Grace Capital Partners, LLC

January 1, 2019

Private Placement Memorandum

For the Exclusive Use of: _____ Memorandum No._____

Grace Capital Partners, LLC

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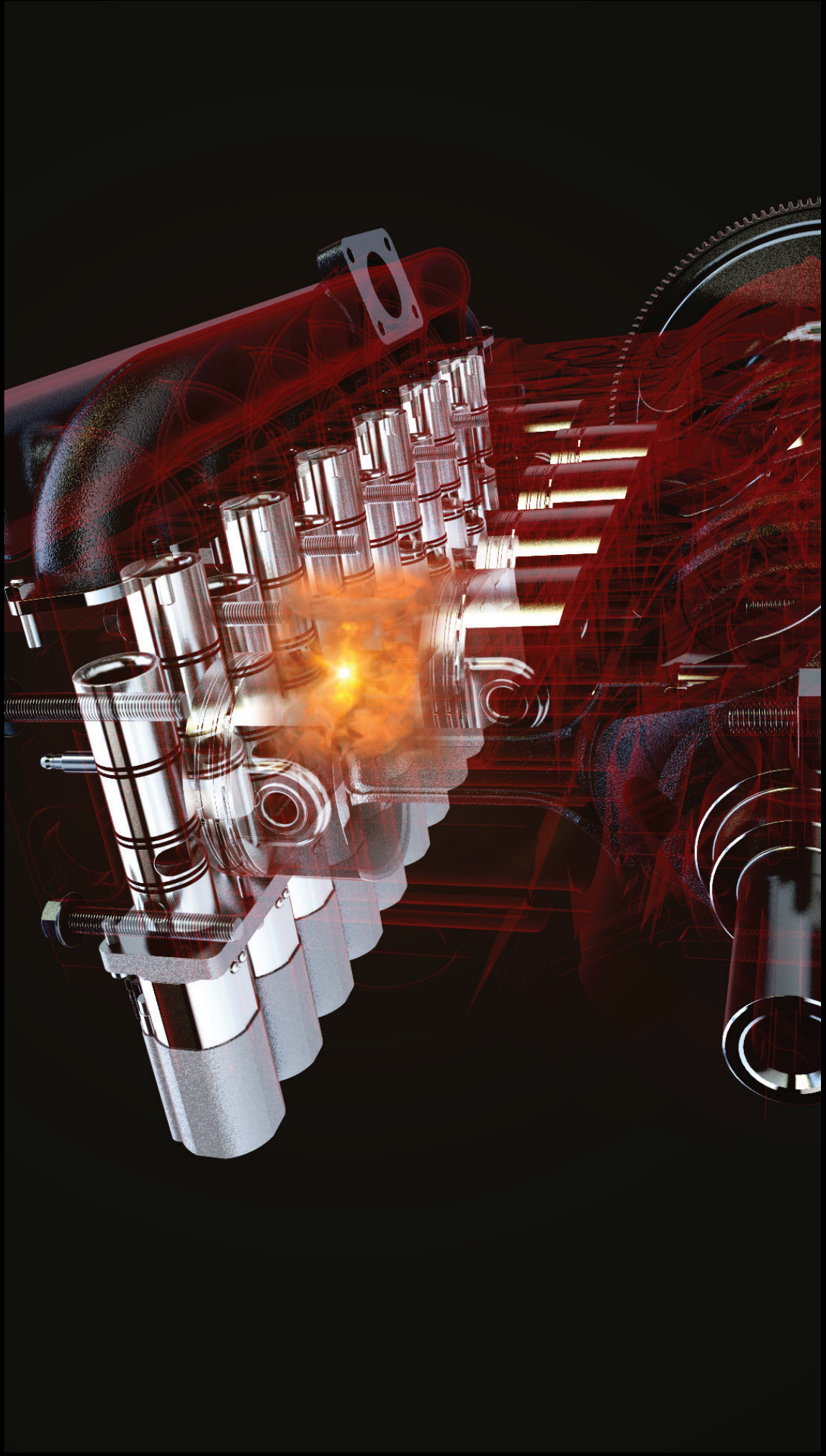


INTRODUCTION

Grace Capital Partners, LLC (the "Company" or "GCP") is an Arkansas Limited Liability Company formed for the purpose of selling their proprietary valve and engine design called GlideValve, or GlideValve Engine Technology by the use of License agreements and royalty arrangements. GCP will not start manufacturing an engine, there are enough good manufacturers world-wide already in place.

Grace Capital Partners, LLC will license the GlideValve technology to original equipment manufactures. The OEMs (Original Equipment Manufacturers) will build the engines, and GCP will simply license their design to them. Similar to how Microsoft licenses their software to various computer manufactures.

Global OEM's produced approximately 100 million motor vehicles in 2017. Toyota produces the most, 10+million, followed by Volkswagen, Hyundai, General Motors and Ford. The top 20 automotive manufacturers globally produce approximately 2/3 of the world's motor vehicles. To be ultra conservative, the Company's revenue projections are based on the approximate 20 million vehicles manufactured or imported into the U.S. each year. To be ultra conservative, the Company's Proforma Profit & Loss plus Revenue projections (page 108) are based on the approximate 20 million vehicles manufactured or imported into the U.S. each year. GCP management anticipates that within 7 years the GlideValve Engine Technology could potentially have a 10% domestic market share of the motor vehicle marketplace. Should the above referenced market penetration occur, of which that can be no guarantee, such market share would produce approximately $400,000,000 in renewable royalty income per year. GCP also expects to be able to sell at least 12 license agreements at $10 million apiece during this period of time.

Additional revenue will also come from license fees and royalty income from industries like generators, marine, construction, agricultural, the retrofit aftermarket, etc. The GlideValve Engine Technology's over-all success will produce substantial upside growth potential for Grace Capital Partners, LLC.

Visit www.glidevalve.com to watch the Glide Valve Engine Animation.

AN EVOLUTIONARY DESIGN FOR ALL ENGINES

GlideValve was tested on a single cylinder prototype engine, and was designed for proof of concept and efficiency purposes. It's piston size and air flow requirements are typical of most car and truck engines, thus GlideValve designs are available for twin, four, six and

eight cylinder engines – from small hybrids up to large diesels. And based on the evaluations to date by a nationally recognized testing facility, a single GlideValve is more efficient than traditional poppet valves.

GlideValve Fixes What Doesn't Work

Engineers have spent plenty of time on valve trains. And while they have made great strides, the fundamental problem still exists: the poppet valve is simply not the best way to get the job done. Recent inventions have succeeded in making valves open and close quickly but at the cost of complexity. The top half of a modern overhead cam engine is a busy, crowded place filled with valves, springs, seals, gaskets, bearings and more. It works reasonably well, but at the cost of complexity.

