



## **NOTICES**

Injury Pro Management Fund X LLC, (the "Company") is a limited liability company formed under the laws of the State of Nevada. This Memorandum (sometimes referred to as "Offering") relates to the offering of units of Class B membership interests ("CLASS B UNITS" or "Units") of the Company. The Class B Units will be offered and sold directly by the Company, by the Manager (as defined below) or its employees. Class B Units may also be sold through third parties, who may receive selling commissions or fees to be negotiated on a case-by-case basis. Broker-dealer agreements may be entered into. There is no firm commitment to purchase or sell any of the Membership Interests. All selling commissions or fees to third persons, if any, incurred in the sale of Class B Membership Interests will be paid by the Company.

Reliance on this Memorandum: The CLASS B UNITS are offered only on the basis of the information contained in this Memorandum. Any further information or representations given or made by any dealer, broker or other person should be disregarded and accordingly, should not be relied upon. No person has been authorized to give any information or to make any representations in connection with the offering of the CLASS B UNITS other than those contained in this Memorandum and, if given or made, such information or representations must not be relied on as having been authorized by the Company.

THIS MEMORANDUM IS PROVIDED ON A CONFIDENTIAL BASIS SOLELY FOR THE INFORMATION OF THOSE PERSONS TO WHOM IT IS TRANSMITTED BY THE UNDERSIGNED SO THAT THEY MAY CONSIDER THE COMPANY'S OFFERING AND IS NOT TO BE REPRODUCED OR USED FOR ANY OTHER PURPOSE. PROSPECTIVE INVESTORS IN CLASS B UNITS ARE NOT TO CONSTRUE THE CONTENTS OF THIS MEMORANDUM AS LEGAL ADVICE. EACH PROSPECTIVE INVESTOR SHOULD CONSULT THE INVESTOR'S OWN ADVISERS CONCERNING LEGAL, TAX, ERISA AND RELATED MATTERS CONCERNING AN INVESTMENT IN THE CLASS B UNITS.

THE OFFER AND SALE OF CLASS B UNITS HEREBY HAS NOT BEEN REGISTERED WITH THE SEC OR THE SECURITIES COMMISSION OF ANY STATE IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION UNDER THE 1933 ACT, AND, ACCORDINGLY, MAY NOT BE OFFERED OR RESOLD EXCEPT UNDER AN EFFECTIVE REGISTRATION STATEMENT UNDER THE 1933 ACT OR UNDER AN AVAILABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE 1933 ACT AND IN ACCORDANCE WITH APPLICABLE STATE SECURITIES LAWS. ALL CLASS B UNITS ARE BEING OFFERED UNDER THE 506(C) EXEMPTION UNDER REGULATION D. THE CLASS B UNITS ARE BEING OFFERED IN RELIANCE ON AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE 1933 ACT AND ARE NOT REQUIRED TO COMPLY WITH SPECIFIC DISCLOSURE REQUIREMENTS THAT APPLY TO REGISTRATION UNDER THE 1933 ACT. SIMILARLY, CLASS B UNITS ARE NOT SUBJECT TO THE PROTECTIONS PROVIDED BY THE 1940 ACT. THE SEC HAS NOT PASSED UPON THE MERITS OF OR GIVEN ITS APPROVAL TO CLASS B UNITS, THE TERMS OF THE OFFERING, OR THE ACCURACY OR COMPLETENESS OF THIS MEMORANDUM. CLASS B UNITS MAY BE SEPARATELY SOLD TO PERSONS OUTSIDE OF THE UNITED STATES UNDER REGULATION S ADOPTED UNDER THE 1933 ACT ("REG S"). CLASS B UNITS SO SOLD MAY NOT BE RESOLD IN THE U.S. AND ARE SUBJECT TO OTHER REG S LIMITATIONS.

THE CLASS B UNITS ARE SUBJECT TO LEGAL RESTRICTIONS ON THE TRANSFER AND RESALE AND INVESTORS SHOULD NOT ASSUME THEY WILL BE ABLE TO RESELL THE CLASS B UNITS. INVESTING IN CLASS B UNITS INVOLVES RISK, AND INVESTORS SHOULD BE ABLE TO BEAR THE LOSS OF THEIR INVESTMENT IN CLASS B UNITS. SEE "RISK FACTORS" BELOW.

