or OTC Pink, or the Frankfurt Stock Exchange. These are more limited trading markets than the NASDAQ Capital Market or NYSE Amex, and timely, accurate quotations of the price of our shares may not always be available. Consequently, the trading activity of a small number of shares may result in wide swings in price and in volume.

In addition, the Company's shares will be subject to the requirements of Rule 15c-9, promulgated under the Exchange Act as long as the price of Company's shares are below \$5.00 per share. Under such rule, broker-dealers who recommend low-priced securities to persons other than established customers and accredited investors must satisfy special sales practice requirements, including a requirement that they make an individualized written suitability determination for the purchaser and receive the purchaser's consent prior to the transaction. The Securities Enforcement Remedies and Penny Stock Reform Act of 1990 also requires additional disclosure in connection with any trades involving a stock defined as a penny stock. Generally, the SEC defines a penny stock as any equity security not traded on an exchange that has a market price of less than \$5.00 per share. The penny stock rules require a broker-dealer to deliver a standardized risk disclosure document prepared by the SEC, to provide the customer with additional information including current bid and offer quotations for the penny stock, the compensation of the broker-dealer and its salesperson in the transaction, monthly account statements showing the market value of each penny stock held in the customer's account, and to make a special written determination that the penny stock is a suitable investment for the Investor and receive the Investor's written agreement to the transaction. The required penny stock disclosures include the delivery, prior to any transaction, of a disclosure schedule explaining the penny stock market and the risk associated with

it. Such requirements could severely limit the market liquidity of the Shares and the ability of purchasers to sell their Shares in the secondary market.

***The Shares have not been registered under the Securities Act and there are restrictions on transferability of the Shares.***

The Shares have not been registered under the Securities Act or under any other applicable securities law. The Company is relying on certain exemptions from applicable securities laws in offering and selling these Shares. Unless the Shares are registered under the Securities Act and under any other applicable securities laws, the Shares may not be offered or sold except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and other applicable securities laws. Investor will be required to make certain representations and agree to restrictions on transfer necessary to satisfy the requirements of the exemptions from registration, and the certificates representing the Shares purchased will bear a legend including that they are so restricted. Accordingly, Investor may be unable to sell these Shares for an indefinite period. In addition, Investor should be able to withstand a total loss of Investor's investment.

All Shares that will be issued in the Acquisition and in this Offering will be "restricted securities" as defined by Rule 144 under the Securities Act and cannot be resold without registration except in reliance on Rule 144 or another applicable exemption from registration. There can be no resale of Shares in reliance upon Rule 144 until 12 months after the initial sale. No prediction can be made as to the effect, if any, that future sales of restricted Shares, or the availability of such Shares for sale, will have on the market price of the shares prevailing from time to time, if such a market is developed. Sales of substantial amounts of such shares in the public market, or the perception that such sales may occur, could adversely affect the then prevailing market price of the shares.

***The Company has broad discretion in the application of proceeds from the Offering.***

The proposed allocation of the net proceeds of this Offering represents the Company's best estimate of the expected use of funds to finance the Company activities based upon its current objectives and perceived market conditions. However, changes in circumstances or strategic approaches may result in a significantly different allocation of the funds depending upon the Company's management and Board's assessments of the Company's needs at the time.

***Future issuances of the Company preferred stock could dilute current stockholders and adversely affect the market if it develops.***

The Company has the authority to issue as many Shares as deemed necessary, with shareholder approval. These future issuances could be at values substantially below the price paid for Shares by Investors in this Offering, which would result in significant dilution to those investors. In addition, the Company could issue large blocks of shares to fend off unwanted tender offers or hostile takeovers without further shareholder approval, which would not only result in further dilution to Investors in this Offering but could adversely affect the market if one were to develop.

***The fact that the Company directors, affiliates and officers will own over 50% of the Company's shares may decrease Investor's influence on shareholder decisions.***

The Company's officers, directors, and affiliates in the aggregate, will beneficially own over 50% of the Company shares after the sale of the Maximum Offering Amount. As a result, the Company's officers and directors will have the ability to influence management and affairs and the outcome of matters submitted to shareholders for approval, including the election and removal of directors, amendments to bylaws, and any merger, consolidation or sale of all or substantially all of the Company assets.