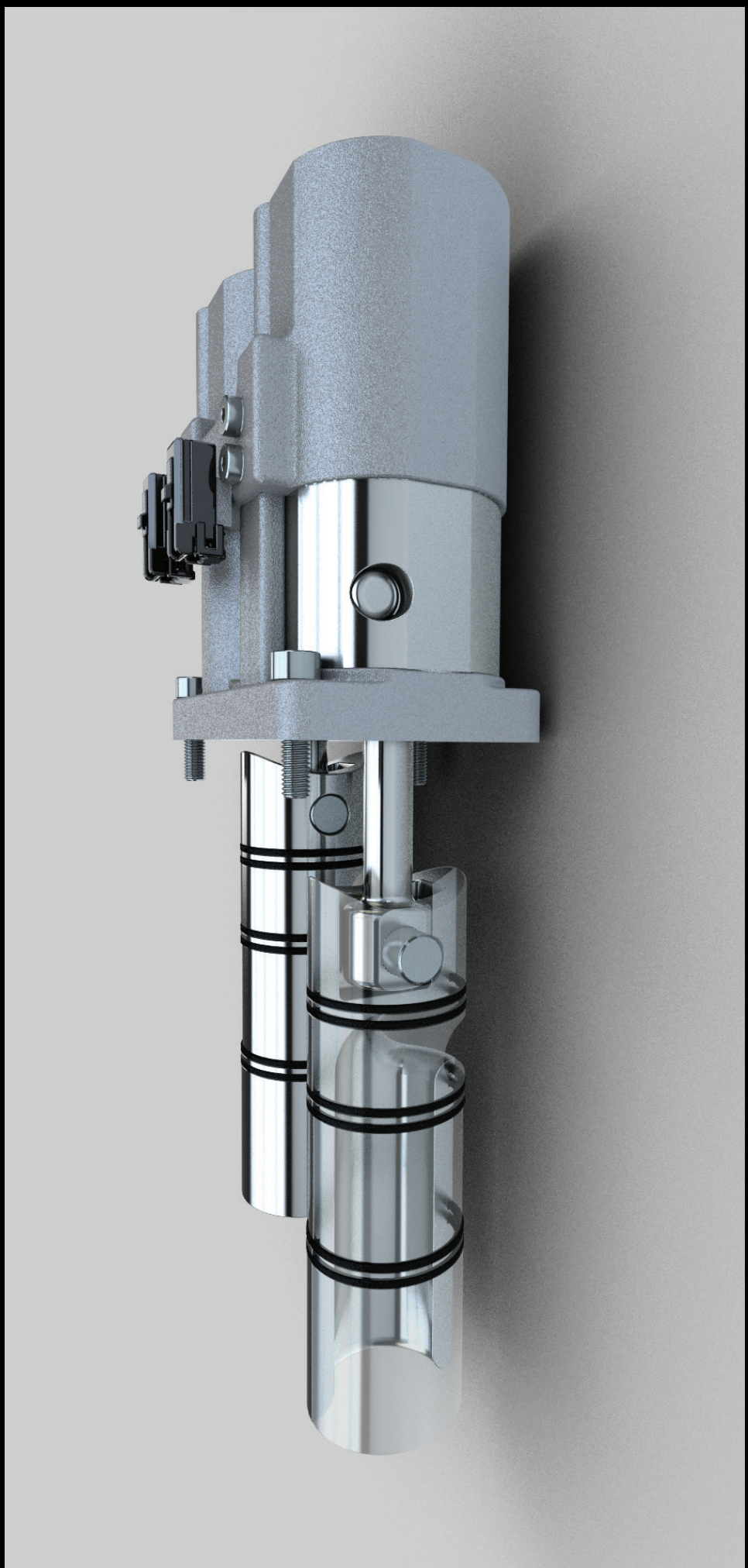
GlideValve eliminates virtually all traditional valve gear. Instead of a complicated OHC system, each GlideValve (covering both intake and exhaust) has just two moving parts when connected to an actuator.

- Instead of a towering camshaft and multiple poppet valve arrangement, it has a super low profile that drastically lowers engine height.

- GlideValve moves air through the interior of the valve, and seals the valve with rings around the exterior of the valve. This tubular design allows the valve to open and close without the need of entering the combustion chamber like the poppet valve. This design advantage allows two GlideValves to move more air per cylinder than four poppet valves.

- Having the ability to time the engine on the fly can achieve as much as 30% more efficiency from the engine, without the fear of a valve/piston collision. Also, emissions are significantly improved through complete combustion of the fuel due to the ability to achieve zero overlap with the valves.

GlideValve



GLIDEVALVE STRENGTHS

- GlideValve is a patented non-invasive valve/head design for an internal combustion engine
- Has only two moving parts
- Has no camshaft, no belts, no rocker arms, no push rods
- Eliminates virtually all traditional mechanical valve gear
- Significant cost savings for OEM in manufacturing process
- Increases the volumetric efficiency of engine by producing air flow in square sign waves
- Permits the engine to breathe easier
- Uses independent electronic software driven actuators to open/close valves
- Can achieve zero overlap without having to worry about the piston-poppet valve collision
- Ability to provide unlimited variable valve timing (Lift and Duration Flexibility)
- Ability to combine multiple combustion cycles to achieve the most efficient thermal dynamic profile
- Has an actuator design that achieves 35% lower emissions and 15% higher fuel savings