THE COMPANY MAKES THE STATEMENTS IN THIS CONFIDENTIAL INVESTOR PACKAGE AS OF THE DATE HEREOF, UNLESS STATED OTHERWISE. NEITHER THE DELIVERY OF THIS CONFIDENTIAL INVESTOR PACKAGE, NOR ANY SALE MADE HEREUNDER AS OF A DATE AFTER THE DATE OF THIS CONFIDENTIAL INVESTOR PACKAGE (OR THE LATEST AMENDMENT OR SUPPLEMENT HERETO), SHALL CREATE ANY IMPLICATION THAT THE INFORMATION CONTAINED HEREIN OR THE AFFAIRS OF THE COMPANY HAVE NOT CHANGED SINCE THE DATE HEREOF (OR OF THE LATEST AMENDMENT OR SUPPLEMENT) OR THAT SUCH INFORMATION IS CORRECT AS OF ANY TIME SUBSEQUENT TO ITS DATE. INVESTOR PACKAGE (OR THE LATEST AMENDMENT OR SUPPLEMENT HERETO), SHALL CREATE ANY IMPLICATION THAT THE INFORMATION CONTAINED HEREIN OR THE AFFAIRS OF THE COMPANY HAVE NOT CHANGED SINCE THE DATE HEREOF (OR OF THE LATEST AMENDMENT OR SUPPLEMENT) OR THAT SUCH INFORMATION IS CORRECT AS OF ANY TIME SUBSEQUENT TO ITS DATE.

THE MANAGER IS NOT AN ADVISOR OR CONSULTANT TO THE PROSPECTIVE INVESTOR IN THIS INVESTMENT. THE MANAGER HAS MULTIPLE CONFLICTS OF INTEREST WHICH PRECLUDE THEM FROM ADVISING POTENTIAL INVESTORS WHO ARE THEREFORE ADVISED TO DO THEIR OWN DUE DILIGENCE AND TO SEEK OUTSIDE COUNSEL. COUNSEL FOR THE COMPANY HAS ACTED ON BEHALF OF THE MANAGER AND THE COMPANY AND DOES NOT REPRESENT THE SUBSCRIBERS TO WHICH THIS OFFERING MEMORANDUM WAS EXTENDED.

**THE FORWARD-LOOKING STATEMENTS INCLUDED IN THIS MEMORANDUM ARE:**

NOT HISTORICAL FACTS OR GUARANTEES OF PERFORMANCE, BUT RATHER ARE BASED UPON CURRENT EXPECTATIONS, ESTIMATES AND PROJECTIONS ABOUT THE COMPANY, ITS INDUSTRY, BELIEFS AND ASSUMPTIONS. WORDS SUCH AS "ANTICIPATES", "EXPECTS", "PROJECTS," "INTENDS", "PLANS", "BELIEVES", "SEEKS", "HOPES" AND "ESTIMATES, AND VARIATIONS OF THESE WORDS AND SIMILAR EXPRESSIONS, OR FUTURE OR CONDITIONAL VERBS SUCH AS "WILL", "SHALL", "WOULD", "SHOULD", "COULD" OR "MAY", ARE INTENDED TO IDENTIFY FORWARD-LOOKING STATEMENTS. THESE STATEMENTS ARE NOT GUARANTEES OF FUTURE PERFORMANCE AND ARE SUBJECT TO RISKS, UNCERTAINTIES AND OTHER FACTORS, SOME OF WHICH ARE BEYOND THE COMPANY'S CONTROL, ARE DIFFICULT TO PREDICT, AND COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM THOSE EXPRESSED OR FORECASTED IN THE FORWARD-LOOKING STATEMENTS. THESE RISKS AND UNCERTAINTIES INCLUDE (BUT ARE NOT LIMITED TO) THOSE DESCRIBED IN SECTION "RISK FACTORS" AND ELSEWHERE IN THIS MEMORANDUM. GIVEN THESE UNCERTAINTIES, PROSPECTIVE INVESTORS ARE CAUTIONED NOT TO PLACE UNDUE RELIANCE ON SUCH FORWARD-LOOKING STATEMENTS. THESE FORWARD LOOKING STATEMENTS ARE BASED ON CURRENT EXPECTATIONS, AND THE COMPANY

ASSUMES NO OBLIGATIONS TO UPDATE THIS INFORMATION. EACH PROSPECTIVE INVESTOR SHOULD CONSULT WITH ITS OWN ADVISORS TO EVALUATE THE FORWARD LOOKING STATEMENTS AND THE ASSOCIATED ASSUMPTIONS AND MAKE SUCH PROSPECTIVE INVESTOR'S OWN INDEPENDENT DETERMINATION OF THE FEASIBILITY OF THE FORWARD-LOOKING STATEMENTS AND ASSUMPTIONS.

