

Name of Recipient: John Doe

Memorandum Number: 100

**CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM
FOR ACCREDITED INVESTORS ONLY**

WIDGET ACQUISITION CORP., LLC.
an **OHIO** limited liability corporation

Offering of Shares of Preferred Units and Warrants

Minimum of \$2,000,000

Maximum of \$2,500,000

**Minimum Subscription per Investor - \$100,000 (100 Shares and attached Warrants;
Each Preferred Unit to be issued with Warrants to purchase one share of Membership Units on a
fully-diluted basis)**

This Private Placement Memorandum ("Memorandum") is intended solely for the use of the person whose name is set forth above and such person's advisors and may not be given to any other person or reproduced (except for use by such person and such person's advisors in connection with evaluating an investment by such person in **Widget Acquisition Corp., LLC.**, an **Ohio** limited liability corporation (the "Issuer").

The shares of Preferred Units and warrants (the "Warrants" and, collectively with the Preferred Units, the "Securities") offered hereby are offered only to investors who or that qualify as "Accredited Investors," as defined in Regulation D promulgated under the Securities Act of 1933, as amended (the "Securities Act"). The Securities have not been registered under the Securities Act or any applicable state or federal securities laws. The Securities are being offered pursuant to exemptions from registration as provided by Section 4(2) of the Securities Act and Rule 506 of Regulation D promulgated thereunder.

| | <u>Price to Investors</u> | <u>Proceeds to Us(a)</u> |
|--|---------------------------|--------------------------|
| Price Per Share | \$1,000 | \$ 1,000 |
| <u>Aggregate Offering:</u> | | |
| Minimum: 2,000 Preferred Units and attached Warrants | \$2,000,000 | \$ 2,000,000 |
| Maximum: 2,500 Preferred Units and attached Warrants | \$ 2,500,000 | \$ 2,500,000 |

- (a) Before deducting expenses related to the offering which are payable by the Issuer and are estimated to be up to approximately \$150,000.

This Memorandum has not been approved or disapproved by the Securities and Exchange Commission, the securities commission or any 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 Memorandum. Any representation to the contrary is a criminal offense.

The Securities are speculative and involve a high degree of risk. Investors must be prepared to bear the economic risk of their investment for an indefinite period and be able to withstand the total loss of their investment. See "Risk Factors."

This Memorandum supersedes all prior or contemporaneous written or verbal communications made on behalf of, or pertaining to, the Issuer. No persons other than the Issuer are authorized to make any statements or to provide information about the Issuer to prospective investors.

The date of this Memorandum is January 1, 2010

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SAMPLE

NOTICES TO INVESTORS

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS MEMORANDUM. 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.

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 AND THE TAX CONSEQUENCES OF SUCH AN INVESTMENT. THIS OFFERING IS BEING MADE IN RELIANCE UPON ONE OR MORE EXEMPTIONS FROM REGISTRATION UNDER THE SECURITIES ACT.

THE ISSUER IS EXEMPT FROM THE PROVISIONS OF THE INVESTMENT COMPANY ACT OF 1940 PURSUANT TO SECTION 3(C)(1) THEREOF. CONSEQUENTLY, INVESTORS WILL NOT BE AFFORDED THE PROTECTIONS OF THE INVESTMENT COMPANY ACT.

THE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE ISSUER'S OPERATING AGREEMENT (AS AMENDED FROM TIME TO TIME, THE "OPERATING AGREEMENT") AND PURSUANT TO REGISTRATION OR EXEMPTION FROM THE SECURITIES ACT AND APPLICABLE STATE SECURITIES LAWS. THERE WILL BE NO PUBLIC MARKET FOR THESE SECURITIES AND THERE IS NO OBLIGATION ON THE PART OF ANY PERSON TO REGISTER THESE SECURITIES UNDER THE SECURITIES ACT OR ANY STATE SECURITIES LAWS. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF AN INVESTMENT IN THE ISSUER FOR AN INDEFINITE PERIOD OF TIME.

AN INVESTMENT IN THE SECURITIES IS A SPECULATIVE INVESTMENT INVOLVING SIGNIFICANT RISKS. SEE "RISK FACTORS". IT IS NOT, AND SHOULD NOT BE CONSIDERED TO BE, A COMPLETE INVESTMENT PROGRAM. INVESTORS MUST HAVE ADEQUATE MEANS OF PROVIDING FOR THEIR ONGOING FINANCIAL NEEDS AND CONTINGENCIES WITHOUT RELYING ON DISTRIBUTIONS OR WITHDRAWALS FROM THE ISSUER AND MUST BE ABLE TO AFFORD THE LOSS OF THE ENTIRE INVESTMENT IN THE PREFERRED IN THE ISSUER. ADMISSION AS AN INVESTOR OF THE ISSUER IS NOT OPEN TO THE GENERAL PUBLIC.