Internal Combustion Engine (ICE) Developments

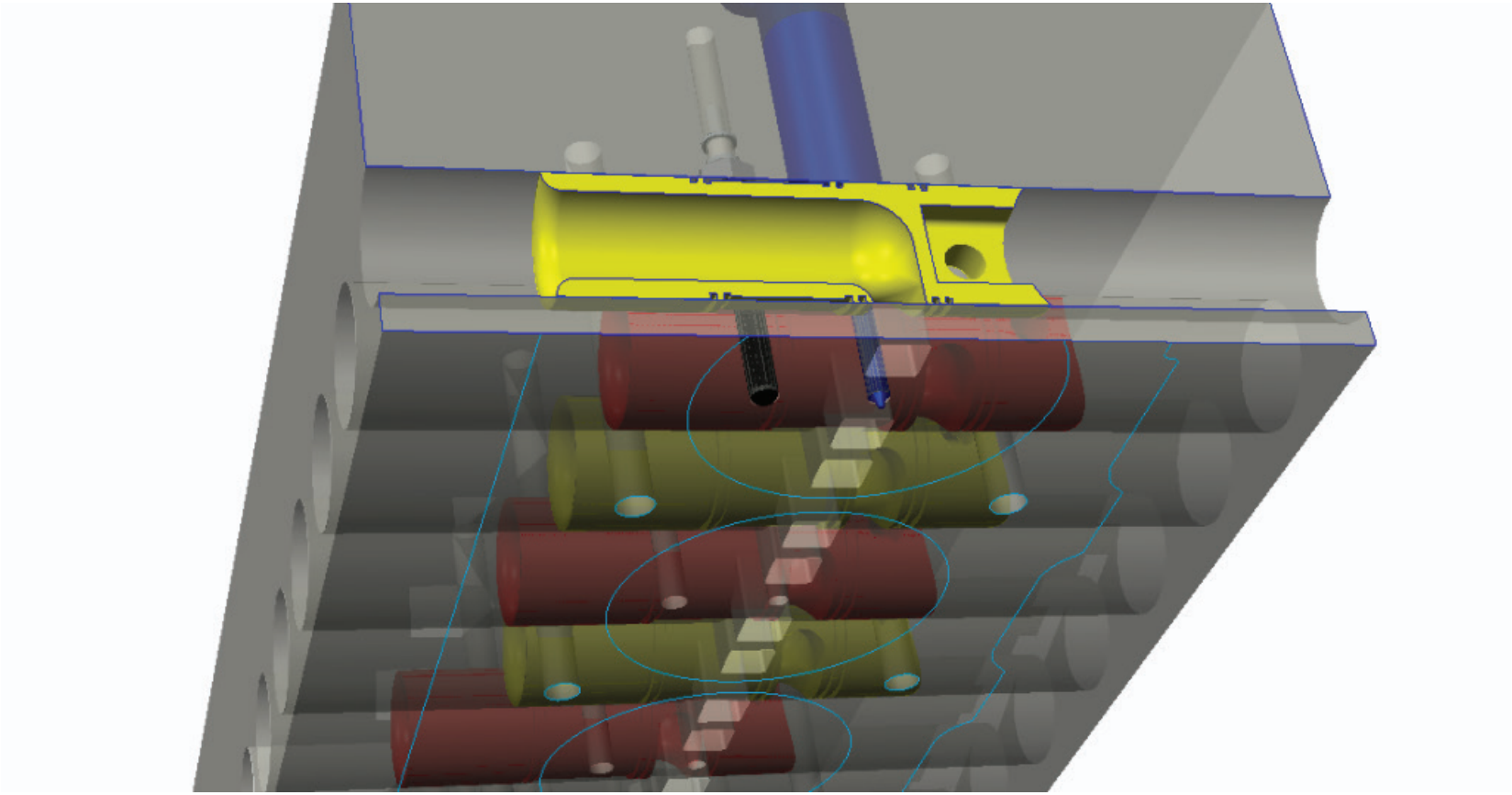
Short term and long term goals are the same within the automotive industry. The Original Equipment Manufacturers of internal combustion engines must meet current and future global fuel efficiency and emissions standards without any additional or unnecessary complexity and cost which would adversely affect price. These standards include EPA 2010, Tier 3/LEV3 and Euro 6.

There seem to be two dominant trends to achieve the above objectives within the industry. First, Gasoline Compression Ignition Engines have been the "Holy Grail" of the engine industry's research for years since they perform like diesels but don't have diesel emissions problems. Second, Actuators transform the internal combustion engine to a digital architecture by replacing the spring-loaded valve train and camshaft.

The big three, GM, Ford and Chrysler, are working towards the above goals but it seems like smaller independent companies are making the most news. For example, Achates Power from San Diego, CA announced they have a two stroke opposed-piston engine they are developing that achieves diesel compression ignition. Another example is Mazda from Japan. They claim to have available by 2019 a gasoline compression ignition engine with a spring loaded valve train. Yet another example is Qoros Motors from China that has developed pneumatic-electric actuators to replace the traditional camshaft and spring loaded valve train.

While all of the above have merit and individual benefits, they all fall victim to the complexity and/or cost issue. One of the above has spent over $100 million in the last ten years without a production model to date. One of the above technologies is tied to opening and closing the valves that are mechanically connected to the camshaft which limits optimal engine performance. Yet, another is free from the camshaft in its technology but has issues with the possibility of the pistons hitting the valves under normal driving conditions.

GCP believes there is still room for a small independent company to contribute in developing a more efficient internal combustion engine. That company is --- Grace Capital Partners, LLC.



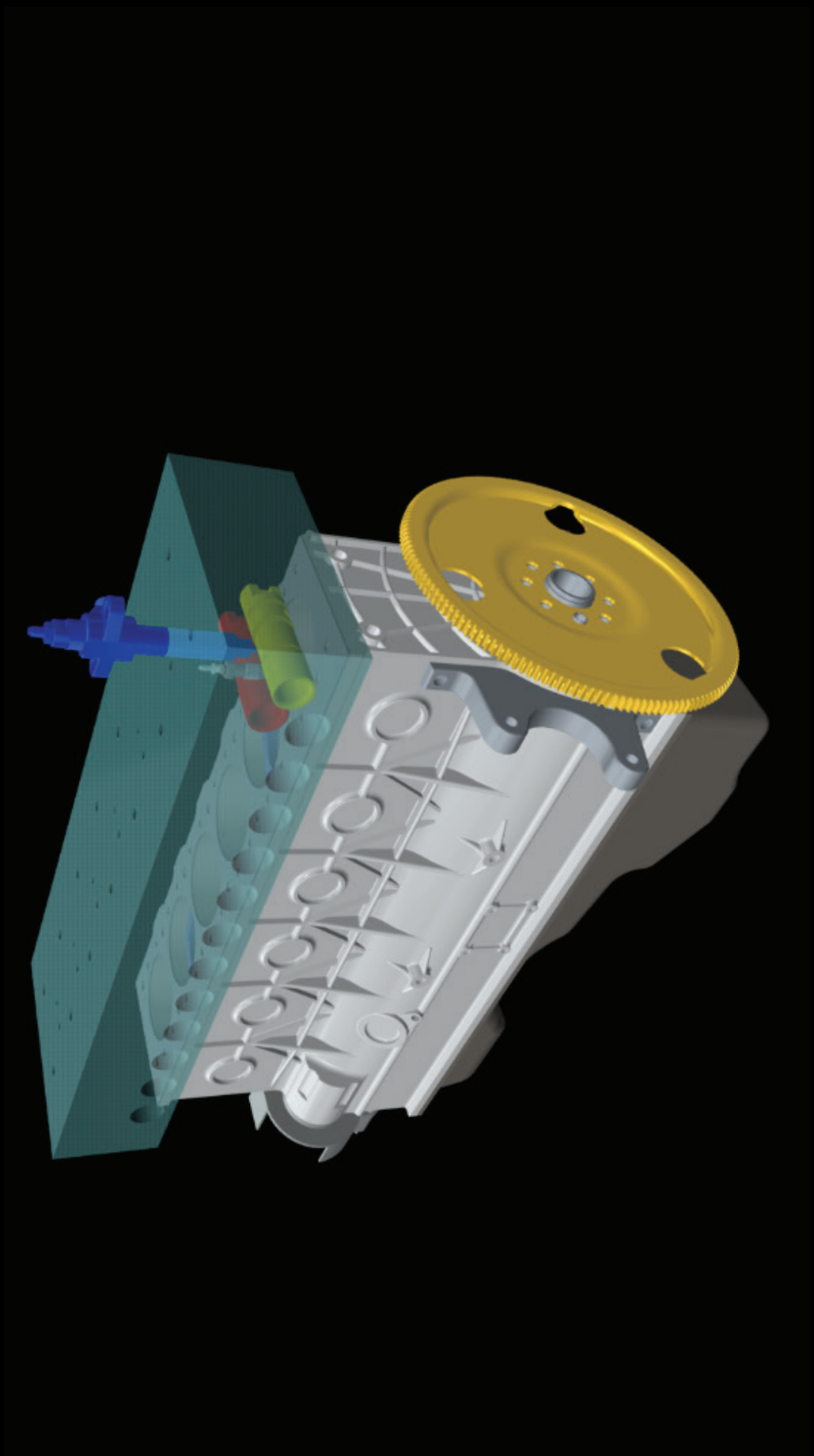
GCP sees the opportunity to provide the industry with the safest and most efficient gasoline compression ignition engine. The Company has solved two huge problems by combining two proven and tested technologies that until now have not been in the same engine together.