**Additional Risks Related to This Offering.*****There is no public market for the Shares, so Investors may be unable to dispose of their investment.***

There is no public market for Shares. Even if a potential buyer could be found, the transferability of Shares is restricted by the provisions of the Securities Act and the laws and regulations of the individual states and countries where the Shares are being offered and sold, which generally prohibit transfer absent a registration of such Shares with the applicable regulatory authority or an exemption from the registration requirements of such regulatory authority.

***Investors should expect to hold their Shares for an indefinite period of time.***

Investors have no rights to redeem Shares or withdraw from the Company or to otherwise obtain the return of the investments. Therefore, Investor must be capable of bearing the economic risks of this investment with the understanding that Investor's interest in the Shares may not be liquidated for some time. Investor should expect to hold the Shares for an indefinite period of time.

***The Board and the officers the Company designates will make all management decisions.***

Except as otherwise set forth in our Certificate and Bylaws, the Company's Board and designated officers will have the right to make all decisions with respect to the Company's management. Other than the information set forth in this Memorandum, Investors will not have an opportunity to evaluate the specific investments that will be financed with the proceeds of this offering or with future operating income. Investor should not purchase Shares unless Investor is willing to entrust all aspects of Company's management to the Board and designated officers. Holders of the Shares have no right to replace any members of the Board or such officers, as that right is retained solely by the Board.

***The Board and the officers the Company designates may change the Company's operating policies without a vote of Investors.***

Because the Board and the officers may change the Company's investment and operating policies at any time without a vote of Investors, such changes may cause the Company to see a reduction in return on investment. In such event, the Company's financial results and Investor's investment may be adversely affected.

***Investor has no ability to withdraw from the investment.***

Investor does not have the ability to redeem Shares. Generally, ability to withdraw from the investment is limited to situations where Investor is able to transfer Shares to another person, which transfers are subject to limits as described herein.

***The Company's management will have broad discretion over the use of the net proceeds from this Offering.***

At present, the net proceeds of the Offering are expected to be used for (i) paying for the costs of this Offering, (ii) the future development of the operations, (iii) general corporate purposes, which may include capital expenditures, acquisitions, debt repayments, cybersecurity upgrades, augmenting technology, infrastructure and personnel, and short-term investments, among other things, (iv) legal and accounting expenses. The failure by the Company's management to apply these funds effectively could have a material adverse effect on the Company and the value of the Shares.



***Only certain persons and entities are able to acquire Shares.***

Only limited categories of persons and entities may purchase Shares. The Company expects that these limitations will limit liquidity in the Shares, and the limitations may have a material adverse effect on the development of any trading market in the Shares. The Shares have not been registered under the Securities Act or any United States state securities laws or under the securities laws of any other jurisdiction and may not be offered or sold within the United States or to, or for the account or benefit of, United States persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable U.S. state securities laws. Persons in accordance with applicable restrictions under the securities laws of the jurisdictions in which they are sold. Generally, foreign securities laws restrict the categories of persons permitted to purchase securities, such as the Shares, to specified classes of sophisticated investors. No action has been taken in any jurisdiction to permit a public offering of the Shares. Moreover, in addition to legal restrictions, by acquiring Shares, holders agree to additional transfer restrictions described in this Memorandum.

Consequently, it is expected that there will only be a limited number of shareholders. A purchaser of the Shares and an owner of beneficial interests in those Shares must be able to bear the economic risk of their investment in the Shares indefinitely.

**Risks Related to Shares*****The tax treatment of the Shares is uncertain and there may be adverse tax consequences for Investors upon certain future events.***

The tax characterization of the Shares is uncertain, and each Investor must seek its own tax advice in connection with an investment in the Shares. An investment in the Shares may result in adverse tax consequences to Investors, including withholding taxes, income taxes and tax reporting requirements. Each Investor should consult with and must rely upon the advice of its own professional tax advisors with respect to the United States and tax treatment of an investment in the Shares and the purchase rights contained therein.

The tax characterization of the Shares also affects the Company's tax liability in connection with the Offering. In addition, the accounting consequences are uncertain, and there is a possibility that the proceeds of the Offering might be treated as a liability rather than equity for accounting purposes, which would reduce the Company's net book value compared to equity treatment.