PROSPECTIVE INVESTORS ARE FURTHER ADVISED THAT STATEMENTS OR ESTIMATES OF PAST PERFORMANCE OF PEER COMPANIES OR AFFILIATES OF THE MANAGER DO NOT CONSTITUTE REPRESENTATIONS, WARRANTIES OR GUARANTEES THAT THE COMPANY WILL REPLICATE PAST PERFORMANCE IN ITS FUTURE OPERATIONS. THE COMPANY IS IN THE START UP DEVELOPMENTAL STAGE, HAS GENERATED NO REVENUES AND DOES NOT HAVE ANY PAST PERFORMANCE AS OF THE DATE HEREOF. The information contained herein is confidential and private. It is for the exclusive use of persons selected by INJURY PRO MANAGEMENT FUND X LLC.

## **SUMMARY OF THE TERMS**

The Company: INJURY PRO MANAGEMENT FUND X LLC, (the "Company") is a limited liability company formed under the laws of the State of Nevada for the purposes of financing and purchasing medical account receivables (the "Medical Account Receivables") with respect to personal injury cases throughout the United States. Investors' capital and excess cash flow available after payment of Preferred Returns (as defined below) to Class B investors (15% fixed rate per annum as 3.75% quarterly distributions) are used to acquire and finance Personal Injury related medical accounts receivables (sometimes referred to as "Medical Accounts Receivables," "accounts receivables" or "receivables", or "designated claims") and make loans secured by accounts receivables, where risk mitigation and projected financial performance meet the exacting standards of the program. Membership Interest Units: The Operating Agreement for the company provides for issuance of units of membership designated as follows:

**Class A:** are voting units of Membership Interests and are issued solely to Injury Pro Capital Inc., a Nevada corporation (the "Class A Member").

**Class B:** are non-voting units of Membership Units (referred to as "Units" or "Class B Units"), which are being offered under the terms of this Memorandum. The Class B units are entitled to quarterly distributions of a Preferred Return (as defined in the next section below).

### **Management of the Company:**

INJURYPRO SERVICES LLC, a Nevada limited liability company, the Manager of the Company (the "Manager"), has responsibility for the management and administration of the Company. The Manager, however, has hired an affiliate, INJURY PRO MANAGEMENT LLC, a Nevada limited liability company ("IPM") to originate, process, underwrite, purchase and service the assets owned by the Company.

### **DEFINED TERMS:**

References in this Memorandum to the "Company," "we," "us" and "our" are to INJURY PRO MANAGEMENT FUND X LLC.

"Affiliate" means any person that is directly or indirectly, through one or more intermediaries, Controlling, Controlled by, or under common Control with, one of the parties in question. For purposes of this definition,

"Control" shall mean possessing, directly or indirectly, the power to direct or cause the direction of the management, policies, and operations of a person, whether through ownership of voting securities, by contract, or otherwise.

"Class A Member" means INJURY PRO CAPITAL INC. a Nevada company.

"Class B Member" or "Investor" means any person or entity that purchases Class B Units.

"IPM" means: Injury Pro Management LLC, a Nevada limited liability company.

"Memorandum" or "Offering" means this Confidential Private Placement Memorandum.

