

CONFIDENTIAL PRIVATE OFFERING MEMORANDUM



PURELY PREPARED BRANDS, INC.

\$3,000,000

REG D-506c Private "On-Line" Offering of Common Stock

Maximum Shares of Common Stock Offered:	50,000,000
Minimum Shares of Common Stock Offered:	1,666,667 ⁽¹⁾
Offering Price Per Share of Common Stock:	\$0.060 ⁽²⁾
Minimum Purchase Required:	\$2,500

ALTERNATIVE MAXIMUM OFFERING SHARES AT LOWEST "PERK" PRICE

Maximum Shares of Common Stock Offered:	77,000,000
Offering Price Per Share of Common Stock:	\$0.039 ⁽³⁾

PURELY PREPARED BRANDS, INC. (the "Company" or "PPB"), a Delaware "C" Corporation, is offering a minimum of 1,666,667 and a maximum of 50,000,000 shares of Common Stock (the "Shares") at an offering price of \$0.060 per share (the "Offering.") The Offering's price per share has been arbitrarily determined by the Company and represents a \$4.42 Million "pre-money" market valuation. Alternatively, if the Offering is totally sold at the highest level of "Perk" for a share price of \$0.039, the pre-money market value will reduce to \$2.87 Million. See Risk Factors: "Offering Price" & Perk Chart

The Offering Is Being Offered and Sold Through This Confidential Private Offering Memorandum (the "Memorandum") And Is Open To Accredited Investors Only.

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

THE SECURITIES OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), THE SECURITIES LAWS OF THE STATE OF DELAWARE OR UNDER THE SECURITIES LAWS OF ANY OTHER STATE OR JURISDICTION IN RELIANCE UPON THE EXEMPTIONS FROM REGISTRATION PROVIDED BY THE ACT AND REGULATION D RULE 506(c) PROMULGATED THEREUNDER, AND THE COMPARABLE EXEMPTIONS FROM REGISTRATION PROVIDED BY OTHER APPLICABLE SECURITIES LAWS.

	Sale Price	Commissions ⁽⁴⁾	Proceeds to Company ⁽⁵⁾
Price Per Share	\$0.060	\$0	\$0.060
Minimum Offering	\$100,000	\$0	\$100,000
Maximum Offering	\$3,000,000	\$0	\$3,000,000

The Date of this Memorandum is March 15, 2024

- (1) The Offering is not underwritten. The Shares are offered on a “best efforts” basis by the Company through its officers and directors. The Company has set a minimum offering amount of 1,666,667 Shares with minimum gross proceeds of \$100,000 for this Offering. All proceeds from the sale of Shares up to \$100,000 will be held by the Company subject to the receipt of the Minimum Offering. Upon the sale of \$100,000 of Shares, all proceeds will be delivered directly to the Company’s corporate account and be available for use by the Company at its discretion.
- (2) The Offering is selling up to 50,000,000 Shares at a price of \$0.060, with a minimum purchase of \$2,500 that buys a total of 41,667 Shares; investors are being offered special “Perks” as enticement to purchase greater amounts of Shares being offered.
- (3) The Offering provides investors with a choice of purchase Perks that offer a discount to the Offering’s Share price. The greatest Perk value requires a \$20,000 minimum to purchase Shares at the lowest price of \$.039 per Share; if the total Offering were to sell at this price, there would be up to 77,000,000 Shares sold. (See “Perk Chart” below and “The Offering” in section E, page 12.)
- (4) The Offering is being sold exclusively by the Company’s Officers; no commissions are being paid.
- (5) The Offering will terminate on the earliest of: (a) the date the Company, in its discretion, elects to terminate, or (b) the date upon which all Shares have been sold, or (c) August 31, 2024 or such date as may be extended from time to time by the Company, but not later than 180 days thereafter (the “Offering Period.”)

PERK DISCOUNTS TO THE OFFERING'S SHARE PRICE			
Purchase Amount:	Price	Discount	Net Price
\$2,500 to \$4,999	\$0.060	0%	\$0.060
\$5,000 to \$9,999	\$0.060	15%	\$0.051
\$10,000 to \$19,999	\$0.060	25%	\$0.045
\$20,000 to \$3,000,000 Plus "Perk" ⁽¹⁾	\$0.060	35%	\$0.039
<p>(1) NOTE: For investors purchasing \$20,000 or more of Common Shares from this Offering, PPB will cause a Related Party affiliate to grant and issue free "Gift Shares" of its Common Stock in an amount equal to one (1) Gift Share per \$1 of the Company's Common Shares purchased. Said Gift Shares are intended to become registered for public trading in 2025, thereby creating liquidity for such investors. See: "Related Party Affiliation" & "Offering."</p>			

THIS OFFERING IS NOT UNDERWRITTEN AND ITS OFFERING PRICE HAS BEEN ARBITRARILY SET BY THE MANAGEMENT OF THE COMPANY. THERE CAN BE NO ASSURANCE THAT ANY OF THE SECURITIES WILL BE SOLD.

THE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES AGENCY, NOR HAS ANY SUCH REGULATORY BODY REVIEWED THIS OFFERING MEMORANDUM FOR ACCURACY OR COMPLETENESS. BECAUSE THESE SECURITIES HAVE NOT BEEN SO REGISTERED, THERE MAY BE RESTRICTIONS ON THEIR TRANSFERABILITY OR RESALE BY AN INVESTOR. EACH PROSPECTIVE INVESTOR SHOULD PROCEED ON THE ASSUMPTION THAT HE MUST BEAR THE ECONOMIC RISKS OF THE INVESTMENT FOR AN INDEFINITE PERIOD, SINCE THE SECURITIES MAY NOT BE SOLD UNLESS, AMONG OTHER THINGS, THEY ARE SUBSEQUENTLY REGISTERED UNDER THE APPLICABLE SECURITIES ACTS OR AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE. THERE IS NO TRADING MARKET FOR THE COMPANY'S COMMON STOCK SHARES AND THERE CAN BE NO ASSURANCE THAT ANY MARKET WILL DEVELOP IN THE FUTURE OR THAT THE SHARES WILL BE ACCEPTED FOR INCLUSION ON NASDAQ OR ANY OTHER TRADING EXCHANGE AT ANY TIME IN THE FUTURE.

THE COMPANY IS NOT OBLIGATED TO REGISTER FOR SALE UNDER EITHER FEDERAL OR STATE SECURITIES LAWS THE SHARES PURCHASED PURSUANT HERETO, AND THE ISSUANCE OF THE SHARES IS BEING UNDERTAKEN PURSUANT TO RULE 506(c) OF REGULATION D UNDER THE SECURITIES ACT. ACCORDINGLY, THE SALE, TRANSFER, OR OTHER DISPOSITION OF ANY OF THE SHARES, WHICH ARE PURCHASED PURSUANT HERETO, MAY BE RESTRICTED BY APPLICABLE FEDERAL OR STATE SECURITIES LAWS (DEPENDING ON THE RESIDENCY OF THE INVESTOR) AND BY THE PROVISIONS OF THE SUBSCRIPTION AGREEMENT REFERRED TO HEREIN. THE OFFERING PRICE OF THE SECURITIES BEING SOLD HEREBY HAS BEEN ARBITRARILY ESTABLISHED BY THE COMPANY AND DOES NOT NECESSARILY BEAR ANY SPECIFIC RELATION TO THE ASSETS, BOOK VALUE OR POTENTIAL EARNINGS OF THE COMPANY OR ANY OTHER RECOGNIZED CRITERIA OF VALUE. THE COMPANY IS NOT OBLIGATED TO REGISTER FOR SALE UNDER EITHER FEDERAL OR STATE SECURITIES LAWS THE SHARES PURCHASED PURSUANT HERETO, AND THE ISSUANCE OF THE SHARES IS BEING UNDERTAKEN PURSUANT TO RULE 506(c) OF REGULATION D UNDER THE SECURITIES ACT. ACCORDINGLY, THE SALE, TRANSFER, OR OTHER DISPOSITION OF ANY OF THE SHARES, WHICH ARE PURCHASED PURSUANT HERETO, MAY BE RESTRICTED BY APPLICABLE FEDERAL OR STATE SECURITIES LAWS (DEPENDING ON THE RESIDENCY OF THE INVESTOR) AND BY THE PROVISIONS OF THE SUBSCRIPTION AGREEMENT REFERRED TO HEREIN.

No person is authorized to give any information or make any representation not contained in this Confidential Private Placement Memorandum and any information or representation not contained herein must not be relied upon. Nothing in this Memorandum should be construed as legal or tax advice.

PPB's Management has provided all of the information stated herein. The Company makes no express or implied representation or warranty as to the completeness of this information or, in the case of forecast models, estimates, future plans, or forward-looking statements, as to their attainability or the accuracy of the assumptions from which they are derived; it is expected that each prospective investor will pursue his, her, or its own independent investigation. Financial projections of the Company's performance are necessarily subject to a high degree of uncertainty and may vary materially from actual results.

Other than the Company's Management, no one has been authorized to give any information or to make any representation with respect to the Company or the Shares that is not contained in this Memorandum. Prospective investors should not rely on any information not contained in this Memorandum.