THE ISSUER RESERVES THE RIGHT TO REJECT ANY SUBSCRIPTION FOR ANY REASON. THE ISSUER RESERVES THE RIGHT TO TERMINATE, AT ANY TIME, AND FOR ANY OR NO REASON, FURTHER PARTICIPATION BY ANY PARTY AND TO MODIFY ANY OTHER TERMS OF THE OFFERING. THE ISSUER SHALL HAVE NO LEGAL COMMITMENT OR OBLIGATION TO ANY INTERESTED PARTY REVIEWING THIS MEMORANDUM UNLESS AND UNTIL A WRITTEN AGREEMENT FOR THE INVESTMENT HAS BEEN FULLY EXECUTED AND DELIVERED BY THE ISSUER AND ANY CONDITIONS TO THE ISSUER'S OBLIGATIONS THEREUNDER HAVE BEEN SATISFIED OR WAIVED.

SUMMARY OF THE OFFERING

- Issuer:** Widget Acquisition Corp., LLC, an Ohio limited liability corporation incorporated in 2007. As used in this Memorandum and any supplement, the terms “WAC,” “Issuer,” “we,” “us,” or “our” refer to Widget Acquisition Corp., LLC.
- Purpose:** WAC has been formed by ABC Capital, Inc. (“ABC”) for the primary purpose of acquiring substantially all of the assets (the “Acquisition”) of Blue Widget Company, Inc. (“BWC” collectively with the predecessor company of BWC, the “Company”). The Company is in the business of manufacturing redundant default high speed widgets for the aerospace industry.
- Preferred Units:** WAC shall issue Preferred Units with detachable warrants to accredited investors only. The Preferred Units will accumulate dividends at the rate of 12% per annum which may be paid, subject to certain debt covenants, at any time at the option of WAC. Accrued and unpaid dividends would be paid prior to or concurrent with redemption of the Preferred Units.
- Warrants:** Each Preferred Unit shall be issued with warrants to purchase one shares of WAC’s fully-diluted membership units (1.0% of fully-diluted membership units for each 100 Preferred Units) (the “Warrants” and, together with the Preferred Units, the “Securities”) at any time prior to ten years from the date of issuance. The Warrants will be exercisable at a nominal price of \$0.01 per share of membership units and will have, among other features, a cashless exercise option. The Warrants will benefit from anti-dilution protection and the shares of membership units into which such Warrants are convertible shall receive, demand and piggyback registration rights, preemptive rights, and will contain other terms and provisions satisfactory to WAC. Holders of Warrants will have the right to sell their warrants (or membership units issued from the exercise thereof) back to WAC (“Put Option”) at any time subsequent to five years after Closing and WAC would have the right to purchase the Warrants (or the membership units issued from the exercise thereof) from the holders of the Warrants (“Call Option”) at any time subsequent to six years after Closing. This Put/Call will be valued at fair market value as determined by an independent appraiser.
- Preferred Return:** Subject to the terms herein and in the Operating Agreement and Subscription Package, the Preferred Units shall be entitled to a preferred rate of return of 25% per annum (the “Preferred Return”). In the event Investors earn less than a 25% annual rate of return on the Preferred Units taking into account all principal, dividends, and distributions on the Preferred Units, the Warrants, and the membership units issued by the exercise thereof, Investors shall be entitled to the proceeds from the sale of membership units of WAC held by ABC until the earlier of either (a) Investors achieve a 25% annual rate of return or (b) the Investors receive 100% of the proceeds from the sale of the membership units of WAC held by ABC (which equals 60% of the fully-diluted membership units of WAC). Investors shall be entitled to this Preferred Return only in the event that (a) the Warrants, or the membership units issued by the exercise thereof are purchased pursuant to (i) the Call Option, (ii) some other forced exercise, or (iii) a liquidity event, or (b) the Warrants remain worthless

condition. If applicable, separately identify any pending litigation which would have a material adverse affect on the Company.

Purchasers in the offering will have no control over our affairs.