"Preferred Return" means: as to each Class B Unit (or fractional Unit), a preferred return equal to 15% per annum (paid quarterly at 3.75% per quarter) on a Class B Member's then Unrecovered Contributed Account (as defined below) during the 60 month period commencing on the date the Investor makes their initial purchase of such Class B Unit (such 60 month period as to each Investor, the "60 Month Period"). The accrued Preferred Returns are senior to the rights of the Class A Members and are paid before any distributions are paid to Class A Members. Such Preferred Return is not guaranteed, meaning that the Preferred Return will not be paid in any particular quarter if the Company does not have sufficient cash available to pay it, as determined by the Manager in its sole discretion. The Preferred Return is also non cumulative, meaning that any unpaid Preferred Return not paid to the Members in full in any given quarters shall not be compounded or otherwise subject to a Preferred Return of 15% per annum, but such unpaid Preferred Return shall be carried forward and paid in future quarters, before any then current quarterly Preferred Returns are paid, to the extent the Company has sufficient cash available to pay it. Notwithstanding any provisions herein to the contrary, such Preferred Return shall not accrue after the end of such 60 Month Period with respect to the Investor's in question Unrecovered Contribution Account. By way of clarification, as to each Investor, any reinvestments of Preferred Return and any initial investments made under this Offering by an Investor will cease to earn a Preferred Return 60 months after the date of the initial investment by the Investor. The Preferred Return of an Investor with respect to each calendar quarter is calculated as follows: the amount of the Unrecovered Contribution Account of an Investor as of the last day of each calendar quarter is multiplied by 15% and then divided by 365 days and then multiplied by the number of days in the calendar quarter in question that the amounts in such Unrecovered Contribution Account were held by the Company. The amount of such Preferred Return is then paid to the Investor by the end of the calendar month immediately following the calendar quarter in question. The Preferred Return of 15% per annum shall be less than 15% per annum if the Company does not have sufficient available cash to pay the entire Preferred Return for the calendar quarter in question, and notwithstanding that any unpaid Preferred Return is eventually paid (assuming there is sufficient cash flow to subsequently pay any unpaid Preferred Returns).

"Unrecovered Contribution Account" means the following determined as of the date in question: with respect to each Class B Member, the amount of money contributed by such Class B Member to the capital of the Company in exchange for Units including, without limitation, any reinvestments of Preferred Returns

previously paid to the Class B Member, and decreased by the amount of money distributed by the Company to such Class B Member pursuant to any redemption of such Class B Member's Class B Units.

## **FOCUS OF THE COMPANY:**

1. Deploy: Deploy initially up to \$10,000,000. (less applicable fees and costs as described in this Offering under "Use of Funds") to purchase and/or finance personal injury medical account receivables which will be owned by or will be the collateral for loans made by the Company.
2. Source, Underwrite, Bill, and Collect: Originate and underwrite targeted accounts receivables which are projected to meet high underwriting standards for risk and exposure mitigation.
3. Provide 15% Preferred Annualized Distributions: Service the accounts receivables and loans to create quarterly, annual, and overall profits to cover the Preferred Return distribution to the Class B Members and to finance and purchase additional medical accounts receivables.
4. Asset Appreciation: Using free flowing cash in excess of the Preferred Return to continually grow the value of the pools of accounts receivable and loans secured by accounts receivables (see proforma in Exhibit C attached hereto).
5. Cash Flow: Provide business cycle finance capital, and underwriting/billing/collection services to the Medical Service Provider community.

## **INVESTMENT STRATEGIES**

The principal investment objective of the Company is to achieve long-term capital appreciation with an emphasis on capital preservation, irrespective of market direction. Pursuant to purchase and finance agreements, the Company will acquire and finance discounted Medical Account Receivables from ambulatory surgery centers, diagnostic imaging companies, orthopedic clinics, and other pain management treatment providers that meet the Company's underwriting criteria. Financial performance will be primarily driven by the Manager and its affiliates' ability to source personal injury receivables and collect payments associated with those receivables.

Emerging and developed markets alike experienced large swings and declines as did commodity and non treasury bonds. The public equity markets turmoil beginning in early 2020 and continuing today suggests risks of broad market downturns continue to be a risk for investors. There is, however, a group of assets that are largely unaffected by such broader market volatility. That is in Medical Financing where the account receivables being financed are based upon historically known, recognized and consistent values like a CPT Code and/or some other recognized value like "Usual and Customary" (or both).

This Company's strategy will follow a proven plan developed through years of research and operational experience. Before the Company will invest in or finance receivables, the Company will perform specific investigations and due diligence divided into four specific areas:

1. MSP/Provider Investigations: Audits, Verification, and Due Diligence.
2. Attorney/Case, Reputation: Coverage Investigations, Audits, Verification, and Diligence.
3. Patient/Injury: History, Physical, Prescription, Treatment, & Reimbursement codes.
4. Documentation/Securitization: Incident reports, Patient/Defendant intake forms, Provider notes, Letters of Protection, Lien, Form1500/UB-04, Purchase agreement, and Portfolio/case proforma.