***The offering price of the Shares has been determined arbitrarily.***

The price of the Shares has not been determined by any independent financial evaluation, market mechanism or by any auditors, and is therefore, to a large extent, arbitrary. No audit firm will review management's valuation and, therefore, there will be no opinion from any such firm as to the fairness of the offering price as determined by our management. As a result, the price of the Shares in this Offering may not reflect the value perceived by the market. There can be no assurance that the Shares will be worth the price for which they are offered, and Investors may, therefore, lose a portion or all of their investment.

***The Shares are an illiquid investment.***

An investment in the Company requires a long-term commitment with no certainty of return. Although some of the Company's operations may generate current cash flow, there can be no assurance that the Company will be able to realize such cash flow or otherwise be able to effect a successful realization or exit strategy. There can be no assurance that the Company obtains enough cash flow to continue

operations. Even if the Company effects a successful realization or exit strategy the proceeds therefrom will not flow to the shareholders.

***If the Company ceases operations, the Shares will have limited or no value or utility.***

The Company is conducting this Offering to raise capital for the development of the services and to fund ongoing operations. The Shares have only the value and utility as connected to such services, and in the event that the Company is unable to successfully develop the operations and continue such operations thereon, the Shares will have limited or no value or utility.

***The Shares do not represent a right to any profits of the Company.***

Other than as set forth herein, the Shares do not grant equity stake nor profit sharing in the Company and do not represent an ownership right or direct claim in the services, revenues, profits or intellectual property, either present or future. Investors should be aware that their investments are not refundable or redeemable, and thus Investors must accept the inherent risk of operations failure at any stage of development. The Shares will not provide any redemption rights. The Company reserves the right to change the utility value and/or intended usages of the Shares at any point in the future.

***There is no established public market for Shares, and it is not expected that one will develop.***

There is no established trading market for the Shares, and it is not expected that one will develop. There will be no trading market available for the Shares when issued, no designated exchange and peer-to-peer transfers will be permitted unless and until shareholders are notified otherwise by the Company and informed of the requirements to and conditions do so. As a result, if and when the Shares become transferable, they may only be traded on very limited range of venues, including U.S. registered exchanges or regulated alternative trading systems for which a Form ATS has been properly submitted to the SEC. Currently, the Company is unaware of any operational ATS or exchange capable of supporting secondary trading in the Shares.

Investors should be prepared to hold their Shares indefinitely. Moreover, even if the Shares become transferable, the Company may rely on technology, including smart contracts, to implement certain restrictions on transferability in accordance with the federal securities laws. There can be no assurance that such technology will function properly, which could result in technological limitations on transferability and expose the Company to legal and regulatory issues. In the event that the Shares remain untradeable for a significant period of time or indefinitely, the value of the Shares would be materially and adversely affected.

In addition, the liquidity of any market for the Shares will depend on a number of factors, including:

- Number of holders of Shares;
- Company's performance and financial condition;
- Market for similar digital Shares; and
- Interest of traders in making a market in the Shares.

Company cannot assure Investors that the market, if any, for the Shares will be free from disruptions or that they may not adversely affect the ability to sell Shares. Therefore, Company cannot assure that Investors will be able to sell the Shares at a particular time or that the price Investors receive when selling will be favorable.

***Repurchase or redemption of Shares.***

Investors do not have the right to compel the Company to redeem Shares. The Company may, however, purchase outstanding Shares from time to time. The Company may allocate funds for the open-market purchases or privately negotiated transactions in Shares from time to time when deemed to be in the best interest of the Company. The shareholders and the officers the Company names may or may not decide to allocate any funds for the repurchase or redemption of our Shares.

***Holders of the Shares will generally not have voting rights and will generally have no ability to influence the decisions of the Company.***

Holders of the Shares have no voting rights, except those required by Wyoming law. As a result, except with respect to matters required to be submitted to shareholders under Wyoming law, all matters submitted to shareholders will be decided by the vote of the Board of the Company. As a result, holders of the Shares will have no ability to elect directors or, except with respect to matters required to be submitted to shareholders under Wyoming law, to determine the outcome of any other matters submitted to a vote of the Company's Board. The interests of holders entitled to vote on such matters may differ from, or conflict with, the interests of the Board.