This Memorandum does not constitute an offer to sell or a solicitation of an offer to buy to anyone in any jurisdiction in which such offer or solicitation would be unlawful or is not authorized or in which the person making such offer or solicitation is not qualified to do so. This Memorandum does not constitute an offer if the prospective investor is not qualified under applicable securities laws.

This offering is made subject to withdrawal, cancellation, or modification by the Company without notice and solely at the Company's discretion. The Company reserves the right to reject any subscription or to allot to any prospective investor less than the number of Shares subscribed for by such prospective investor.

Distribution of this Memorandum to any person other than the prospective investor to whom this Memorandum is delivered by the Company and those persons retained to advise them with respect thereto is unauthorized. Any reproduction of this Memorandum, in whole or in part, without the prior written consent of the Company is strictly prohibited. Each prospective investor, by accepting delivery of this Memorandum, agrees to return it and all other documents received by them to the Company if the prospective investor's subscription is not accepted or if the Offering is terminated.

By acceptance of this Memorandum, prospective investors recognize and accept the need to conduct their own thorough investigation and due diligence before considering a purchase of the Shares. The contents of this Memorandum should not be considered to be investment, tax, or legal advice and each prospective investor should consult with their own counsel and advisors as to all matters concerning an investment in this Offering.

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Exhibits of Business Information:

Exhibit A – Purely Prepared Brands, Inc. Business & Financing Plan

Exhibit B – IP License Agreement

Exhibit C – Purely Prepared Brands, Inc. Corporate Formation Documents

Exhibit D – Subscription Agreement To Purchase Shares

Exhibit E – Investor Suitability Questionnaire

Exhibit F – Financial Reports

Exhibit G – State Jurisdictional Legends *(To be viewed by investor)*

FORWARD-LOOKING STATEMENTS

Statements contained within this presentation regarding future financial and operating results, future opportunities for the company, and any other statements about the future expectations, beliefs, goals, plans, or prospects expressed by management constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Any statements that are not statements of historical fact (including statements containing the words "will," "believes," "plans," "anticipates," "expects," "estimates," and similar expressions) should also be considered to be forward-looking statements. ***There can be no assurances that forward-looking statements will materialize.***

There are a number of important risk factors that could cause actual results or events to differ materially from those indicated by such forward-looking statements, including but not limited to our: i) limited operating history; ii) need for future capital; iii) need to enter into affiliate relationships; need to acquire property for processing; and iv) intention and plans for future public capitalization.

Forward-looking statements are based on the beliefs, opinions, and expectations of the Management of Purely Prepared Brands, Inc. as of the date such information is provided, and Management assumes no obligation to update any forward-looking statements if such beliefs, opinions, expectations, or other operational or financial circumstances should change unless such change is considered a material event of information required to be formally or officially disclosed.

SPACE BELOW IS INTENTIONALLY BLANK

I. Jurisdictional (NASAA) Legends

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 THIS MEMORANDUM 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 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.

TO VIEW THE PARTICULAR LEGEND FOR YOUR RESPECTIVE STATE, SEE "EXHIBIT G – STATE JURISDICTIONAL LEGENDS" FOR INFORMATION ON ANY SHARE RESTRICTIONS.

EACH PROSPECTIVE INVESTOR WILL BE GIVEN AN OPPORTUNITY TO ASK QUESTIONS OF, AND RECEIVE ANSWERS FROM, MANAGEMENT OF THE COMPANY CONCERNING THE TERMS AND CONDITIONS OF THIS OFFERING AND TO OBTAIN ANY ADDITIONAL INFORMATION, TO THE EXTENT THE COMPANY POSSESSES SUCH INFORMATION OR CAN ACQUIRE IT WITHOUT UNREASONABLE EFFORTS OR EXPENSE, NECESSARY TO VERIFY THE ACCURACY OF THE INFORMATION CONTAINED IN THIS MEMORANDUM. IF YOU HAVE ANY QUESTIONS WHATSOEVER REGARDING THIS OFFERING, OR DESIRE ANY ADDITIONAL INFORMATION OR DOCUMENTS TO VERIFY OR SUPPLEMENT THE INFORMATION CONTAINED IN THIS MEMORANDUM, PLEASE EMAIL OR CALL THE COMPANY AT THE EMAIL ADDRESS AND NUMBER LISTED IN SECTION II(A) BELOW OF THIS PRIVATE OFFERING MEMORANDUM.

II. Summary of the Offering

The following material is intended to summarize information contained elsewhere in this Memorandum and is qualified in its entirety by express reference to this Memorandum and the materials referred to and contained herein. Investors should carefully review the entire Memorandum and all materials referred to herein and conduct his or her own due diligence before subscribing to purchase Common Stock Shares.

A. Company

Purely Prepared Brands, Inc. (the "**Company**" or also "**PPB**") was formed on September 23, 2019, as a Delaware corporation. At the date of this offering, **74,678,333** Shares of the Company's voting Common Stock were issued and outstanding. The Company produces a proprietary quality of purely wood-smoked cuisine and intends to sell said products to consumers primarily through a branded chain of self-contained, modular kitchens that operate for both indoor and outdoor foodservice. Its principal offices are presently located at 100 Enterprise Dr., Scotts Valley, CA, 95066. The Company's telephone number where Officers and Directors can be reached is (831) 708-2359. See *Exhibit A, "Business & Financing Plan."*

B. Business

The Company's Business & Financing Plan, presented in a separate document and attached hereto as Exhibit A, was prepared by PPB Management using assumptions including several forward-looking statements. Each prospective investor should carefully review this material in association with this Memorandum before purchasing Shares. Management believes its underlying operating assumptions and financial forecasting are feasible, reasonable, and are based, to a certain extent, upon known experiences and researched information. However, Management can make no representation as to the precise accuracy or achievability of the underlying assumptions and the forecast operating results contained therein.

a) Business Model

The Company has an exclusive license to use proprietary wood-smoking technology and process technique to commercially produce purely *Smoke-Baked™* meat, poultry and fish/seafood, collectively the “Smoked Proteins” that are tantalizingly flavorful. PPB then incorporates the Smoked Proteins into a uniquely extensive menu of delectable entrées, recipe meal dishes, and appetizers (the “**Prepared Food**”) for sales directly to consumers. PPB will market the Prepared Food under the *Purely Smoked®* brand, and primarily through an innovative, food-tech concept for franchise-style foodservice. The Company’s mission is the driver of its revenue, bringing the hope of financial security through its opportunity for entrepreneurial employment.



b) Unique Business Features

The Company has the following unique business features that are critical operating and financial enhancements for prospective investors to understand when evaluating investment in this Offering.

i) Proprietary Smoke-Baking™ Technology

PPB’s Smoked Proteins are Smoke-Baked™ in a large stainless-steel oven that burns freshly-cut Apple & Hickory wood for the primary heat fueling source; it is the moist smoke-heat from the oven’s firebox that makes the wood-smoking process 100% pure while imparting tantalizing smoky flavor. Management believes there is no commercial smoked meat or fish processor in the country whose package label ingredients and nutritional panel can compare to PPB’s purity of process. *The smoked fish is NOT BRINED and the smoked meat is NOT CURED; meaning No Additives (water, sugar, high sodium or toxic preservatives.)*



ii) Sophisticated Foodservice-Tech

PPB has integrated the Prepared Food with sophisticated foodservice-tech, to create compact, self-contained, indoor & outdoor modular kitchens that operate as no-cook restaurants; they are ventless, “cashless,” and “contactless” for rapid take-away and delivery foodservice. PPB’s IT infrastructure includes digital marketing that promotes and drives customers to *Purely Smoked®* kitchen sites; enables cashless and contactless customer ordering for operating efficiency; and provides detail tracking of customers’ menu ordering and real-time inventory control reporting.



iii) Innovative Franship™ Concept

The Company’s mission is to bring no-cost, foodservice entrepreneurship to those people who otherwise do not have financial resources to purchase a traditional franchise. The concept is called a “**Franship™**” and while still being employment, it integrates the spirit of franchising with the operational control afforded in a partnership structure. PPB’s modular kitchens are operated by a team of Franship™ partners who work for a lower base salary against a percentage of their respective shift’s sales to generate a high hourly income. Franship™ operator-partners are vested ownership of their respective levels of income after three years (in the same kitchen) and will enjoy the option of being able to sell their income’s “equity value” to the Company any time thereafter to secure capital to move on in life.

iv) Uncommon Shareholder Transparency

The Company’s sophisticated IT infrastructure with MIS real-time reporting will enable PPB to provide shareholders with a highly uncommon level of corporate operational and accounting transparency on a monthly basis. Investors in the Offering will enjoy having their own respective on-line shareholder account with real-time access to certain financial and operational reporting that includes, but not limited to, monthly financial (earnings) reports along with market openings, events, current and forecast sales, and expected dividends when authorized.

v) *Shareholders' Exit By Public Liquidity Event*

The Company has a corporate affiliate, considered to be a "Related Party," which has licensed PPB to use certain proprietary wood-smoking technology and related intellectual property (the "IP License.") The IP License requires that it terminate after 36 months and at that time, the Company is required to purchase the IP from the Related Party by issuing a large minority portion of its equity. As the Related Party is expected to be a public company at that time, PPB's Board will consider accepting a merger proposal from the Related Party that would enable a public liquidity event for the Company's shareholders to liquidate their appreciated equity. See: "*Related Party Affiliation*," "*Offering*," & "*Risk Factors*."