## **THE RECEIVABLES FUNDING MODEL EXPLAINED**

At the direction of InjuryPro Services LLC, a Nevada limited liability company ("Manager"), the Manager of the Company, Injury Pro Management LLC, a Nevada limited liability company ("IPM") will use its network of referring attorneys, and, medical service providers to negotiate discounted rates for and shall finance through loans or purchases, Medical Accounts Receivable in connection with personal injury cases in the U.S. Concurrently with each closing of each such financing (i.e., either a loan or a purchase) of Medical Accounts Receivables, which will be funded by the Company on each such closing, IPM shall, effective as of each such closing, assign to the Company all of IPM's rights and interest in such financing (e.g. assignment of the applicable loan agreement or receivables purchase agreement, assignment of UCC liens and other rights in collateral; assignment of ownership of Medical Accounts Receivables in the case of purchase of Medical Accounts Receivables). The Company Originations Vendor, "IPM" will conduct due diligence and if its criteria are met, will then proceed to purchase or finance Medical Account Receivables and when applicable, will take a lien against the plaintiff's case and any settlement the plaintiff receives in his / her personal injury case. The Lien stipulates that the plaintiff/claimant and his/her lawyer agree to repay the negotiated amount of the service provider's charges to the Company before disbursing other settlement proceeds to the plaintiff or his/her counsel. While plaintiffs remain obligated under the Liens to repay amounts to providers when their cases settle, the ultimate source of such repayment is expected to be the insurance company against which the plaintiff made his / her claim. The primary obligors are expected to be insurance companies working with reputable law firms whose creditworthiness has been reviewed by IPM. IPM seeks to acquire and finance receivables at a discount to their face value and projected recoverable value using funds from the Company. To the extent a plaintiff's case settles and the Company is paid the negotiated amount that is subject to a lien, the Company will retain the net settlement amount from the receivable being settled. Cash collections from settlements will be used to make quarterly distributions to Company Members of the Preferred Return (i.e. at a rate of 15% per annum and distributed at (3.75% per quarter). The Company's receivables funding arrangement with the medical provider are uncorrelated to the broader markets; however interest rate increases make it more difficult for the average medical provider to gain access to traditional financing and as a result, the Company should be able to enjoy a larger discount to the face amount of receivables and to achieve potentially more financing business. The Company's receivables acquisitions protocols are underscored by underwriting procedures developed by IPM and its affiliates which are highly selective, specific, and proven using a robust review process. The Company expects that its collections from receivables will not be affected by the broader market with respect to economic conditions. The receivables financed by the Company are expected to typically have a shorter average duration than traditional litigation finance (3-5 years), and multiple sources of receivable types, providers and locations. Based on IPM's prior experience, most of the types of receivables financed within the Company are projected to be collected within the first 36 months with substantially all or total collection projected to occur within 48 months.

### **LIEN AND RECEIVABLE ORIGINATION PROCESS:**

The following roughly summarizes the processes involved in generating medical account receivable asset acquisitions and the path of the Company's capital.

1. A motor vehicle or other type of accident occurs.
2. One party is alleged to be at fault by the person harmed (called the "defendant").
3. The injured party/plaintiff ("plaintiff") needs medical care.
4. The injured party/plaintiff become represented by legal counsel.
5. The injured party receives treatment or involved within an ongoing prescribed treatment plan.
6. The attorney and the plaintiff are required to execute a Lien under which plaintiff agrees to repay the Medical Service Provider/Purchaser first when the plaintiff's case settles.
7. The Medical Service Provider ("MSP") sells their accounts receivable assets at discounted rates to the capital provider ("purchaser").
8. A lien is filed for the benefit of the MSP and such lien is then assigned to the purchase (i.e. the Company in this case).
9. Plaintiff continues to receive medical care.
10. The medical provider sends the medical claim ("invoice") and notes to purchaser.
11. The purchaser pays the contracted rate (i.e. a percentage of the face amount of the medical claim) to the MSP on plaintiff's behalf.
12. The attorney makes a demand or otherwise proceeds with plaintiff's case, usually seeking damages from the defendant's insurance carrier.
13. When the claim settles, funds are disbursed by the insurance carrier to the plaintiff's attorney's trust account.
14. The plaintiff's attorney distributes funds for expenses, fees, and medical liens.
15. The plaintiff's attorney distributes funds to Purchaser under the terms of the Lien.