These components are a non-invasive pass-through air-flow valve that seals combustion pressure and a linear actuator that is not mechanically linked to the camshaft for valve timing. In other words, it's a better way of opening and closing the valves and a better way of how to seal those valves. No one else can offer this combination since GCP owns the patent on this particular kind of valve. The combination of these two technologies will provide results unmatched in the internal combustion engine industry.

ELECTRIC VEHICLE DEVELOPMENTS

Some say the future of the internal combustion engine is dead. Far from it! Electric vehicles will have a difficult time in growing and gaining market share in the near term. This is due to the need to replace the current generation of liquid electrolyte lithium-ion batteries with some other battery technology. Simply, the marketplace will require the conventional electric vehicle battery to be safer. Also, there will be difficulty to provide the infrastructure necessary to fund the over-all growth of the industry. Renewable resources (solar/wind) will be limited due to their lack of a viable grid energy storage solution. The largest electric utilities in America are broke. Of the top 15 electric utilities, 12 have a negative free cash flow position. After all of their operating and actual capital costs are paid, these utilities presently have to issue more stock or borrow money just to pay dividends to their shareholders. These are regulated companies so the chances of them going out of business are slim.

By the same token, supporting the infrastructure for electric vehicle growth will be very difficult. In addition, the Manhattan Institute recently published a report that analyzed the true grid cost of providing consumers with electricity to charge their electric vehicles. They concluded that over-all cost and pollution would be higher compared to the modern internal combustion engines we have today. This is due to the fact that utilities still largely depend on natural gas and coal for the production of electricity. We have not seen or heard of anyone willing to address these issues. It's like the big secret of the electric vehicle industry. In reality, we are decades away from electric vehicles being the major source of transportation in the U.S.



THE MANAGEMENT TEAM

The Company is currently managed by seasoned business and sector professionals dedicated to the success of the Company and efficient execution of its planned operations.

At the present time, three individuals are actively involved in the management of the Company:

Jeff England, B.S.P.A

He is the managing partner for Grace Capital Partners, LLC. As a co-founder, he has been very involved in the development of the patented Glide Valve Engine Technology and its digital design. After graduating from the University of Arkansas, he began his securities career at the institutional division of two major broker/dealers. Within a few years, he formed and sold his own mortgage broker firm.

Then, he started his energy career and began drilling for natural gas. Later, he purchased distressed energy properties left over from the oil market fall out in the late 90's. These properties were rehabbed and sold. He has bought and sold mineral leases in a coal bed methane field. He continues to develop, help finance and look for acquisition of minerals with a number of partners.

Gary Cotton

He is the inventor of the Glide Valve Engine Technology system. Currently, Gary is owner and CEO of a tool & die and fabrication machine shop that does work for energy customers in Oklahoma, Missouri and Arkansas. Some of his clients include Haliburton, Schlumberger, Baker Hughes and Cal Frac.

In the past, he was COO of a $40 million machine shop for over 20 years. He did the estimating, design and Auto CAD drawings along with managing the work flow on the machine shop floor. Some of their clients were Reem, York, Falcon Jet and Caterpillar. Gary's love and understanding of internal combustion engines started when in his youth, he and his father won numinous race cars events on dirt tracks in Arkansas.

Robert G. McLean, B.S.B.A.

He is a co-founder. In addition to working as a Senior Executive Analyst for an international management consulting firm, he has an extensive investment and financial services background. He has worked for a broker/dealer, a merchant banking company and a corporate finance institution. He has co-founded a registered investment advisory firm and an independent equity research firm.

He is a private investor and is currently an equity shareholder in three companies. By compiling and analyzing spreadsheets and financial statements over the years, he has become very proficient in identifying positive and negative trends within a company.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SECTION 2: Private Placement Memorandum


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PLAN OF OPERATIONS

GlideValve

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OVERVIEW

Jeff England and Robert McLean started McLean, England & Associates, LLC in April 2002. Their objective was to improve how an engine breathes by replacing the spring-loaded poppet valve train. Spring-loaded poppet valves have been with the internal combustion engine for more than 100 years. While the poppet valves are inefficient, they do work and seal the combustion pressure. Even so, the company saw an opportunity to improve an engine's valve train. The Company went through two designs before they settled on the design used today. The design was invented by Gary Cotton, one of their members. In 2006, the Company had a capital raise to fund the successful testing of their valve sealing pressure capabilities at Southwest Research Institute in San Antonio, Texas. The Company changed their legal name to Grace Capital Partners, LLC. Today, the Company has approximately 44 investors.

The novelty for Grace Capital Partners, LLC has been in the "electronically controlled" digital valve train design area and it being different in a major way from other competitors in this digital field. GCP's design seals the combustion pressure with a non-invasive

valve with only two moving parts which they call GlideValve. The Company does not use poppet valves. The GlideValve is a pass-through air flow design that seals from the outside with rings which are no different than the rings that seal pistons. The GlideValve design features actuators that directly drive the valves instead of the mechanical linkage with the camshaft. The advances in the actuator industry over the last five years have now provided an opportunity to completely control a non-invasive design like GlideValve. GlideValve glides over the top of the combustion chamber and will never collide with the piston. The GlideValve design supports and enhances Gasoline Compression Ignition engines. This is because GlideValve can open the intake valve sooner and close the exhaust valve later than a mechanical linked poppet valve train. Gasoline Compression Ignition Engines achieve superior thermal efficiency by the virtue of their higher expansion ratios.