C. Operations

PPB is a pre-revenue company, fully developed and turnkey to commence revenue operations with \$3,000,000 of initial working capital; the Offering provides "start-up" [equity] financing to execute PPB's plan of operations as set forth in Exhibit A. The Company will use proceeds to launch sales and demonstrate "proof-of-concept" to support future offerings for growth financing. Exhibit A – "Business & Financing Plan" provides detail information to these summary points below:

a) Operations Are Self-Contained Within Each State

The Company's business operations (food production and foodservice sales) are totally self-contained within each respective state and include several factors of operational and product-cost efficiencies:

i) PPB Retains 100% Ownership & Control of Prepared Foods Through Its Entire Trade Cycle

The Company does not offer nor sell its Prepared Food wholesale to distributors; PPB purchases raw proteins to wood-smoke for its line of Prepared Food and retains 100% control and title to the products until such products are purchased by consumers at its *Purely Smoked*® brand foodservice locations.

ii) PPB By-Passes USDA Regulations, Reducing Its Cost of Processing & Distribution

Because the Company owns its Prepared Food and sells directly to consumers through its modular kitchens only within each respective state, PPB does not operate under USDA regulations and thereby enjoys certain operating efficiencies and reduced costs not available to USDA commercial food processors.

iii) PPB Self-Distributes To Its Brand Locations, Reducing Risk and Cost of Product

By having its food production facilities contained within each state, PPB is saving substantially on the cost of shipping its Prepared Food to its many distribution centers within each state, versus producing from a central facility that must ship long distances or even across the country. Having such control over the shipping of its Prepared Food reduces the risk of loss and creates capital efficiency by maintaining reduced levels of both raw and prepared product inventories.

b) PPB Produces Prepared Food Using Proprietary Wood-Smoking Technology

The Company is "self-producing" its line of wood-smoked proteins and may also affiliate with large co-packers for contract-packing of certain of its prepared recipe dish meals, soups, and appetizer items. PPB maintains strict procedural guidelines for its procurement of raw proteins and recipe ingredients, the wood-smoking process, and the preparation of its Prepared Food.

i) PPB Will Take Possession of A Small Processing Facility

The Company will use Offering proceeds to take occupancy of a 5,000s/f, fully equipped commissary kitchen located in Redwood City, CA and purchase of a mid-size wood-burning oven and certain other packaging equipment. This initial processing facility – with additional financing per Exhibit A – will enable PPB to produce prepared foods to support up to 25 of its Franchise™ kitchens and to achieve the forecast sales that move the Company into monthly positive cash flow.

ii) PPB Will Expand Food Production By Acquisition of Large Commercial Property

After seven months of brand revenue operations as forecast in Exhibit A, the Company intends to release a second (Reg D-506c) on-line offering that will finance its acquisition of a nine-acre commercial property including a 32,000s/f processing facility, located in San Juan Bautista, CA. This larger facility, if still available when PPB’s financing is secured, will be sufficient size to produce the Prepared Foods for the entire state of California, with inter-state shipping capability in the Western States region for its smoked fish & seafood products. *(When operating at full capacity, this larger facility will support up to 1,500 Franship™ kitchens that would generate over \$2B annual sales for the Company.)* See “RISK FACTORS.”

iii) PPB Maintains Competitive Advantage On Consumer Foodservice Pricing

Because the Company self-produces and owns its Prepared Foods, PPB will not be as seriously impacted by the increasing cost of raw proteins and ingredients; its production costs are predominantly fixed, so price increases on raw product do not trigger percentage (%) increases through its trade cycle.

iv) PPB’s Use of Proprietary “Smoke-Baking™” Technology Generates Operating Leverage

Each full-size model of its proprietary wood-burning oven system cost \$500,000 installed and at full operating utilization of its capacity, will generate enough Smoke-Baked™ proteins to support recipe production for up to 200 Franship™ kitchens and \$225M food sales. The Company’s forecast operating profit will reach 26%, which would generate up to \$60 Million annual profit contribution to PPB per oven system operating.



c) Franship™ Kitchen Operations Enable Rapid Scale & Industry-High ROI On Assets

PPB will use contract vendors to fabricate its two models of modular, self-contained kitchens for indoor and outdoor foodservice operations. The indoor model is 150s/f @ \$165,000 and requires up to three operators and the outdoor model is 320s/f @ \$240,000 and employs up to five operators. Because modular kitchens can generate sales equal to stand-alone quick-service restaurants, their ROI for the asset’s cost is forecast substantially higher than the foodservice industry’s highest return value.



i) Franship™ Kitchens Provide Inspiration To Succeed, Mitigating Current Labor Shortage

The country’s foodservice labor force remains troubled since Covid swept through the marketplace and those workers and managers still with jobs generally have wages that barely sustain their living. As a result, the restaurant sector is losing employees as those individuals are seeking forms of entrepreneurship to generate higher income. PPB’s Franship™ – with its no-cost fee, higher income, job security, and equity payout – represents the proverbial ray of hope for inspiration and the drive for dedicated people to succeed.

ii) Franship™ Kitchens Are Ventless; No Handling or Cooking Raw Product

Franship™ kitchen operators need not have foodservice experience because they do not cook; there is only the diligent assembly of menu item ingredients to heat for freshly prepared, delectable cuisine. The modular kitchens being “no-cook” operations are ventless; there are no cooking odors or competing smells, no shrinkage from spoiled raw food, and their placement inside a host location can be set anywhere.

iii) Franship™ Kitchens Operate Cashless & Contactless

Modular kitchens are simplistic operations for Franship™ operators: there is no contact with customers; there is no handling of cash; there is minimal reporting to complete; and minimal inventory to manage. Because of this simplicity, the qualifications to be granted a Franship™ and to join a respective kitchen’s operator team will be applicable to most candidates who can perform foodservice operations. The universe of Franship™ candidates to operate modular kitchens uniquely includes family units, seniors, and group friends or teams of Veterans.

iv) Foodservice Trade Shows & Social Agencies Provide Franship™ Kitchen Candidates

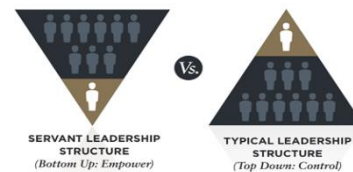
While the country’s foodservice sector continues to struggle with severe labor shortages, PPB will use foodservice trade shows and similar venue attractions to present its Franship™ program to people seeking higher income opportunities. Additionally, PPB will affiliate with social agencies to recruit Franship™ operators from a virtual state-wide reservoir of vetted and qualified Veterans and those otherwise in similar need. As the Company moves to expand beyond California, its Franship™ program will be easily deployed in cookie-cutter fashion, state-by-state.

v) Mass Placement Opportunities Support Aggressive Scale of Kitchen Openings

Indoor modular kitchens can pay host locations like c-stores and retailers up to \$60,000 annually for 150s/f of retail operating space; small regional c-store chains (10-50 units) are prime prospects for host locations because of this high level of income without risk, and because these types of chain organizations tend to be more entrepreneurial than much larger corporate chains. That said, when PPB’s modular kitchens are operating in a few hundred locations and demonstrating such income to venue hosts, Management believes the larger chains of c-stores and retailers will take notice and provide their locations in scale.

d) Management Is Supported & Empowered Through PPB’s Structure for Servant Leadership

The Company’s corporate organizational chart appears as an inverted pyramid that signifies “Servant Leadership” is supporting PPB’s employment platform for corporate entrepreneurship. Servant Leadership is a managerial concept that places direct responsibility for the actions of all personnel squarely with Executive Management, requiring them to provide unqualified support.



i) Self-Contained, State-by-State Operations Enable Effective Decentralized Management

PPB is launching its opening state market in California and given that food production and market sales are contained within the state, this state operation becomes an operating unit of PPB and managed respectively by a President who has signed on for the opportunity of corporate entrepreneurship. State Presidents are supported by PPB Executive Management and accept a base salary plus a percentage of their respective state’s operating profit.

ii) State Presidents Support Managers Who Develop & Operate Regional Market Areas

California, as all subsequent states will be, is comprised of area markets of minimum consumer population that will be developed and managed by a respective Area Developer (AD); at 40 million people, California has five (5) regional area markets to be developed, with the first being Northern CA. State Presidents recruit their ADs who also seek entrepreneurship and join the team for a base salary plus a percentage of the “sales” their respective market operation generates.

ADs operate as informal Area Marketing Companies (AMC) and take point for PPB’s market penetration of its Franship™ program; state Presidents support ADs with prepared food, modular kitchens, distribution, Franship™ administration, media promotion, real-time MIS reporting, and all such needs for ADs’ success. AD’s operate from their regional center “Hubs” of area distribution and operating control.

iii) Area Developers Recruit, Train, and Provide Tactical Support to Franship™ Operators,

Area Developers are not foodservice sales reps; they are experienced (multi-unit) foodservice operations managers who know the business and like the state Presidents who hire them, ADs seek the opportunity for PPB’s lucrative corporate entrepreneurship. ADs will host dedicated food shows and set up at tradeshow venues to recruit candidates for Franship™ operations; they will also affiliate with social agency organizations to assist with recruitment. ADs will educate and train candidate operators on the kitchen’s functionality and operations, and provide tactical support to kitchen team leaders to retain good communications, spirits, and increasing sales for high Franship™ operator-partner income.