The majority of control over our affairs is vested with our Board of Managers and executive officers. Consequently, purchasers in the offering will have limited control over our affairs. Accordingly, no person should purchase Securities unless he is willing to entrust all aspects of management of the Issuer to our Board of Managers and executive officers.

We do not provide legal representation to prospective purchasers.

Attorneys representing us do not represent, and shall not be deemed under applicable codes of professional responsibility to have represented or be representing, any or all of the investors in any respect.

Terms of Financing may not be favorable to us.

Under the Letter of Intent, the Acquisition will be financed by **Steven S. Seller** (the "Seller"). After the consummation of the Acquisition, the Issuer intends to re-finance the financing with the Seller with financing from an institutional lender. The financing we obtain from such a financial institution subsequent to the Acquisition may be on terms less favorable than those provided by the Seller or that could be obtained from other lenders. The terms of such financing from a financial institution may hurt our cash flows, ability to generate profits, financial condition and results of operations.

Lack of Cash Distributions.

There can be no assurance that there will be any cash distributions made to the holders of the Preferred Units or that any cumulative distributions by the Issuer will equal or exceed the amounts invested by a purchaser of the Preferred Units.

CONFLICTS OF INTEREST

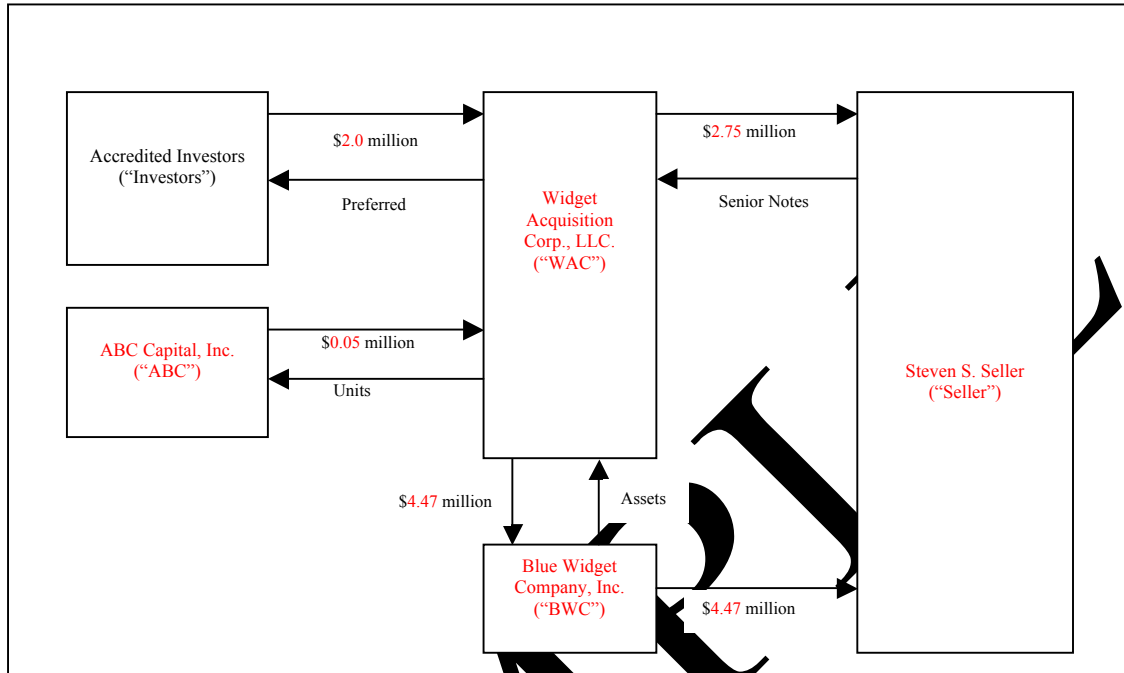
Mr. **Smith** and Mr. **Jones**, principals of **ABC Capital, Inc.** will, and others who will serve on the Board of Managers of the Issuer and control the Issuer may have interests in a variety of activities other than the Issuer. Accordingly, conflicts may arise in the allocation of time between the Issuer and one or more of these activities. Potential conflicts of interest could exist or may develop in the future among the Issuer, its Investors, and/or any affiliate of the foregoing, which should be considered carefully by each potential investor. Although the principals expect to devote substantial time to the activities of the Issuer, there is no requirement that anyone devote full time to the affairs of the Issuer. Specifically, through **ABC Capital, Inc.**, Mr. **Smith** and Mr. **Jones** will continue to pursue the acquisition of various enterprises. Such activities may detract from the time Mr. **Smith** and Mr. **Jones** devote to the Issuer. **ABC Capital, Inc.** currently has no intention of acquiring a business that competes with the Issuer.