GlideValve eliminates virtually all traditional valve gear. Instead of a complicated Overhead Valve System, the GlideValve engine arrangement consists of the head with two GlideValves per cylinder, one intake and one exhaust. These valves are driven by two electro-pneumatic actuators per cylinder and can be configured to work on inline and V-shape engines.

The ability to open and close the intake and exhaust valves through a digital engine control unit (ECU) maximizes volumetric efficiency and provides the ultimate in variable valve timing. A major automotive consulting firm's design team head tells GCP that different combustion cycles used together can generate a very efficient thermal dynamic profile inside the combustion chamber. The real advantage of GCP's engine is its ability to run multiple valve cycles like the Atkins cycle, 2 stoke cycle, and Miller cycle at different rpm's ranges operationally in achieving brake thermal efficiency pick-up.

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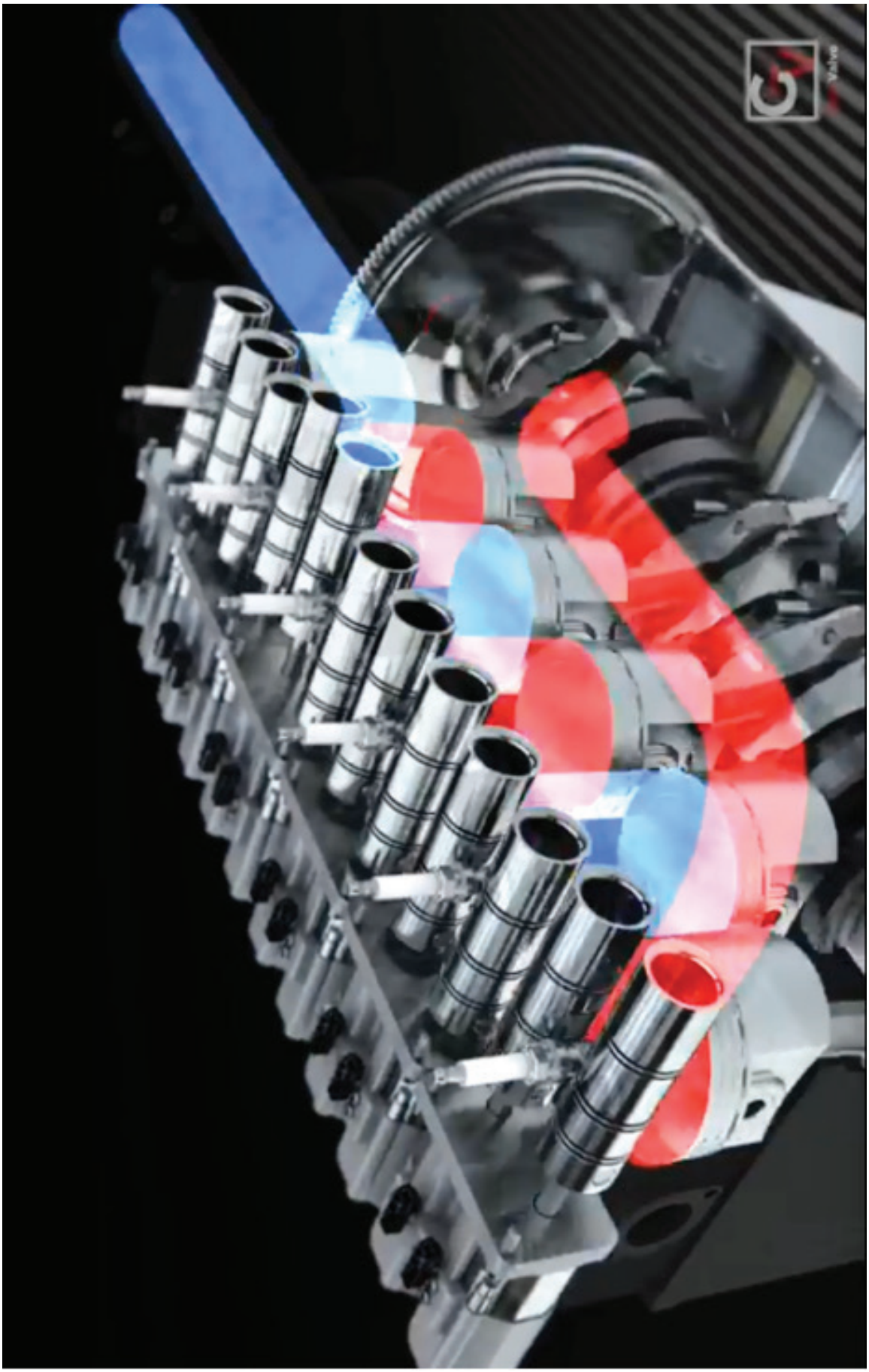
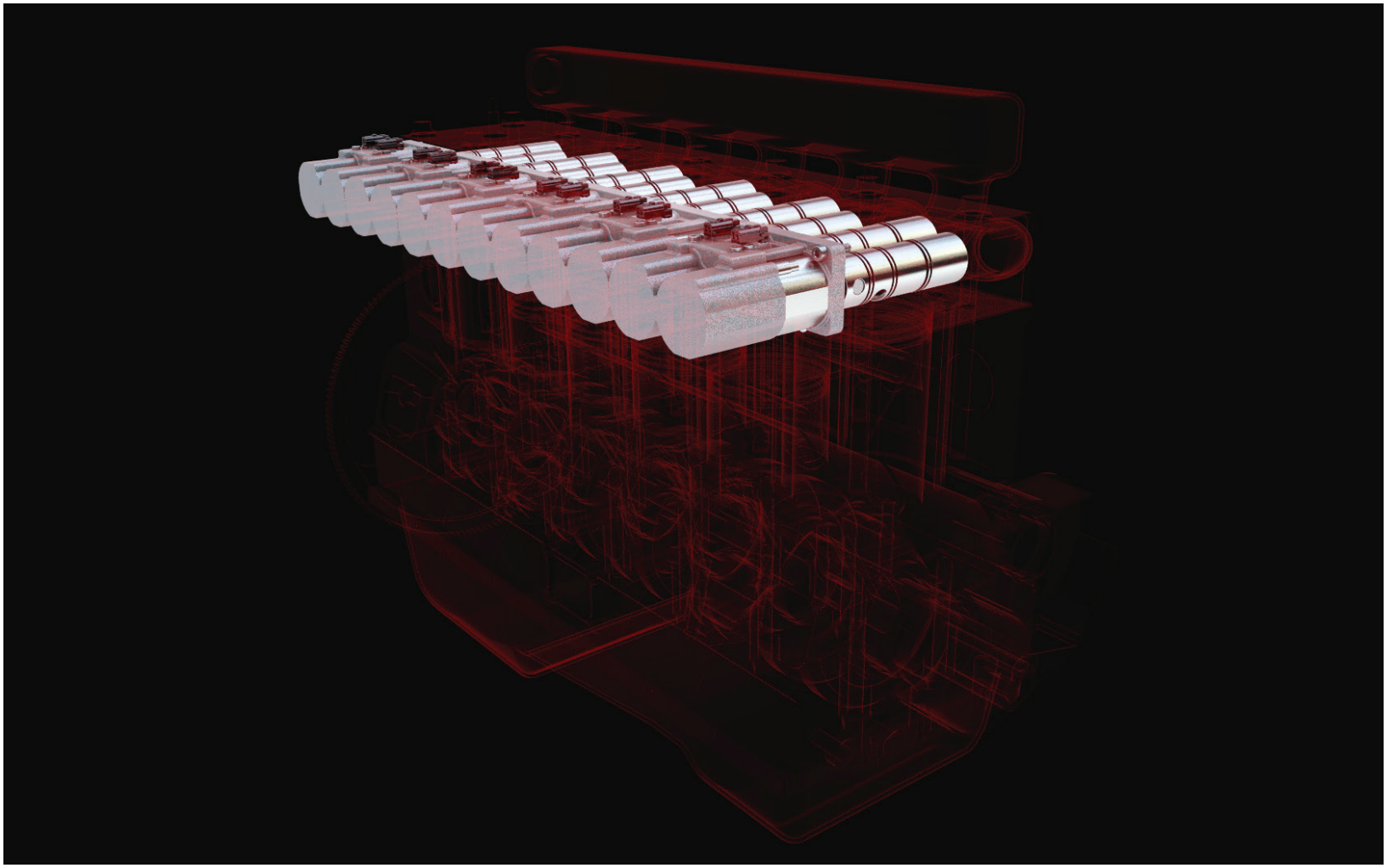
Two Options For Implementation