D. Related Party Affiliation

Purely Smoked Acquisition Corp. (PSAC), a Nevada corporation, is owned by early-stage investors who provided the R&D capital that created certain intellectual property (the “IP”) relating to the wood-smoking technology used by PPB. The Company and PSAC maintain independent management and voting control, thereby assuring there is no “common control” between the two parties. The IP is exclusively licensed to the Company by PSAC for royalty fees on food sales, and on the Menu Stations and modular kitchens opened (the “IP License.”) *See: Exhibit B, “IP License Agreement.”*

Being a pre-revenue company, PPB faces potential challenges to secure its operating capital. PSAC, having a contractual financial interest in the success of PPB, is willing to provide certain forms of direct financial assistance as may be reasonably requested by the Company. Such assistance is informal and “best-efforts.”

The points of assistance below are forward-looking statements relative to the Related Party, PSAC, and what PSAC is willing to provide for the benefit of the Company. There is no formal written agreement with the Company and there can be no assurances that PSAC will be able to execute on or provide any of the points of assistance presented below. See “Risk Factors.”

a) Gift Shares As PPB Offering Perk

PSAC intends to file an SEC registration for its shares of Common Stock when the Company launches revenue operations, commencing the payment to PSAC of royalty fees that become its operating revenue. PSAC will become publicly traded and upon a reasonable request from the Company, is willing to issue “Gift Shares” of its Common Stock for the purpose of adding enticement to PPB’s offerings in the forms of additional return and early liquidity of principal. *See “Perk Chart” on page 2 and “Offering.”*

b) Structured Investors’ Exit, Public Liquidity Event

PSAC’s IP License to the Company terminates December 31, 2026, at which time PPB is contractually obligated to purchase the IP by issuing PSAC a 40% post-money ownership of its then outstanding shares of Common Stock. The Company’s purchase of the IP terminates its payment of license royalties and makes PSAC, a then public company, a major shareholder of the Company. PSAC’s market cap should be positively impacted by the sudden increase of its book value based upon its 40% ownership of PPB and at that time, PSAC would be positioned to acquire PPB by reverse merger. If the Company’s Board approved the transaction, PPB shareholders would be issued registered shares of PSAC that in aggregate equal a 60% post-merger ownership of PSAC; such shares will be publicly trading at a multiple of PSAC’s income.

Investors seeking further information and financial details on the Related Party, PSAC, are urged to directly contact Purely Smoked Acquisition Corp. by sending an email request to:

Jason Zandri, President & CEO, at: jzandri@psaconline.com.

E. Offering

The Company is offering a minimum of 1,666,667 and a maximum of 50 million Shares at a price of **\$0.060** per share, \$.0001 par value per share. However, the Offering provides for a certain Perk that would enable the total offering to be sold at a discounted price of **\$0.039** per share and if the total Offering were sold at such preferential value, up to 77 million shares would be sold. Upon completion of the total Offering at the lowest Perk price, which results in the highest number of shares to be sold, a total of 151,601,410 Shares will be outstanding. *See “Perk Chart” on page 2.* Each purchaser must execute a Subscription Agreement making certain representations and warranties to the Company, including such purchaser’s qualifications as an Accredited Investor as defined by the Securities and Exchange Commission in Rule 501(a) of Regulation D promulgated. *See “REQUIREMENTS FOR PURCHASERS.”*

F. Risk Factors

See “RISK FACTORS” section in this Memorandum for certain factors that could adversely affect an investment in the Shares. Those factors include, but are not limited to, unanticipated obstacles to execution of the Company’s business plan, general economic factors, supply chain disruptions, increasing food and energy costs, and insufficient financing.

G. Use of Proceeds

Proceeds from the sale of Shares will be used to finance the costs to establish food production, build out the Company’s interactive website and IT infrastructure, purchase foodservice assets, build processed inventory, and fund the digital media costs to promote food sales at PPB’s modular kitchens. See “USE OF PROCEEDS.”

H. Minimum Offering Proceeds – Holding Account for Subscription Proceeds

The Company has set a minimum offering proceeds figure of \$100,000 (the “**Minimum Offering Proceeds**”) for this Offering. The Company has established a dedicated bank Holding Account for investors’ subscriptions with Chase Bank, into which the minimum offering proceeds will be placed. At least 1,666,667 Shares must be sold for \$100,000 before such proceeds will be released from the Holding Account and utilized by the Company. After the minimum number of Shares is sold, all subsequent proceeds from the sale of Shares will be directly available for use by the Company. See “PLAN OF PLACEMENT – SUBSCRIPTIONS HOLDING ACCOUNT.”

I. Common Stock Shares

Upon the sale by the Offering of the maximum number of Shares offered at \$0.060 and alternatively the total number of Shares if sold at \$0.039, the number of issued and outstanding Shares of the Company’s common stock will be held as follows:

SCHEDULE OF COMMON EQUITY OWNERSHIP

	Offer Price \$0.060	Offer Price \$0.039
Present Shareholders:	59.90%	49.26%
New Investors:	40.10%	50.74%
	100.00%	100.00%

J. Registrar

The Company is using Colonial Transfer, Inc. to serve as its registrar and transfer agent with respect to its Common Stock Shares and related shareholder services.

K. Subscription Period

The Offering will terminate on the earliest of: (a) the date the Company, in its discretion, elects to terminate, or (b) the date upon which all Shares have been sold, or (c) August 31, 2024 or such date as may be extended from time to time by the Company, but not later than 180 days thereafter (the “Offering Period.”)

III. Requirements for Purchasers

Prospective purchasers of the Shares offered by this Memorandum should give careful consideration to certain risk factors described under “RISK AND OTHER IMPORTANT FACTORS” section and especially to the speculative nature of this investment and the limitations described under that caption with respect to the lack of a readily available market for the Shares and the resulting long-term nature of any investment in the Company. This Offering is available only to suitable Accredited Investors, having

adequate means to assume such risks and otherwise providing for their current needs and contingencies should consider purchasing Shares.

A. General Suitability Standards

- a) The Shares will not be sold to any person unless such prospective purchaser or his or her duly authorized representative shall have represented in writing to the Company in a Subscription Agreement that:
- b) The prospective purchaser has adequate means of providing for his or her current needs and personal contingencies and has no need for liquidity in the investment of the Shares;
- c) The prospective purchaser's overall commitment to investments which are not readily marketable is not disproportionate to his, her, or its net worth and the investment in the Shares will not cause such overall commitment to become excessive; and
- d) The prospective purchaser is an "Accredited Investor" (as defined below) suitable for purchase in the Shares.
- e) Each person acquiring Shares will be required to represent that he, she, or it is purchasing the Shares for his, her, or its own account for investment purposes and not with a view to resale or distribution. See "SUBSCRIPTION FOR SHARES" section.

B. Accredited Investors

The Company will conduct the Offering in such a manner that Shares may be sold only to "Accredited Investors" as that term is defined in Rule 501(a) of Regulation D promulgated under the Securities Act of 1933 (the "Securities Act"). In summary, a prospective investor will qualify as an "Accredited Investor" if he, she, or it meets any one of the following criteria:

- a) Any natural person whose individual net worth, or joint net worth with that person's spouse, at the time of his purchase, exceeds \$1,000,000 excluding the value of the primary residence of such natural person;
- b) 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 who has a reasonable expectation of reaching the same income level in the current year;
- c) Any bank as defined in Section 3(a)(2) of the 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 Securities and Exchange Act of 1934 (the "Exchange Act"); any insurance company as defined in Section 2(13) of the Exchange 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 (SBIC) 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 advisor, 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 who are Accredited Investors;
- d) Any private business development company as defined in Section 202(a)(22) of the Investment Advisors Act of 1940;
- e) Any organization described in Section 501(c)(3)(d) of the Internal Revenue Code, corporation, business trust, or partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of \$5,000,000;
- f) Any director or executive officer, or general partner of the issuer of the securities being sold, or any director, executive officer, or general partner of a general partner of that issuer;

- g) 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 Section 506(b)(2)(ii) of Regulation D adopted under the Act; and
- h) Any entity in which all the equity owners are Accredited Investors.
- i) A natural person holding, in good standing, one or more professional certifications, designations or other credentials issued by an accredited educational institution, which the Securities and Exchange Commission may designate from time to time, as qualifying. Presently holders in good standing of the Series 7, Series 65, and Series 82 licenses will qualify as an accredited investor.
- j) Natural persons who are "knowledgeable employees" as defined in Rule 3c- 5(a)(4) under the Investment Company Act of 1940, of the private-fund issuer of the securities being offered or sold.
- k) Entities, including, but not limited to, limited liability companies, of a type not listed in Rule 501(a)(1), (a)(2), (a)(3), (a)(7) or (a)(8) of Regulation D promulgated under the Act, not formed for the specific purpose of acquiring the securities offered, owning investments in excess of \$5 million.
- l) Securities and Exchange Commission and state-registered investment advisers, exempt reporting advisers, and rural business investment companies.
- m) Indian tribes, governmental bodies, funds, and entities organized under the laws of foreign countries, that own "investments," as defined in Rule 2a51-1(b) under the Investment Company Act, in excess of \$5 million and that was not formed for the specific purpose of investing in the securities offered.
- n) Family client (as defined in Rule 202(a)(11)(G)-1 under the Advisers Act with (i) assets under management in excess of \$5 million, (ii) that are nor formed for the specific purpose of acquiring the securities offered and (iii) whose prospective investments are directed by a person who has such knowledge and experience in financial and business matters that such family office is capable of evaluating the merits and risks of the prospective investment.