### **Conflicts of Interest**

The following discussion enumerates certain potential conflicts of interest that should be carefully evaluated before making an investment in Shares. The following is not intended as an exhaustive list of the potential conflicts. Instances may arise where the interest of the shareholders and/or their affiliates may potentially or actually conflict with the interests of the Company. Neither the shareholders nor the officers the Company names will be required to manage the Company as their sole and exclusive function and are entitled to have other business interests and may engage in other business activities in addition to those relating to the Company.

The shareholders and the officers the Company names may also form and devote their time to other investment partnerships with activities similar to those of the Company and may also have conflicts of interest in allocating time, services and functions among the Company and other business ventures. Neither the shareholders nor the officers the Company names are required to refrain from such management activities or to disgorge profits from such activities. By acquiring Shares, each Investor will be deemed to have acknowledged the existence of any such actual or potential conflicts of interest and to have waived any claim with respect to any liability arising from the existence of any such conflicts of interest.

***Neither the Company nor the shareholders owe the Investor any fiduciary duties.***

Direct investors in companies are generally owed an obligation by the company and its management of good faith, fairness in all dealings and other fiduciary duties. However, to the extent permitted by law, Investors will not be entitled to any such protections from the Company or the shareholders. Accordingly, Investors will have very limited, if any, rights of recovery against the Company or the shareholders if such parties engage in gross negligence or act against the interests of Investors. Furthermore, the Company has no obligation to Investors to enforce any rights that it may be deemed to have against other shareholders or its officers.

The foregoing risks do not purport to be a complete explanation of all the risks involved in acquiring Shares. Potential Investors are urged to read this entire Memorandum before deciding whether to invest in Shares.

***Holders of Shares will have no voting rights and may have conflicts of interest with other shareholders.***

The Shares, if issued, will have no voting rights or other management or control rights in the Company. Accordingly, the Board of the Company will control decisions for the Company that in other companies would require shareholder approval, including the amendment of the Certificate and Bylaws, the election of directors and significant business transactions, such as a merger or other sale of our Company or our assets.

*There may be occasions when certain individuals involved in the development of the business operations may encounter potential conflicts of interest, such that said party may avoid a loss, or even realize a gain, when other Investors in this Offering or in the Company are suffering losses.*

There may be occasions when certain individuals involved in the development of the Company's services or the Company may encounter potential conflicts of interest, such that said party may avoid a loss, or even realize a gain, when other Investors in the are suffering losses. Investors in Shares may also have conflicting investment, tax, and other interests with respect to Share investments, which may arise from the terms of the Shares, the property, the timing of the development of the services, other share pre-sales, or other factors. Decisions made by the key personnel of the Company on such matters may be more beneficial for some Investors than for others.

The foregoing list provides some, but not all, of the Risk Factors and other factors that could impact the Company's ability to achieve the results described in any forward-looking statement. Investors should not place undue reliance on our forward-looking statements. Before investing in the Shares, Investor should be aware that the occurrence of the events described above and elsewhere in this Memorandum could seriously harm the Company's business, prospects, operating results and financial conditions. The Company undertakes no obligation to update any forward-looking statements for any reason, even if new information becomes available or other events occur in the future.

## **LEGAL PROCEEDINGS INVOLVING RELATED PARTIES**

There is no litigation currently pending or threatened against us.

## **NASAA LEGEND**

IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THESE SECURITIES MAY BE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER FEDERAL AND STATE SECURITIES LAWS. INVESTORS SHOULD BE AWARE THAT THEY MIGHT BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

ANY OFFER OR SALE OF A SECURITY IN A TRANSACTION (OTHER THAN AN OFFER OR SALE TO A PENSION OR PROFIT SHARING TRUST OF THE ISSUER) WHICH MEETS EACH OF THE FOLLOWING CRITERIA: MUST EITHER HAVE A PRE-EXISTING RELATIONSHIP WITH THE OFFEREE OR ANY OF ITS PARTNERS, OFFICERS, DIRECTORS, OR CONTROLLING PERSONS, OR BY REASON OF THEIR BUSINESS OR FINANCIAL EXPERIENCE OR THE BUSINESS OR FINANCIAL EXPERIENCE OF THEIR PROFESSIONAL ADVISORS WHO ARE UNAFFILIATED WITH AND WHO ARE NOT COMPENSATED BY THE