BUSINESS

ABC Capital, Inc. ("ABC") incorporated the Issuer for the purposes of acquiring substantially all of the assets of **Blue Widget Company, Inc.** (dba **Safety Widget**, in **Akron, Ohio**) from **Steven S. Seller** (the "Seller") for approximately **\$4,470,000** (the "Acquisition"). These assets relate to the business of the **design and manufacture of high tolerance, double default redundant high-speed widgets used in the aerospace industry.** The Issuer has executed a Letter of Intent with the Seller attached to this

Memorandum as Exhibit A. The Issuer expects to consummate the Acquisition on or about February 15, 2008. The following illustrates the transaction and the relationships of the parties:

TRANSACTION SUMMARY



Products and Services

The Company is a leading designer and manufacturer of double default redundant high-speed widgets for all of the major aerospace companies. The Company was founded in 1949 as a ...

You know your company, or your acquisition target, better than anyone. Just describe in two to three paragraphs the history of your company, what it does or makes, and why it's important.

Below are some discussion points to consider:

1. When was the company founded?
2. Describe some of the relevant company milestones.
3. What are the major (greater than 20% of revenue) products or services offered?
4. What are the products used for?
5. How does your customer use the product or service – part of another product; offered for resale?
6. What advantage(s) do your products offer to its customers over the competitions?
7. Are there any new products that the company is introducing?

SOURCES AND USES OF FUNDS

Together with the proceeds from the issuance of the senior note to the Seller and the assumption of liabilities, the Issuer plans to use the proceeds of the issuance of a minimum amount \$2,000,000 of its Preferred Units to (a) consummate the Acquisition and (b) fund growth and working capital needs after the Acquisition. The anticipated sources and uses of funds are as follows:

| NAME OF ACQUISITION VEHICLE | | | |
|---|--------------------|----------------------------------|--------------------|
| Source of Funds | | Uses of Funds | |
| Senior Term Loan ^(a) | \$2,750,000 | Cash in Bank ^(f) | \$650,000 |
| Preferred Units ^(b) | 2,000,000 | Purchase Assets | 4,470,000 |
| Operating Liabilities Assumed ^(c) | 360,000 | WAC Closing Costs ^(g) | 150,000 |
| Leases and Notes Payable Assumed ^(d) | 110,000 | | |
| Membership Units ^(e) | 50,000 | | |
| Total Sources of Funds | \$5,270,000 | Total Uses of Funds | \$5,270,000 |

NOTES:

- (a) Senior Note issued to Seller. Due three years from the date of issue. Interest accrues at the rate of eight percent (8.0%) per annum and is due at maturity. WAC may prepay the Senior Note at any time without penalty.
- (b) Preferred Units to be issued by WAC. Cumulative dividend at the rate of 12.0% per annum. Due five years from the date of issue.
- (c) Estimate includes certain accounts payable and customer deposits of the Company.
- (d) Estimate includes capital leases on certain factory and transportation equipment of the Company.
- (e) Common stock to be issued to ABC Capital, Inc.
- (f) Amount equals proceeds from the issuance of Preferred Units and Membership Units less \$1,250,000 paid to Seller in cash at Closing less certain transaction and closing costs identified herein.
- (g) Includes costs of due diligence, accounting, legal financing, \$50,000 in structuring and due diligence fees to be paid to ABC at Closing, and other miscellaneous expenses related to the transaction and closing.

As set forth in the Letter of Intent, the Seller has agreed to provide financing in the form of a secured senior note in the amount of \$2,750,000 for a period of three years. Interest shall accrue at the rate of 8.0% per annum and shall be due at maturity. We expect to refinance the Seller note once we achieve certain financial performance targets; however, for financial projection purposes below, we have assumed that the senior note will be repaid in full at maturity from cash, and interest will be paid monthly.

To the extent more than \$2,000,000 of Preferred Units are issued, such additional proceeds will be used to ratably reduce the Seller note and provide additional working capital.

The assumed liabilities are expected to be limited to leases, trade payables, short term debt and operating liabilities.