C. Other Requirements

No subscription for the Shares will be accepted from any investor unless he is acquiring the Shares for his own account (or accounts as to which he has sole investment discretion), for investment and without any view to sale, distribution or disposition thereof. Each prospective purchaser of Shares may be required to furnish such information as the Company may require to determine whether any person or entity purchasing Shares is an Accredited Investor.

IV. Forward-Looking Information

Some of the statements contained in this Memorandum, including information incorporated by reference, discuss future expectations, or state other forward-looking information. Those statements are subject to known and unknown risks, uncertainties and other factors, several of which are beyond the Company's control, which could cause the actual results to differ materially from those contemplated by the statements. The forward-looking information is based on various factors and was derived using numerous assumptions. In light of the risks, assumptions, and uncertainties involved, there can be no assurance that the forward-looking information contained in this Memorandum will in fact transpire or prove to be accurate.

Important factors that may cause the actual results to differ from those expressed within may include, but are not limited to:

- a) The success or failure of the Company's efforts to market its products and services as scheduled;
- b) The Company's ability to attract, build, and maintain a customer base;
- c) The Company's ability to attract and retain quality employees;
- d) The effect of changing economic conditions;
- e) Management's ability to secure the amount of equity and/or debt financing forecast to be required.

These along with other risks, which are described under "RISK FACTORS" may be described in future communications to shareholders. The Company will make dedicated efforts to update the forward-looking information to reflect actual results or changes in assumptions or other factors that are of material interest.

V. Risk Factors

Investing in the Company's Shares is risky. You should be able to bear a complete loss of your investment. You should carefully consider the following factors, including those listed in the accompanying business plan as set forth in Exhibit A.

a) Development Stage Business

Purely Prepared Brands, Inc. commenced operations in September 2019 and is organized as an 'C' Corporation under the laws of the State of Delaware. Accordingly, the Company has only a limited history upon which an evaluation of its prospects and future performance can be made. The Company's proposed operations are subject to all business risks associated with new enterprises including, but not limited to: problems, expenses, difficulties, complications, and unexpected delays; competition, and the requirement of advertising and promotions to sustain and grow a customer base. There is a possibility that the Company could sustain losses in the future. There can be no assurances that the Company will operate profitably.

b) Inadequacy Of Funds

Gross offering proceeds of a minimum of \$100,000 and a maximum of \$3,000,000 may be realized. Management believes that such proceeds will capitalize and sustain the Company sufficiently to allow for the implementation of the Company's business plans. If only a fraction of this Offering is sold, or if certain assumptions contained in Management's business plans prove to be incorrect, the Company may have inadequate funds to fully develop its business and may need debt financing or other capital investment to fully implement the Company's business plans.

c) Dependence On Management

In the early stages of development, the Company's business will be significantly dependent on the Company's management team. The Company's success will be particularly dependent upon: Eddie Feintech, CEO and Dennis Harrison Ph.D, President/CTO. The loss of either of these two individuals could have a material adverse effect on the Company. See "MANAGEMENT" section.

d) Value of Gift-Issued Shares by Related Party (PSAC)

The Company's Related Party, PSAC, is not a public company as of the date of this Offering and while PSAC intends to file its registration statement as stated previously in this Memorandum, there can be no assurances that PSAC will be able to file such registration statement or ever become a public company. If PSAC does not become a public company, the Gift Shares issued to certain investors in this Offering who purchased the minimum amount of Perk to receive the Gift Shares, will not have a liquid market value nor is it likely that any public market will ever be created through which to liquidate the Gift Shares. *(Assuming PSAC receives its license royalty, but does not become a public company, the Gift Shares will still be entitled to receive cash dividends as paid and will hold or have some amount of private value relative to whatever equity or book value PSAC could and would ultimately demonstrate.)*

e) Risks Associated with Expansion

The Company plans on expanding its business and any expansion of operations the Company may undertake will entail risks. Such actions may involve specific operational activities, which may negatively impact the profitability of the Company. Consequently, shareholders must assume the risk that (i) such expansion may ultimately involve expenditures of funds beyond the resources available to the Company at that time, and (ii) management of such expanded operations may divert Management's attention and resources away from its existing operations, all of which factors may have a material adverse effect on the Company's present and prospective business activities.

f) Customer Base and Market Acceptance

The Company believes it will develop its customer base through the application of digital/social media marketing and promotion, and the inability of the Company to successfully develop such a customer base could have a material adverse effect on the Company. Although the Company believes that its products and modular kitchen concept offer advantages over competitive companies and products, no assurance can be given that the Company's products will attain a degree of market acceptance on a sustained basis or that it will generate revenues sufficient for sustained profitable operations.

g) Competition

While there does exist some current competition, Management believes that the Company's products are far superior to the market and its modular kitchen concept innovative and unique to the industry. The expertise of Management combined with its premium food products and sophisticated technology set the Company apart from its competitors. However, there is the possibility that new competitors could seize upon PPB's business model and produce competing products or services with similar focus. Likewise, these new competitors could be better capitalized, which could give them a significant advantage. There is the possibility that the competitors could capture significant market share of PPB's intended market.

h) Trend in Consumer Preferences and Spending

The Company's operating results may fluctuate significantly from period to period as a result of a variety of factors, including purchasing patterns of customers, competitive pricing, debt service and principal reduction payments, and general economic conditions. There is no assurance that the Company will be successful in marketing any of its products, or that the revenues from the sale of such products will be significant. Consequently, the Company's revenues may vary by quarter, and the Company's operating results may experience fluctuations.

i) Risks of Borrowing

If the Company incurs indebtedness, a portion of its cash flow will have to be dedicated to the payment of principal and interest on such indebtedness. Typical loan agreements also might contain restrictive covenants, which may impair the Company's operating flexibility. Such loan agreements would also provide for default under certain circumstances, such as failure to meet certain financial covenants. A default under a loan agreement could result in the loan becoming immediately due and payable and, if unpaid, a judgment in favor of such lender which would be senior to the rights of shareholders of the Company. A judgment creditor would have the right to foreclose on any of the Company's assets resulting in a material adverse effect on the Company's business, operating results or financial condition.

j) Unanticipated Obstacles to Execution of the Business Plan

The Company's business plans are subject to change. Certain of PPB's planned business endeavors are capital intensive and involve asset financing and actions by PPB affiliates. Management believes that the Company's chosen activities and strategies are achievable given the skills, background, and industry knowledge of the Company's principals and advisors. Management reserves the right to make significant modifications to the Company's stated strategies depending on future events.

k) Management Discretion as to Use of Proceeds

The net proceeds from this Offering will be used for the purposes described under "Use of Proceeds." The Company reserves the right to use the funds obtained from this Offering for other similar purposes not presently contemplated which it deems to be in the best interests of the Company and its shareholders in order to address changed circumstances or opportunities. As a result of the foregoing, the success of the Company will be substantially dependent upon the discretion and judgment of Management with respect to application and allocation of the net proceeds of this Offering. Purchasers of Shares will be entrusting their funds to the Company's Management, upon whose judgment and discretion the investors must depend.

l) Control By Management

As of December 31, 2023, the Company's Directors and Executive Officers owned approximately 58% of PPB's outstanding Common Shares; however, the Company's CEO, Eddie Feintech, holds one share of Preferred Stock Class X, which enables Executive Officers to effectively have 73% voting control of the Board. If the Offering is sold at the lowest price (\$0.039) with the greatest dilution (50.74%), the Company's Executive Management will own approximately 29% of then issued and outstanding Common Shares, but will maintain 52.4% voting control of PPB's Board. In such event, investing shareholders will own a majority percentage of the Company's common equity, but will still have minority voting rights and will not have the ability to control a vote of the Company's Board because of the one share of Preferred Stock Class X held by the Company's CEO. See "MANAGEMENT."

i) Return of Profits

The Company intends to retain any initial future earnings to fund operations and expand the Company's business. A shareholder will be entitled to receive revenue profits proportionate to the amount of Shares held by that shareholder. The Company's Management, during the period defined under the Development Agreement, will determine a profit distribution plan based upon the Company's results of operations, financial condition, capital requirements, and other circumstances. However, after the Company merges with PSAC in month #37, the new surviving company, PSI, must continue to pay quarterly dividends under the previous structure as PSAC had originated. See "DESCRIPTION OF SECURITIES."