## DIRECTORY

<b>REGISTERED OFFICE</b>	<b>BANKING</b>
INJURY PRO MANAGEMENT FUND X LLC 1700 S Dixie Hwy, STE 502 Boca Raton, FL 33432	CHOICE FINANCIAL GROUP 4501 23rd Avenue S. Fargo, ND 58104
<b>SPONSOR</b>	<b>BROKER DEALER</b>
INJURY PRO CAP LLC 1700 S Dixie Hwy, STE 502 Boca Raton, FL 33432	DEALMAKER SECURITIES LLC
<b>MANAGER</b>	<b>PORTFOLIO ADMINISTRATORS</b>
INJURYPRO SERVICES LLC 1700 S Dixie Hwy, STE 502 Boca Raton, FL 33432	INJURY PRO X LLC 1700 S Dixie Hwy, STE 502 Boca Raton, FL 33432
<b>PROCUREMENT/UNDERWRITING</b>	<b>BILLING/COLLECTION/SERVICING</b>
INJURY PRO MANAGEMENT LLC 1700 S Dixie Hwy, STE 502 Boca Raton, FL 33432	GLOBAL BILLING GROUP INC. 566 W. Adams Street, STE 205 Chicago, IL 60661

## HOW TO SUBSCRIBE

### OPTIONS FOR EXECUTING SUBSCRIPTION DOCUMENTS

#### MAIL IN:

You may mail in your fully executed subscription packet to: 1700 S Dixie Hwy, STE 502, Boca Raton, FL 33432 ATTENTION: INJURY PRO MANAGEMENT FUND X LLC

#### ELECTRONIC:

After initial review of this packet, our legal team can send you our entire subscription packet to be filled out via electronic signature collection software.

### OPTIONS FOR PAYMENT OF THE SUBSCRIPTION PRICE

Payment for subscriptions to the Company may be made by wire or check. Payment should not be paid until company has notified Investor of approval of the completed subscription packet.

ABA Routing Number                      091311229

Bank Name                                    Choice Financial Group  
Mercury uses Choice Financial Group as a banking partner.

Bank Address                                4501 23<sup>rd</sup> Avenue S Fargo, ND 58104

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Beneficiary Name                          Injury Pro Management Fund X LLC

Account Number                          202520164366

Type of Account                            Checking

Beneficiary Address                        7265 Via Leonardo, Lake Worth, FL 33467

Name	Jonathan Doe	Mobile	+00 749 292 820	0123
Address	_____		Date	_____ 20__
Pay to the order of	InjuryPro Management Fund X LLC		\$	
Written Amount	_____ dollars			
Memo	Your Vesting Name Here	Your Signature		
Account #:		478-958-5834	Routing #: 689-432-710	

## **INTRODUCTION:**

The team at Injury Pro Management, LLC, a Nevada limited liability company (collectively, "we" or "our" or "IPM") realized that their collective experiences, skillsets, competencies and abilities were best suited to address industry challenges relating to investigations, due diligence, patient selection, paperwork processing, underwriting, financing, insurance billing, settlement collection, portfolio administration and investor relations. The identified challenges within the industry and the correlating solutions are the opportunities of this program. After several years of success in the medical industry, the leadership of IPM has focused on certain subsections of the Medical Receivable Market. The U.S. medical billing outsourcing market size was estimated at USD 5.7 billion in 2023 and is expected to grow at a compound annual growth rate (CAGR) of 11.78% from 2024 to 2030 (source: Grand View Research). For purposes of this offering, IPM consists of the following operational entities:

InjuryPro Services LLC, a Nevada limited liability company, is the Manager of the Company.

Injury Pro Management LLC, a Nevada limited liability company ("IPM"), is an originations vendor to the Company. An affiliated vendor, which works with medical practitioners, medical service providers, surgery centers, and their vendors, billing and collections servicers and marketers to source and evaluate medical account receivables assets to target for purchase or finance for this project. The Company is separate and independent of any Affiliates of IPM or the Class A Member

This Company is separate from previous and future entities that are or were formed or managed by a IPM entity or its affiliate for the same or similar purposes as the Company, and the Company is separate from all clinical and financial operations of any of the entities that are affiliates of the Company or IPM, including, without limitation, any entities formed by an such affiliates to finance medical receivables. The Company has its own and separate bank accounts, tax filings, annual financial statements and balance sheet. This Company operates separately from any other entities referred to in this Memorandum.