CAPITALIZATION

The following table sets forth the Company's capitalization at the close of this transaction.

| | \$ | % of Capitalization |
|-----------------------------------|------------------|---------------------|
| Senior Term Loan ^(a) | \$2,100,000 | |
| Leases and Notes Payables Assumed | 110,000 | |
| Total Debt | 2,210,000 | 52% |
| Preferred Units ^(b) | 2,000,000 | |
| Membership Units | 50,000 | |
| Total Equity | 2,050,000 | 48% |
| Total Capitalization | 4,260,000 | 100% |

NOTE:

- (a) Debt is net of Cash at Closing.
- (b) Assumes the minimum issuance of Preferred Units

FINANCIAL INFORMATION

For the year ended December 31, 2006, the Company generated revenue and EBITDA of \$9.0 million and \$1.0 million. Financial information for the years ended December 31, 200X through December 31, 200X is provided below. For the year ended December 31, 2007, the Company expects to generate revenue and EBITDA of approximately \$11.0 million and \$1.3 million, respectively.

Financial Discussion

2001-2002

The Company grew revenue in 2001 by \$.5 million to \$5.0 million with the introduction of... Gross profit grew to \$2.0 million with gross margins expanding by 50 basis points to 40% by absorbing excess capacity. SG&A expense increased by \$.3 million with the addition of...

2002-2003

The Company's sales grew...

2003-2004

The Company's sales grew...

2004-2005

The Company's sales grew...

2005-2006

The Company's sales grew...

Note: The following pro forma financial information is presented for informational purposes only, as an aid to understanding the Issuer’s expected operating results. This pro forma information is not prepared in accordance with generally accepted accounting principles and should not be considered a substitute for historical financial information presented in accordance with GAAP. The pro forma measures used by the Issuer may be different from pro forma measures used by the Company. This pro formal financial information in no way represents or warrants actual future results of the Issuer.

| NAME OF COMPANY CONSOLIDATED STATEMENT OF INCOME | | | | |
|---|------|------|------|------|
| | 200X | 200X | 200X | 200X |
| Revenue | | | | |
| Gross Profit | | | | |
| Gross Margin | | | | |
| SG&A | | | | |
| Taxable Income | | | | |
| Net Income | | | | |
| Interest | | | | |
| Depreciation | | | | |
| Amortization | | | | |
| EBITDA Adjustments | | | | |
| EBITDA | | | | |

| NAME OF COMPANY CONSOLIDATED STATEMENT OF CASH FLOWS | | | | |
|---|------|------|------|------|
| | 200X | 200X | 200X | 200X |
| Net Income | | | | |
| Depreciation | | | | |
| Amortization | | | | |
| Changes in Current Assets | | | | |
| Changes in Current Liabilities | | | | |
| Cash Provided by (Used in) Operations | | | | |
| Changes in Plant, Property & Equipment | | | | |
| Changes in Intangible Assets | | | | |
| Cash Used in Investing Activities | | | | |
| Changes in Debt | | | | |
| Changes in Equity | | | | |
| Cash From Financing Activities | | | | |
| Net Change in Cash | | | | |
| Beginning Cash | | | | |
| Ending Cash | | | | |

Unaudited and not prepared in accordance with generally accepted accounting principles

Tax Shelter Registration.

Code Section 6111 requires a “tax shelter” organizer to register the “tax shelter” with the Service. The tax shelter organizer must register the tax shelter with the Service no later than the day on which interests are first sold. The registration form contains information identifying and describing the tax shelter, the tax benefits, and any other information required by the Service. Upon registration, the Service issues a registration number to be provided to all investors. Issuance of a registration number does not indicate that the entity or the claimed tax benefits have been reviewed, examined or approved by the Service. The organizers do not intend to register the Issuer under Code Section 6111 as a tax shelter.

State and Local Taxes.

This summary does not discuss aspects of state and local tax laws. EACH INVESTOR SHOULD CONSULT HIS, HER OR ITS OWN TAX ADVISOR WITH RESPECT TO THESE AND OTHER TAX CONSEQUENCES OF AN INVESTMENT IN THE ISSUER.

DESCRIPTION OF SECURITIES

The description provided below is not complete and should be read in conjunction with the Issuer's forms of Operating Agreement and Subscription Documentation Package attached to this Memorandum as Exhibits.