j) Dilution

Purchasers of Shares will experience immediate dilution of \$0.037 in net tangible book value per share, or approximately 58.3% of the assumed offering price of \$0.060 per share (assuming maximum offering proceeds are achieved). Alternatively, at the lowest price (\$0.039) the immediate dilution will be \$0.018 per share or 47% of the Share purchase price. Additional Shares issued by the Company in the future will dilute a purchaser's investment relative to their numeric number and percentage of the outstanding Shares.

k) Offering Price

The price of the Shares offered has been arbitrarily established by the Company's Management, considering such matters as the state of the Company's business development and the general condition of the industry in which it operates. The Offering price bears little relationship to the assets, net worth, or any other objective criteria of value applicable to the Company.

l) No Current Public Market For Shares

There is no current public market for the Shares offered in this private Offering and no public market is expected to develop in the near future.

m) Limited Transferability and Liquidity

To satisfy the requirements of certain exemptions from registration under the Securities Act, and to conform with applicable state securities laws, each investor must acquire his Shares for investment purposes only and not with a view towards distribution. Consequently, certain conditions of the Securities Act may need to be satisfied prior to any sale, transfer, or other disposition of the Shares. Some of these conditions may include a minimum holding period, availability of certain reports, including financial statements from the Company, limitations on the percentage of Shares sold and the manner in which they are sold. The Company can prohibit any sale, transfer or disposition unless it receives an opinion of counsel provided at the holder's expense, in a form satisfactory to the Company, stating that the proposed sale, transfer or other disposition will not result in a violation of applicable federal or state securities laws and regulations. No public market exists for the Shares and no market is expected to develop in the immediate or near future. Consequently, owners of the Shares may have to hold their investment indefinitely and may not be able to liquidate their investments or pledge them as collateral for a loan in the event of an emergency.

n) Long Term Nature of Investment

An investment in the Shares may be long term and illiquid. As discussed above, the offer and sale of the Shares will not be registered under the Securities Act or any foreign or state securities laws by reason of exemptions from such registration, which depends in part on the investment intent of the investors. Prospective investors will be required to represent in writing that they are purchasing the Shares for their own account for long-term investment and not with a view towards resale or distribution. Accordingly, purchasers of Shares must be willing and able to bear the economic risk of their investment for an indefinite period of time and likely may not be able to liquidate their investment in the event of an emergency.

While the Company intends to create an exit strategy for investors’ public market liquidity in connection with its future requirement to terminate the IP License with PSAC and purchase the IP asset as set forth earlier in this Memorandum, there can be no assurances that such liquidity event will materialize.

o) Lack of Firm Underwriter

The Shares are offered on a “best efforts” basis by the Company’s Management without compensation. Accordingly, there is no assurance the Company will sell the maximum Shares offered or any lesser amount.

VI. Use Of Proceeds

PPB seeks to raise minimum gross proceeds of \$100,000 and maximum gross proceeds of \$3,000,000 from the sale of Shares in this Offering. The Company intends to apply these proceeds substantially as set forth herein, subject only to reallocation by Management in the best interests of the Company.

A. Sale of Equity

Category	Maximum Proceeds	Percentage of Total Proceeds	Minimum Proceeds	Percentage of Proceeds
Proceeds From Share Sales	\$3,000,000	100.0%	\$100,000	100.0%

B. Offering Expenses

Category	Maximum Proceeds	Percentage of Total Proceeds	Minimum Proceeds	Percentage of Proceeds
Offering Expenses ⁽¹⁾	\$85,000	2.8%	\$85,000	85.0%
Total Offering Expenses	\$85,000	2.8%	\$85,000	85.0%

C. Corporate Uses of Proceeds

Category	Maximum Proceeds	Percentage of Total Proceeds	Minimum Proceeds	Percentage of Proceeds
General & Administrative ⁽²⁾	\$625,000	20.8%	\$5,000	20.0%
Technology & Website ⁽³⁾	\$125,000	4.2%	\$0	0.0%
Marketing & Promotion ⁽⁴⁾	\$315,000	10.5%	\$0	0.0%
Food Production ⁽⁵⁾	\$300,000	10.0%	\$0	0.0%

Food Distribution ⁽⁶⁾	\$50,000	1.6%	\$0	0.0%
Foodservice Equipment ⁽⁷⁾	\$1,500,000	50.0%	\$0	0.0%
Total Corporate Use	\$2,915,000	97.2%	\$5,000	20.0%

D. Total Use of Proceeds

Category	Maximum Proceeds	Percentage of Total Proceeds	Minimum Proceeds	Percentage of Proceeds
Total Offering Expenses	\$85,000	2.8%	\$85,000	85.0%
Total Corporate Allocations	\$2,915,000	97.2%	\$15,000	15.0%
Total Offering Proceeds	<u>\$3,000,000</u>	<u>100.0%</u>	<u>\$100,000</u>	<u>100.00%</u>

Footnotes:

- (1) Includes estimated memorandum preparation, legal, promotion, and other fees and expenses related to the Offering; the Company's Management is selling the Offering and no commissions are being paid.
- (2) The Company's G&A expenses are for seven months and cover insurance, payroll, office operations, legal, IT software licensing, and contract vendors; PPB's current debt of \$132,000 is included in this allocation.
- (3) The Company's IT for foodservice, MIS infrastructure, and interactive website will require three to four months to build out for the launch of revenue operations.
- (4) The Company will be using digital & social media marketing along with on-site sampling to introduce the brand and drive new customers to Franship™ locations.
- (5) The Company will take possession of a small commissary kitchen and install the required equipment to set up smoked food production that will support the launch of modular kitchen operations in Northern CA.
- (6) The Company is self-distributing its own food products to Franship™ locations, requiring the leasing of refrigerated vans and related equipment.
- (7) The Company will be purchasing several modular kitchens and related foodservice equipment during its launch of revenue operations to show proof-of-concept.

VII. Executive Management

At the present time, three individuals are actively involved in the executive management of the Company and serve as both Executive Officers and Board Directors:

Eddie Feintech – Chairman & Chief Executive Officer

Dennis Harrison, Ph.D – President & Chief Technology Officer

Donald Krueger, CPA & Atty – Executive Vice President, Secretary & Chief Financial Officer

A. Management Resumes

Eddie Feintech – Chairman & Chief Executive Officer

Eddie operated a small chain of wood-smoked barbecue restaurants, which proprietary oven and process technique he subsequently developed into a concept for commercial mass-production. Eddie has over 30 years of experience in commercial food processing and working market applications for the unique value-add product; he has nearly 10 years of public company financing experience. Eddie will oversee key operating functions for food production and the Company's brand revenue operations.

Dennis Harrison, Ph.D – President & Chief Technology Officer

Dennis has senior executive experience in guiding IT development and implementation for large multi-national companies with over 50 million transactions per month. As CTO, Dennis will manage the technology budget and make investments for technological needs; design and manage the cloud technology for real-time data access to all modular kitchens and their respective sales and inventory ordering, app ordering and corporate accounting.

Donald Krueger, CPA & Atty – Executive Vice President, Secretary & Chief Financial Officer

Donald has an extensive professional career in executive-level public accounting and auditing, enhanced by legal expertise relative to both private business and public company management as general counsel. As CFO, Donald will create auditable accounting and reporting systems that integrate with IT data information and direct corporate finance with operational and transparent accountability.

B. Management Compensation

Each Executive is entitled to reimbursement of any approved expenses incurred while conducting Company business including any amounts of unpaid compensation. Each Executive, including any Executive Officers to be hired in the future, will share proportionately in a bonus of five percent (5%) of the Operating Profit of PPB, as set forth in respective employment agreements, when and if Operating Profit is generated. Management reserves the right to reasonably increase their salaries subject to PPB's revenue operations growing successfully; its profitability showing scale; and its cash flow being positive.

Since its incorporation, none of PPB's executive officers have been paid any form of salary. As consideration for their invested time and certain forms of financial support for the Company, Common Shares were sold to Management at prices that were substantially lower than the price of Shares being offered in this Offering. At the date of this Offering, there are no employment-related financial instruments that provide any form of future equity; Management is relying upon Operating Profit for their cash bonus.

Formal salary and benefits compensation for executive Management begins at the date of this offering; however, the structured compensation as set forth below shall accrue and be payable to Management subject to available cash, which may require smaller increments of salary to be paid in proportion to the Offering's proceeds then received. After the Minimum Offering is sold and from subsequent proceeds to be received, Management's intended salaries for the next 12 months are shown below; increases after six months are subject to the Company having launched its opening foodservice brand concepts as planned.

Eddie Feintech – Chairman & Chief Executive Officer

First Six Months: \$125,000 annualized salary payable monthly
Second Six Months: \$175,000 annualized salary payable monthly

Dennis Harrison, Ph.D – President & Chief Technology Officer

First Six Months: \$120,000 annualized salary payable monthly
Second Six Months: \$170,000 annualized salary payable monthly

Donald Krueger, CPA & Atty – Exec. Vice President, Secretary & Chief Financial Officer

First Six Months: \$115,000 annualized salary payable monthly
Second Six Months: \$165,000 annualized salary payable monthly

C. Management's Voting Control

Eddie Feintech, the Company's Founder, CEO & Chairman, holds one share of Preferred Stock Class X, which is structured to provide the shareholder (Feintech) with "50% + 1" of the outstanding (voting) common Shares and to be in addition to any common Shares presently held. If the total Offering sold at the lowest price (\$0.039) with the greatest dilution, Feintech will hold 42.7% of the voting Common Shares and with the current Directors, Management will be in position to control 52.4% of the Company's Board.