- Retrofit for head only
    - Add GlideValve to your existing engine block without modifying the engine compartment infrastructure, so the bottom half of the engine doesn't change.

- Single piece block and head design. The head and block can be manufactured as one piece, so no head bolts or head gaskets would be required.



Qoros Motors (China) tested a 1.6 liter four cylinder, a version of a spring-loaded poppet valve "actuator" design engine by AVL Europe on November 22, 2016 with the following results: 47% more torque, 45% more horsepower, 15% better fuel economy and 35% fewer emissions. The GlideValve "actuator" design will have even more optimal results because it will have more flexibility and can achieve zero overlap. GlideValve does not have to be concerned about the piston-poppet valve collision. Any digital valve train configuration that uses a spring-loaded poppet valve is subject to fail due to the inherent problem with the springs. It's not the actuator or the camshaft that fail, it's the springs that usually fail.



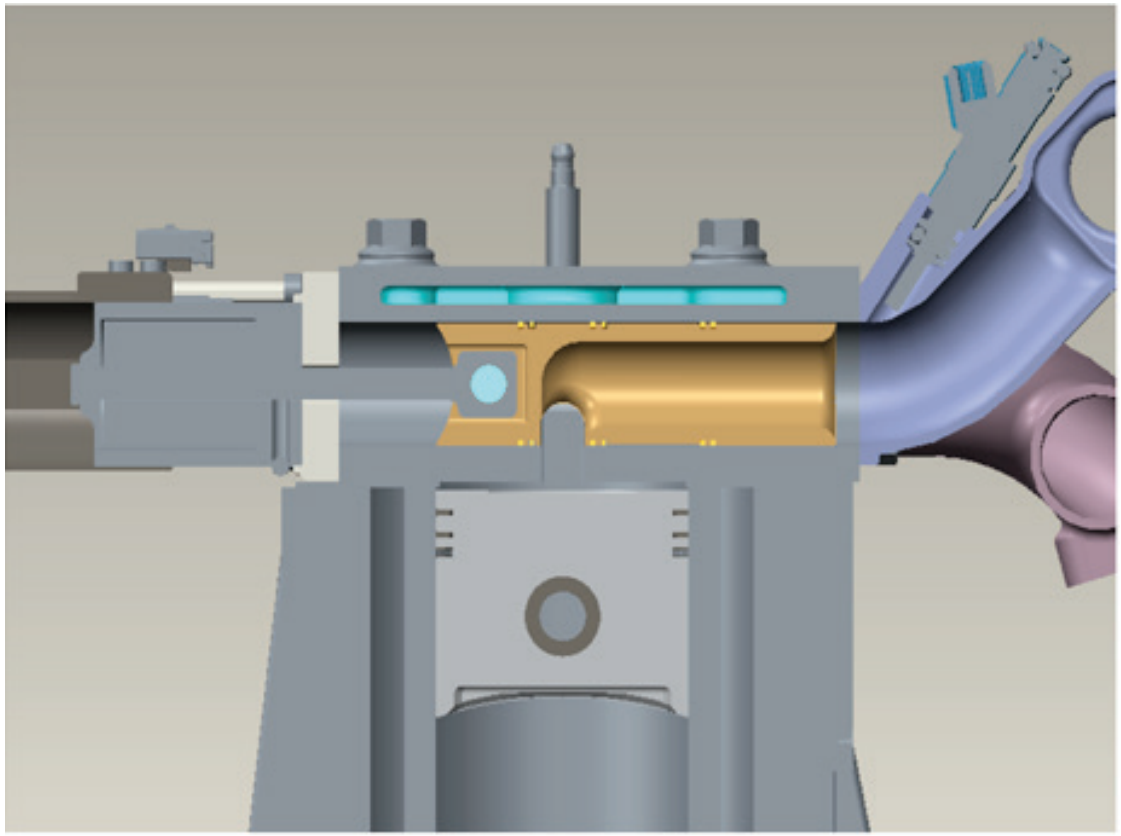
The digital valve train industry is relatively thin and all the other competitors in this field use spring-loaded poppet valves in their arrangement. The opportunity for GlideValve seems to be that the trend of the control of valves will clearly move from mechanical linkage to the computer-aided control and use of linear actuators. No other valve train technology is known that will support diesel fuel performance and have petrol emissions results with no chance of a piston-valve collision.

GlideValve is now at a point that the design work has been done and the marketing campaign begins. A couple of OEM companies have recently expressed interest in an engine development program with GlideValve.