ISSUER OR ANY AFFILIATE OR SELLING AGENT OF THE ISSUER, COULD BE REASONABLY ASSUMED TO HAVE THE CAPACITY TO PROTECT THEIR OWN INTERESTS IN CONNECTION WITH THE TRANSACTION. THE PURCHASER MUST REPRESENT THAT HE IS PURCHASING FOR HIS OWN ACCOUNT (OR A TRUST ACCOUNT IF HE IS A TRUSTEE) AND NOT WITH A VIEW TO OR FOR SALE IN CONNECTION WITH THE OFFER AND SALE OF THE SECURITY; AND NO ADVERTISING IS USED IN CONNECTION WITH THE OFFER AND SALE OF THE SECURITY.

During the course of the Offering and prior to sale, each offeree of the Shares and his or her professional advisor(s), if any, are invited to ask questions concerning the terms and conditions of the Offering and to obtain any additional information necessary to verify the accuracy of the information set forth herein. Such information will be provided to the extent the Company possesses such information or can acquire it without unreasonable effort or expense.

This PRIVATE PLACEMENT MEMORANDUM constitutes an offer only if the name of the Officer and the original signature of an Officer or Director of the Corporation or Broker-Dealer making such offers appear below.

Name of Offeree \_\_\_\_\_

Signature of Offeree \_\_\_\_\_

Signature of an Officer

Or Director of the Corporation

Or Broker-Dealer \_\_\_\_\_

**SUMMARY OF THE CORPORATION'S GOVERNING DOCUMENTS**

Investors will not have control over our management, which is vested solely in the Board and the officers of the Company to the extent required by the laws of the state of South Carolina.

Our Certificate provides that, to the fullest extent permitted by applicable law, a director of the Company will not be personally liable to the Company or its shareholders for monetary damages for any breach of fiduciary duty as a director, and that, to the fullest extent permitted by applicable law, the Company may indemnify any person made or threatened to be made a party to any action or proceeding, whether criminal, civil, administrative or investigative, by reason of the fact that such person, or a person for whom such person is the legal representative, is or was a director, officer, employee or agent of the Company, or is or was serving at the request of the Company as a director, officer, employee or agent of any other enterprise. Our Certificate also provides that the Board may amend or repeal the Bylaws without any action by the shareholders.

Your relationship with the Company and the shareholders of the Company will be governed by our Certificate and Bylaws, copies of which are attached hereto as Exhibit B and Exhibit C, respectively. Some of the significant features of our Certificate and Bylaws are as follows:

- As an Investor holding Shares, you will be a shareholder of the Company;
- The holders of Shares shall not have any right to select directors, officers, or directors of the Company and do not have any other voting rights in the Company;
- The Certificate and Bylaws provide that the Company's Board shall control the business and affairs of the Company.

If any statements in this Memorandum differ from our Certificate or Bylaws, you should rely on our Certificate and Bylaws as attached hereto. The summary above does not set forth all of the provisions of the Certificate and the Bylaws of the Company and is qualified in its entirety to our full Certificate and the Bylaws, which are attached hereto as Exhibit B and Exhibit C, respectively.

**Exhibit A**

*Subscription Agreement*



Gallman Investment Group, Inc. - Series Seed Stock Investment Agreement.pdf (Command Line)

**Exhibit B**

*Certificate of Incorporation*

*The State of South Carolina*



*Office of Secretary of State Mark Hammond*

**Certificate of Existence**

**I, Mark Hammond, Secretary of State of South Carolina Hereby Certify that:**

GALLMAN INVESTMENT GROUP, INC., a corporation duly organized under the laws of the State of South Carolina on August 5th, 2008, and having a perpetual duration unless otherwise indicated below, has as of the date hereof filed all reports due this office, paid all fees, taxes and penalties owed to the State, that the Secretary of State has not mailed notice to the corporation that it is subject to being dissolved by administrative action pursuant to S.C. Code Ann. §33-14-210, and that the corporation has not filed articles of dissolution as of the date hereof.

Given under my Hand and the Great Seal  
of the State of South Carolina this 27th day  
of October, 2021.

  
Mark Hammond, Secretary of State



**Exhibit C**

*Bylaws*



Gallman Investment Group Inc. - Bylaws.pdf (Command Line)

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