D. Executive Committee

The Company intends to establish an Executive Committee, which will be chaired by PPB's President, Dennis Harrison, Ph.D. and include certain of PPB's Officers and the principals of certain key operating affiliates of the Company. The Executive Committee will monitor and evaluate Management's performance and report such information to the Company's Board; it will provide counsel and advise the Management team in making appropriate decisions and taking effective action. The Executive Committee, however, will not be held responsible for the decisions ultimately made and executed by Management, and it has no legal or fiduciary responsibility to the Company.

VIII. Current Shareholders

The following table contains certain information as of March 1, 2024 as to the number of Shares beneficially owned by (i) each person known by the Company to own beneficially more than 5% of the Company's Shares, (ii) each person who is an Executive Officer of the Company, (iii) all persons as a group who are Directors and/or Officers of the Company, and as to the percentage of the outstanding Shares held by them on such dates and as adjusted to give effect to this Offering.

SHAREHOLDER'S NAME	POSITIOIN	CURRENT %	POST-OFFERING Max % @ \$0.060	POST-OFFERING Max % @ \$0.039
Eddie Feintech	CEO	27.14%	16.25%	13.37%
Dennis Harrison, Ph.D	President	20.09%	12.03%	9.89%
Donald Krueger, CPA & Atty.	CFO & Sec.	9.37%	5.61%	4.62%
Executive Mgt. Total		56.60%	33.89%	27.88%
Scott Rector	Shareholder	10.04%	6.02%	n/a
Jason Jandri	Shareholder	9.37%	5.61%	n/a
Brune Living Trust	Shareholder	5.36%	n/a	n/a

IX. Common Stock Share Option Agreements

The Company presently does not have any Share Option Agreements nor any other forms of dilutive executive equity compensation options or warrants to purchase shares in the future.

X. Description of Shares

The Company is offering a minimum of 1,666,667 and a maximum of 50 million Shares at a price of \$0.060 per Share, \$.0001 par value per share. Upon completion of the Maximum Offering a total of 124,678,333 Shares will be outstanding. Alternatively, if the Offering is totally sold at the lowest Perk price of \$0.039 per share, a total of 76,923,077 shares would be outstanding. The Shares of ownership are equal in all respects, and upon completion of the Offering, the Shares will comprise the only representation of ownership that the Company will have issued and outstanding to date, other than the single issued and outstanding share of Preferred Stock.

Each shareholder is entitled to one vote for each share held on each matter submitted to a vote of the shareholders. Shares are not redeemable and do not have conversion rights. The Shares currently outstanding are, and the Shares to be issued upon completion of this Offering will be, fully paid and non-assessable. In the event of the dissolution, liquidation or winding up of the Company, the assets then legally available for distribution to the shareholders will be distributed ratably among such shareholders in proportion to their Shares.

Shares are not redeemable and do not have conversion rights. The Shares currently outstanding are, and the Shares to be issued upon completion of this Offering will be, fully paid and non-assessable. In the event of the dissolution, liquidation or winding up of the Company, the assets then legally available for distribution to shareholders will be distributed among such shareholders in proportion to their Shares.

Shareholders are only entitled to profit distributions proportionate to their Shares of ownership when and if declared by Management out of funds legally available therefore. The Company to date has not given any such profit distributions. Future profit distribution policies are subject to the discretion of Management and will depend upon a number of factors, including among other things, the capital requirements and the financial condition of the Company.

XI. Dilution

The purchasers of the Common Stock Shares offered by this Memorandum will experience an immediate and substantial dilution of their investments. There are 500,000,000 authorized Common (Voting) Shares of the Company, of which 74,678,333 Shares are currently issued and outstanding. The net tangible book value per share of the Company's ownership was approximately negative (\$0.0017) at the date of this Offering. Net tangible book value per share of ownership is equal to the Company's total tangible assets less its total liabilities, divided by the total number of outstanding Shares of ownership. Upon completion of this Offering, the net tangible book value for the Shares, which are now outstanding, will be increased with corresponding dilution for the Shares sold to investors.

The following reflects the dilution to be incurred by the investors. "Dilution" is determined by subtracting the net tangible book value per Common Stock Share after the Offering from the Offering price. If the expected maximum number of Shares offered hereby is sold, of which there can be no assurance, there will be 124,678,333 Shares of common ownership outstanding, with net tangible book value of approximately \$0.0231 per Share. This represents an immediate increase in net tangible book value from negative (\$0.0017) to positive \$0.023 per Share to existing shareholders and an immediate dilution of from \$0.060 to \$0.023 per Share to purchasers of Shares in this Offering.

Alternatively, if the total Offering is sold at the lowest price (\$0.039) with the greatest dilution, there will be 151,601,410 Shares of common ownership outstanding, with net tangible book value of approximately \$0.019 per Share for existing shareholders and an immediate dilution of from \$0.039 to \$0.019 to purchasers in this Offering.

XII. Litigation

The Company is not presently a party to any material litigation, nor to the knowledge of Management is any litigation threatened against the Company, which may materially affect the business of the Company or its assets.

XIII. Plan of Placement

The Shares are offered directly by the Management of the Company on the terms and conditions set forth in this Memorandum. No FINRA broker/dealers are planned to offer or sell the Shares. The Company is offering the Shares on a "best efforts" basis. The Company will use its best efforts to sell the Shares to investors. There can be no assurance that all or any of the Shares offered, will be sold.

A. Subscription Funds Held In Holding Account

Commencing on the date of this Memorandum all funds received by the Company in full payment of subscriptions for Shares will be deposited into a dedicated bank holding account. The Company has set a minimum offering proceeds figure of \$100,000 for this Offering. The Company has established an Investment Holding Account with Chase Bank, into which the minimum offering proceeds will be placed. At least 1,666,667 Shares must be sold for \$100,000 before such proceeds will be released from the Holding Account and utilized by the Company.

After the minimum number of Shares are sold, all subsequent proceeds from the sale of Shares will be delivered to the Company and be available for its use. Subscriptions for Shares are subject to rejection by the Company at any time.

B. How to Subscribe for Shares

A purchaser of Shares must complete, date, and deliver to the Company the following documents, as applicable. The following materials are included as part of the Investor Subscription Package:

- A copy of this Offering Memorandum;
- An Investor Suitability Questionnaire, to be completed by the Investor;
- A copy of the appropriate Subscription Agreement, to be completed by the Investor; and
- All stated Exhibits of business and financial forecast information.

Investors must make their check payable to “**Purely Prepared Brands, Inc.**” in the amount of **\$0.060** per Share for each Share purchased as called for in the Subscription Agreement (minimum purchase of **41,667** Shares for **\$2,500**). *Investors should view the “Perk Chart” on page 2, which presents certain purchase options that will reduce the price of the Shares being offered in this Memorandum.*

Subscribers may not withdraw subscriptions that are tendered to the Company (Florida, Georgia and Pennsylvania Residents See NASAA Legend in the front of this Memorandum for important information).

XIV. Additional Information

Each prospective investor may ask questions and receive answers concerning the terms and conditions of this offering and obtain any additional information which the Company possesses, or can acquire without unreasonable effort or expense, to verify the accuracy of the information provided in this Memorandum. The principal executive offices of the Company are located at 100 Enterprise Dr., Scotts Valley, CA 95066 and the telephone number is 831-708-2359.

XV. EXHIBITS: *(Certain Exhibits below are accessible from PPB’s website or by a ZIP file if received.)*

Exhibit A: Business & Financing Plan		<i>Download from website or ZIP file</i>
Exhibit B: IP License Agreement		<i>Download from website or ZIP file</i>
Exhibit C: PPB Incorporation Documents:		
C.1 – Certificate of Good Standing		<i>Attached</i>
C.2 – Restated Certificate of Incorporation		<i>Download from website or ZIP file</i>
C.3 – Amended Certificate of Incorporation		<i>Download from website or ZIP file</i>
C.4 – Preferred Stock Class X Designation		<i>Download from website or ZIP file</i>
Exhibit D: Subscription Agreement		<i>Download from website or ZIP file</i>
Exhibit E: Investor Suitability Questionnaire		<i>Download from website or ZIP file</i>
Exhibit F: PPB Financial Reports		<i>Attached and/or available upon request</i>
Exhibit G: Jurisdictional State Legends		<i>Attached</i>

INFORMATION AVAILABLE UPON eMAIL REQUEST:

- ✓ **Three-Year Forecast Financial Models (Operations, Cash Flow & Balance Sheet)**
- ✓ **Audited Financial Report (Years 2021 & 2022)**
- ✓ **Design for Indoor Modular Kitchen**
- ✓ **Design for Outdoor Modular Kitchen**

EXHIBIT C.1: CERTIFICATE OF GOOD STANDING

Delaware

The First State

Page 1

I, JEFFREY W. BULLOCK, SECRETARY OF STATE OF THE STATE OF DELAWARE, DO HEREBY CERTIFY "PURELY PREPARED BRANDS INC." IS DULY INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE AND IS IN GOOD STANDING AND HAS A LEGAL CORPORATE EXISTENCE SO FAR AS THE RECORDS OF THIS OFFICE SHOW, AS OF THE TWENTY-FIFTH DAY OF JANUARY, A.D. 2024.