Presently, Grace Capital Partners, LLC has signed a mutual Non-Disclosure Agreement (NDA) with a $90 billion dollar Tier 1 OEM as they want to do a heavy-duty diesel engine development program with GCP and gain access to the patented GlideValve technology. GCP is currently negotiating the terms of that agreement. The Company anticipates the first year to be in a joint optimization development program with the Tier 1 OEM company and sign a license agreement after year one. Production will start in year two and royalty income will begin in year three.

AVL Powertrain Engineering, Inc. (www.AVL.com) is the world's largest independent and privately-held company providing powertrain engineering services to the automotive industry. Their clients are the who's who of the industry. AVL Powertrain Engineering, Inc. was founded in 1948 and has grown to become a global player in this field with over 8,000 employees worldwide. AVL Powertrain Engineering, Inc. is very familiar with the GlideValve design. They did the animation that GCP has on the Company website (www.GlideValve.com).

Grace Capital Partners, LLC has a proposal from AVL Powertrain Engineering, Inc. to configure and manufacture the physical head for a four cylinder gasoline compression ignition engine. GCP wants to fast-track this particular application. This capital raise is to support the AVL's proposal. See Section 3: Exhibit A for AVL's Executive Summary of the Project. It explains in detail how they are going to demonstrate the features of GCP's system to OEM's.



In addition, AVL's has recently invited GCP into one of their client's $2.5 billion project to help them produce a waste heat recovery steam engine. They believe GCP's valve system will work better than the existing poppet valve system. Julian Sherborne, Technical Specialist in the Mechanical Development Design Division of AVL, stated the following:

> *"GlideValve concept is an enabler for Independent GlideValve Actuation (IGVA) which when combined with both internal and external combustion reciprocating piston engines enable the potential flexibility for generation of variable valve timing, duration or lift required at the touch of a button. Cylinder deactivation, two and four cycle, LIVC, EIVC, LEVC, EEVC operation are all possibilities and potentially can be used for various load and speed combination in the same product. GlideValves do not require clearance features in the piston crown and can have events independent of piston position in the cylinder. Conventional and unconventional timing profiles can be achieved. The conventional camshafts and valve train components and timing drive are completely eliminated."*

GLIDEVALVE STRENGTHS

- Is a patented non-invasive valve/head design for an internal combustion engine
- Has only two moving parts
- Has no camshaft, no belts, no rocker arms, no push rods
- Eliminates virtually all traditional mechanical valve gear
- Significant cost savings for OEM in manufacturing process
- Increases the volumetric efficiency of engine by producing air flow in square sign waves
- Permits the engine to breathe easier
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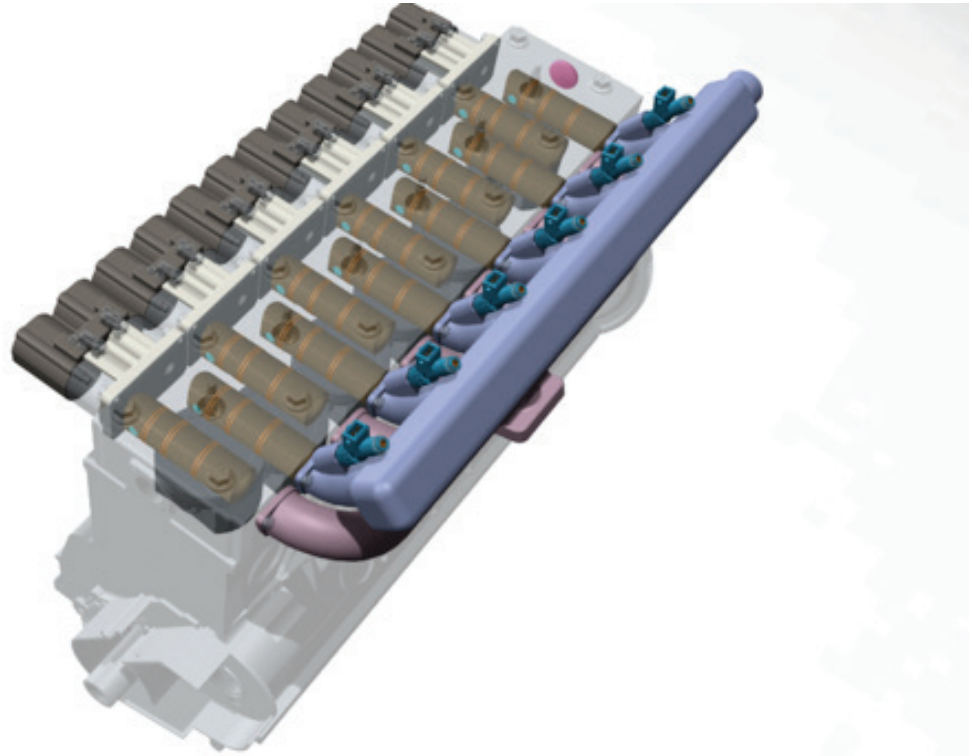

MARKETING

GCP has several options in how they are going to market their technology. First, they are in talks with the same Tier 1 OEM that they plan an engine optimization program with in regards of them wanting to be a strategic partners of GCP in the distribution of non-exclusive licenses to the world-wide market place. GCP has a mutual Non Disclosure Agreement regarding this activity so what GCP can share is limited at this time.

In addition, AVL Powertrain Engineers, Inc. ("AVL") has already introduced GCP to one of their top clients with the idea they will introduce GCP to all their clients in the future. AVL is the world's largest independent and privately-held company providing powertrain engineering services to the automotive industry.

Starting February 1, 2019, the Glide Valve Engine Technology team will contact all domestic OEM's. The team plans to demonstrate GCP's Glide Valve design to all of the Society of Automotive Engineers (SAE) conventions starting in the Fall 2019.

According to several national labs, certain OEM's pay licensing fees per engine to any new technology that improves fuel economy. The fee being offered is $100 per each 1% improvement of fuel savings. As an example, a 10% improvement in fuel saving would result in a $1,000 payment.

PATENTS

Grace Capital Partners, LLC has three domestic patents that have been granted:

1. Sliding Valve Aspiration System Patent US8210147B2 was awarded in January 2010.
2. The Sliding Valve Patent US8776756B2 in August 2012.
3. The Sliding Valve Aspiration Patent US8459227B2 in May 2014.
4. Provisional Patent Applications for Enhanced Oiling for Sliding Valve Aspiration Serial Number 62/633,436 dated Feb. 2018 and Serial Number 62/669,449 dated May 2018.

No person is authorized to give any information or make any representation not contained in the 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.

The primary managers of the Company have 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 projections, estimates, future plans, or forward looking assumptions or statements, as to their attainability or the accuracy and completeness of the assumptions from which they are derived, and it is expected that each prospective investor will pursue his, her, or its own independent investigation. It must be recognized that estimates 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 Units 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 offering is only available to suitable "accredited" investors as defined by Rule 501 of Regulation D and all subscriptions for purchase of securities will be subject to verification by the Company of the investors status as an accredited investor.