Ownership of Company's Preferred and Membership Units, both pre-offering and post-closing, is presented in the following table:

| | Pre Offering | | Post Closing | |
|--|--------------|------|--------------|---------|
| | # of Shares | % | # of Shares | % |
| Preferred Units: ^(a) | | | | |
| Investors | 0 | 0% | 1,900 | 95% |
| Mr. Smith | 0 | 0% | 50 | 5% |
| Mr. Jones | 0 | 0% | 50 | 5% |
| Total Preferred Units | 0 | 0% | 2,000 | 100% |
| Membership Units: | | | | |
| Investors – Warrants | 0 | 0% | 1,900 | 24.85% |
| Mr Smith ^(b) | 500 | 50% | 2,300 | 30.075% |
| Mr. Jones ^(b) | 500 | 50% | 2,300 | 30.075% |
| Management Option Pool | 0 | 0% | 1,147 | 15.00% |
| Total Membership Units | 1,000 | 100% | 7,647 | 100.00% |

NOTES:

- (a) Assumes the minimum offering is completed.
- (b) Includes Warrants for 50 shares from Preferred.

Principal Unit Holders

All of the Membership Units of the Issuer outstanding as of the date of this Memorandum (which consists solely of 1,000 shares of Membership Units) is owned by ABC Capital, Inc. which in turn is owned by Mr. Smith and Mr. Jones.

Dilution

As described in the Subscription Documentation Package, the Securities shall be protected from dilution arising from the issuance of additional securities. Holders of at least a majority of the Securities must approve any issuance of securities by the Issuer that has a dilutive effect on the Securities.

SUBSCRIPTIONS

THE SECURITIES CANNOT BE SOLD, TRANSFERRED OR OTHERWISE DISPOSED OF BY ANY INVESTOR TO ANY OTHER PERSON OR ENTITY UNLESS SUBSEQUENTLY REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND UNDER APPLICABLE LAWS OF THE STATE OR JURISDICTION WHERE SOLD, TRANSFERRED OR DISPOSED OF, UNLESS SUCH SALE, TRANSFER OR DISPOSITION SHALL QUALIFY UNDER AN ALLOWED EXEMPTION TO SUCH REGISTRATION.

This Memorandum has been prepared solely for the information of those persons selected to review the proposed private placement of the Securities offered hereby. All prospective subscribers are required to return this Memorandum together with all other offering documents if no purchase is consummated. Neither the delivery of this Memorandum nor any sales hereunder shall under any circumstances create any implication that the information herein is correct as to any time subsequent to the date shown herein.

The offer contained in this Memorandum shall not constitute an offer or solicitation to anyone in any jurisdiction in which such an offer or solicitation is not authorized, and shall constitute an offer only to the offeree whose name appears in the records of the Issuer as receiving this sequentially numbered Memorandum.

Subscriptions for the securities shall be irrevocable. All proceeds from subscriptions will be deposited in an interest bearing escrow account pending acceptance by the Issuer. The Issuer expressly reserves the right, in its sole discretion and for any reason whatsoever, to accept or reject, in whole or in part, any subscription submitted by a potential investor or to allot to a potential investor less than the Preferred such person desires to purchase. As soon as practicable following the acceptance of each subscription, the Issuer will deliver to the investor a copy of the investor's Subscription Documentation Package, executed by the Issuer.

Subject to the next paragraph, the Issuer intends to have an initial closing on the later of [DATE], or the receipt by the Issuer of subscriptions for **Two Million Dollars (\$2,000,000)**.

If the Issuer has not accepted subscriptions (including subscriptions which may be (but are not required) up to **\$200,000** in the aggregate from **ABC** and its affiliates) for at least **Two Million Dollars (\$2,000,000)** by [DATE], the Issuer may elect to (1) return all escrowed subscriptions to subscribers with interest or (2) extend the offering for a period ending as late as [DATE for Extension], by giving notice of its intention to extend the offering to all previous subscribers. **ABC** and its affiliates shall purchase a minimum of **\$50,000** and up to a maximum of **\$200,000** of the Preferred Units offered herein. Subject to the Operating Agreement and other documents which are exhibits hereto, after the Acquisition **ABC** may attempt to dispose of holdings of its Preferred Units, but plans to always hold at least **\$50,000** of Preferred Units.

In the event that the Issuer receives subscriptions for more than **\$2,500,000** worth of Securities, it will accept the subscriptions on a first-come basis and will reject all subscriptions that would result in the Offering exceeding **\$2,500,000**. All Preferred Units and all Warrants, respectively, will be sold at the same applicable prices and subject to the same terms and conditions.