AND I DO HEREBY FURTHER CERTIFY THAT THE ANNUAL REPORTS HAVE BEEN FILED TO DATE.

AND I DO HEREBY FURTHER CERTIFY THAT THE SAID "PURELY PREPARED BRANDS INC." WAS INCORPORATED ON THE TWENTY-THIRD DAY OF SEPTEMBER, A.D. 2019.

AND I DO HEREBY FURTHER CERTIFY THAT THE FRANCHISE TAXES HAVE BEEN PAID TO DATE.



7621530 8300
SR# 20240238416
You may verify this certificate online at corp.delaware.gov/authver.shtml

Handwritten signature of Jeffrey W. Bullock, Secretary of State.

Jeffrey W. Bullock, Secretary of State

Authentication: 202665201
Date: 01-25-24

EXHIBIT F

PURELY PREPARED BRANDS, INC.

A Fully-Developed Start-Up Stage Company

Exhibit F.1: Balance Sheet Report

<u>BALANCE SHEET</u>	OFFERING DATE		
	Unaudited 29-Feb-24	Unaudited 31-Dec-23	Audited ^(*) 31-Dec-22
ASSETS			
Current Assets			
Cash In Bank Account	\$3,039	\$44	\$29,975
Total Current Assets	3,039	44	29,975
Other Assets			
Deferred Offering Costs	0	0	19,250
Total Other Assets	0	0	19,250
TOTAL ASSETS	\$3,039	\$44	\$49,225
LIABILITIES & STOCKHOLDERS' EQUITY			
Current Liabilities:			
Accrued Expenses Payable	\$55,641	\$52,028	\$0
Related Party Advances	72,940	65,440	24,500
Short-Term Advances	2,575	1,625	0
Total Current Liabilities	131,156	119,093	24,500
Stockholders' Equity:			
Capital Stock	7,468	7,468	7,074
Additional Paid-In Capital	264,259	264,259	244,965
Gross Capital Stock	271,727	271,727	252,039
Accumulated Deficit	(\$227,315)	(227,315)	(113,334)
Current Net Income	(172,529)	(163,461)	(113,980)
Net Equity	(128,117)	(119,049)	24,725
TOTAL LIABILITIES & EQUITY	\$3,039	\$44	\$49,225
<i>Total Common Shares Outstanding:</i>	74,678,333		
<i>Tangible Value Per Common Share:</i>	(\$0.0017)		
(1) NOTE: Full audit report available upon request			

Exhibit F.2: Profit & (Loss) Report

<u>PROFIT & (LOSS)</u>	<u>Unaudited</u> <u>29-Feb-24</u>	<u>Unaudited</u> <u>31-Dec-23</u>	<u>Audited</u> <u>31-Dec-22</u>
Income:			
Operating Revenue	\$0	\$0	\$0
Total Income	0	0	0
Operating Expenses:			
General & Administrative	4,539	43,260	108,011
Marketing & IT Set -Up	4,530	62,940	5,969
Financial & Legal	0	57,261	0
Total Operating Expenses	(9,069)	(163,461)	(113,980)
NET INCOME / (LOSS)	<u>(\$9,069)</u>	<u>(\$163,461)</u>	<u>(\$113,980)</u>
Accumulated Operating Loss:	<u>(\$390,775)</u>	<u>(\$227,314)</u>	<u>(\$113,334)</u>
Total Loss To Date:	<u>(\$399,844)</u>	<u>(\$390,775)</u>	<u>(\$227,314)</u>
<i>Total Common Shares Outstands:</i>	<i>74,678,333</i>	<i>74,768,333</i>	<i>70,740,833</i>
<i>Net Income or (Loss) Per Common Share:</i>	<i>(\$0.0054)</i>	<i>(\$0.0022)</i>	<i>(\$0.0016)</i>

SPACE BELOW IS INTENTIONALLY BLANK

EXHIBIT G: JURISDICTIONAL STATE LEGENDS

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 THIS PRIVATE PLACEMENT MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

2. NOTICE TO ALASKA RESIDENTS 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 THIS DOCUMENT. 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 RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

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(a)(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 THIS MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

5. FOR CALIFORNIA 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 CALIFORNIA 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 25105 OF THE CALIFORNIA CORPORATIONS CODE. THE RIGHTS OF ALL PARTIES TO THIS OFFERING ARE EXPRESSLY CONDITIONED UPON SUCH QUALIFICATIONS BEING OBTAINED, UNLESS THE SALE IS SO EXEMPT.

6. FOR COLORADO RESIDENTS ONLY: 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: THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE BANKING COMMISSIONER OF THE STATE OF CONNECTICUT NOR HAS THE COMMISSIONER PASSED UPON THE ACCURACY OR ADEQUACY OF THE OFFERING. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

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 THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

10. NOTICE TO FLORIDA RESIDENTS ONLY: THE SHARES DESCRIBED HEREIN HAVE NOT BEEN REGISTERED WITH THE FLORIDA DIVISION OF SECURITIES AND INVESTOR PROTECTION UNDER THE FLORIDA SECURITIES ACT. THE SHARES REFERRED TO HEREIN WILL BE SOLD TO, AND ACQUIRED BY THE HOLDER IN A TRANSACTION EXEMPT UNDER SECTION 517.061 OF SAID ACT. THE SHARES 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 590-4-2-02. 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 THIS MEMORANDUM 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 THIS MEMORANDUM.

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 PROSPECTUS. 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 23-19-2-1 OF THE INDIANA SECURITIES LAW AND HAVE NOT BEEN REGISTERED UNDER SECTION 23-19-3. 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 THIS DOCUMENT. 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 THIS MEMORANDUM, 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 SHARES 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 SHARES.

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: IN MAKING AN INVESTMENT DECISION, PURCHASERS 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 ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED BY SUBSECTION (E) OF SEC RULE 147, 17 CFR 230.147(E), OR SUBSECTION (E) OF SEC RULE 147A, 17 CFR 230.147A(E), AS PROMULGATED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. PURCHASERS SHOULD BE AWARE THAT THEY WILL BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

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 SHARES 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 SHARES.

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 92.520 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 THIS MEMORANDUM, YOU ARE HEREBY ADVISED THAT THIS MEMORANDUM HAS 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 THIS PRIVATE PLACEMENT MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

33. NOTICE TO NEW YORK RESIDENTS ONLY: THIS DOCUMENT HAS 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 SHARES OFFERED HEREIN AND HAS MADE NO ARRANGEMENTS WITH BROKERS OF OTHERS TO TRADE OR MAKE A MARKET IN THE SHARES. 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 THIS DOCUMENT. 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 THIS PROSPECTUS. 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 1707.3(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 THIS MEMORANDUM 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 THIS DOCUMENT SINCE THE DOCUMENT IS 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 PROSPECTUS) 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 IF THE AMOUNT OF SUCH INVESTMENT IN THE SECURITIES WOULD EXCEED TWENTY (20%) OF SUCH INVESTOR'S NET WORTH (EXCLUDING PRINCIPAL RESIDENCE, FURNISHINGS THEREIN AND PERSONAL AUTOMOBILES). 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 THIS DOCUMENT. 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 THIS PRIVATE PLACEMENT MEMORANDUM. 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.

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 THIS MEMORANDUM IS 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 THIS DOCUMENT. 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 THIS DOCUMENT. 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 RE-OFFERED FOR SALE, TRANSFERRED, OR RESOLD EXCEPT IN COMPLIANCE WITH SUCH ACT AND APPLICABLE RULES PROMULGATED THEREUNDER.

48. NOTICE TO WASHINGTON RESIDENTS ONLY: ANY PROSPECTIVE PURCHASER IS ENTITLED TO REVIEW FINANCIAL STATEMENTS OF THE ISSUER WHICH SHALL BE FURNISHED UPON REQUEST."; (ii) "RECEIPT OF NOTICE OF EXEMPTION BY THE WASHINGTON ADMINISTRATOR OF SECURITIES DOES NOT SIGNIFY THAT THE ADMINISTRATOR HAS APPROVED OR RECOMMENDED THESE SECURITIES, NOR HAS THE ADMINISTRATOR PASSED UPON THE OFFERING. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE."; and (iii) "THE RETURN OF THE FUNDS OF THE PURCHASER IS DEPENDENT UPON THE FINANCIAL CONDITION OF THE ORGANIZATION.

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 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 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.

51. FOR WYOMING RESIDENTS ONLY: ALL WYOMING RESIDENTS WHO SUBSCRIBE TO PURCHASE SHARES OFFERED BY THE COMPANY MUST SATISFY THE FOLLOWING MINIMUM FINANCIAL SUITABILITY REQUIREMENTS IN ORDER TO PURCHASE SHARES:

(1) A NET WORTH (EXCLUSIVE OF HOME, FURNISHINGS AND AUTOMOBILES) OF TWO HUNDRED FIFTY THOUSAND DOLLARS (\$250,000); AND (2) THE PURCHASE PRICE OF SHARES 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.