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 units subscribed for by such prospective investor.

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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 Units. 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.

CERTAIN NOTICES

FOR RESIDENTS OF ALL STATES:

THE SECURITIES OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED ("SECURITIES ACT"), OR THE SECURITIES LAWS OF CERTAIN STATES ARE BEING OFFERED AND SOLD IN RELIANCE ON EXEMPTIONS OF SAID ACT AND SUCH LAWS. THE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR OTHER REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THIS OFFERING OR THE ACCURACY OR ADEQUACY OF THIS PRIVATE PLACEMENT MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

THIS OFFERING IS SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT, AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. INVESTORS SHOULD BE AWARE THAT THEY MIGHT BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME. AN INVESTOR MUST REPRESENT THAT THE SECURITIES ARE BEING ACQUIRED FOR INVESTMENT PURPOSES ONLY, AND NOT WITH A VIEW TO OR PRESENT INTENTION OF DISTRIBUTION.

THIS PRIVATE PLACEMENT MEMORANDUM DOES NOT CONSTITUTE AN OFFER OR SOLICITATION IN ANY STATE OR OTHER JURISDICTION IN WHICH SUCH AN OFFER OR SOLICITATION IS NOT AUTHORIZED OR IN WHICH THE PERSON MAKING SUCH OFFER OR SOLICITATION IS NOT QUALIFIED TO DO SO. IN ADDITION, THIS CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM CONSTITUTES AN OFFER ONLY TO THE OFFEREE NAMED.

EXCEPT AS OTHERWISE INDICATED, THIS MEMORANDUM SPEAKS AS OF THE DATE OF THE MEMORANDUM AND NEITHER THE DELIVERY HEREOF NOR ANY SALE MADE HEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE CONDITION OF THE COMPANY SINCE THE DATE HEREOF.

NO PERSON HAS BEEN AUTHORIZED TO MAKE REPRESENTATIONS OR PROVIDE ANY INFORMATION OTHER THAN THAT CONTAINED IN THIS PRIVATE PLACEMENT MEMORANDUM AND ACTUAL DOCUMENTS (SUMMARIZED HEREIN), WHICH ARE FURNISHED UPON REQUEST TO AN OFFEREE, OR HIS REPRESENTATIVE MAY BE RELIED UPON IN CONNECTION WITH THIS OFFERING. PROSPECTIVE PURCHASERS OF THE SECURITIES ARE NOT TO CONSTRUE THE CONTENTS OF THIS PRIVATE PLACEMENT MEMORANDUM AS LEGAL OR TAX ADVICE. EACH PROSPECTIVE PURCHASER SHOULD CONSULT HIS OWN PROFESSIONAL ADVISORS AS TO LEGAL, TAX, AND RELATED MATTERS CONCERNING HIS INVESTMENT. THIS PRIVATE PLACEMENT MEMORANDUM HAS BEEN PREPARED FROM DATA SUPPLIED BY SOURCES DEEMED RELIABLE AND DOES NOT KNOWINGLY OMIT ANY MATERIAL FACT OR KNOWINGLY CONTAIN ANY UNTRUE STATEMENT OF ANY MATERIAL FACT. IT CONTAINS A SUMMARY OF THE MATERIAL PROVISIONS OF DOCUMENTS REFERRED TO HEREIN. STATEMENTS MADE WITH RESPECT TO THE PROVISIONS OF SUCH DOCUMENTS ARE NOT NECESSARILY COMPLETE AND REFERENCE IS MADE TO THE ACTUAL DOCUMENTS FOR COMPLETE INFORMATION AS TO THE RIGHTS AND OBLIGATIONS THERETO.

DISCLOSURES

THERE IS NO TRADING MARKET FOR THE COMPANY'S SECURITIES AND THERE CAN BE NO ASSURANCE THAT ANY MARKET WILL DEVELOP IN THE FUTURE OR THAT THE UNITS 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 SECURITIES PURCHASED PURSUANT HERETO, AND THE ISSUANCE OF THE UNITS 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 UNITS, 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.

THIS MEMORANDUM HAS BEEN PREPARED SOLELY FOR THE INFORMATION OF THE PERSON TO WHOM IT HAS BEEN DELIVERED BY OR ON BEHALF OF THE COMPANY. 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, OR THE DIVULGENCE OF ANY OF THE CONTENTS 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.

NASAA LEGEND

NASAA LEGEND

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

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

NOTICE TO NON-UNITED STATES RESIDENTS

IT IS THE RESPONSIBILITY OF ANY ENTITIES WISHING TO PURCHASE THE UNITS TO SATISFY THEMSELVES AS TO FULL OBSERVANCE OF THE LAWS OF ANY RELEVANT TERRITORY OUTSIDE THE UNITED STATES IN CONNECTION WITH ANY SUCH PURCHASE, INCLUDING OBTAINING ANY REQUIRED GOVERNMENTAL OR OTHER CONSENTS OR OBSERVING ANY OTHER APPLICABLE FORMALITIES.

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 UNITS. 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.

PATRIOT ACT RIDER

THE INVESTOR HEREBY REPRESENTS AND WARRANTS THAT THE INVESTOR IS NOT, NOR IS IT ACTING AS AN AGENT, REPRESENTATIVE, INTERMEDIARY OR NOMINEE FOR, A PERSON IDENTIFIED ON THE LIST OF BLOCKED PERSONS MAINTAINED BY THE OFFICE OF FOREIGN ASSETS CONTROL, U.S. DEPARTMENT OF TREASURY. IN ADDITION, THE INVESTOR HAS COMPLIED WITH ALL APPLICABLE U.S. LAWS, REGULATIONS, DIRECTIVES, AND EXECUTIVE ORDERS RELATING TO ANTI-MONEY LAUNDERING, INCLUDING BUT NOT LIMITED TO THE FOLLOWING LAWS:

(1) THE UNITING AND STRENGTHENING AMERICA BY PROVIDING APPROPRIATE TOOLS REQUIRED TO INTERCEPT AND OBSTRUCT TERRORISM ACT OF 2001, PUBLIC LAW 107-56, AND (2) EXECUTIVE ORDER 13224 (BLOCKING PROPERTY AND PROHIBITING TRANSACTIONS WITH PERSONS WHO COMMIT, THREATEN TO COMMIT, OR SUPPORT TERRORISM) OF SEPTEMBER 11, 2001.

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 WRITE OR CALL THE COMPANY AT THE ADDRESS AND NUMBER LISTED IN THIS PRIVATE OFFERING MEMORANDUM.