## **UNDERWRITING PROCESS:**

Underwriting protocols and strict compliance are necessary to mitigate the risk of acquiring low quality accounts receivable. To limit "slow pay/low pay" drags on ROI, IPM and its vendors employ sophisticated underwriting policies that include the following information:

1. Patient biographical data.
2. Legal representation confirmation.
3. Details of the underlying motor vehicle accident along with the police report and property damage information when available.
4. First-party and third-party insurance information including company, adjuster contact, claim numbers, and policy limits information.
5. Information regarding re-claimed injuries and treatment needed, including any relevant pre-existing conditions.
6. Prior incurred medical expenses, and legal funding if any. Injury Pro Management provides the request for underwriting information to the attorney via web-based survey link.

Additionally, a proprietary, in-depth process for personnel training and underwriting reflective of the business intelligence residing within Injury Pro Management is used. This is critical to increase the quality of the investments made and assets acquired.

## **LEGAL, FINANCIAL AND HIPAA COMPLIANCE:**

IPM conducts an extensive review of the legal and regulatory landscape applicable to medical lien companies prior to engaging in business in a particular state. Once a certain concentration percentage is reached, IPM retains legal counsel to advise on certain aspects of state specific law including: UCC filings, lien enforceability, statutes of limitations, and other relevant matters that impact the business model. IPM employs a HIPAA compliance officer to annually review HIPAA compliance processes and procedures. An annual Risk Assessment is conducted, and areas of compliance and suggested improvements/recommendations are made. The Manager will provide the investors financials for the Company. All reports and filings will be archived within the Company Investor portal along with all other communications, reports, tax filings and distributions.

## **COMPANY MANAGER AND VENDOR TEAM**

1. INJURY PRO CAP LLC - Company's Fund Raising Sponsor
2. INJURY PRO CAPITAL INC. - Class A Member
3. INJURYPRO SERVICES LLC - Company Manager
4. INJURY PRO MANAGEMENT LLC - (Vendor for procurement, processing, and servicing)

## **EXECUTIVE LEADERSHIP:**

**JAMES BRADFORD** - Chief Executive Officer (CEO)

Jim Bradford is the Founder of Injury Pro Management Fund X LLC and has served in various founder/leadership roles at several prominent medical receivables companies, where he has deployed \$300M+ to manage over \$1B+ in medical receivable assets. With over 20 years of leadership across healthcare receivables, financial services, and technology, Jim has a proven record of scaling businesses through disciplined sourcing, underwriting, and portfolio management. At Injury Pro Management Fund X LLC, he is leveraging this track record to deliver innovative funding solutions that strengthen healthcare providers and generate stable, consistent returns for investors.

**CODY SHANRAW** - President (P)

Cody Shandraw is a seasoned entrepreneur, investor, and real estate executive with a proven record of building mission-driven platforms at the intersection of healthcare, wellness, and capital markets. As Founder and President of Healing Realty Trust, Cody launched and scaled a healthcare-focused real estate investment platform dedicated to transforming spaces that support mental and physical well-being. He has led every stage of company development-from capital formation and investor relations to acquisitions and governance-successfully raising equity and debt from both institutional and private investors. Under his leadership, Healing Realty Trust has built a multidisciplinary team, established strategic partnerships with healthcare operators and developers, and implemented data-driven systems to deliver both strong financial returns and measurable social impact. Beyond his work in real estate, Cody serves as Managing Partner at Phyto Partners, where he drives investment strategies in high-growth healthcare and technology ventures, and as a Managing Partner at Ambria Capital, where he has been twice recognized as Investor of the Year for his ability to identify and scale transformative businesses. He also serves as Chairman of the Board at HealingMaps.com, guiding the strategic vision of a pioneering platform advancing mental health innovation and emerging therapies.

#### ZED WANG – Chief Financial Officer (CFO)

As Chief Financial Officer, Zed is responsible for building the financial operating infrastructure—planning, reporting, controls, and investor communications—that allows the company to scale efficiently and transparently. He translates the CEO’s strategy into actionable financial roadmaps, partners with the President and COO to align operating plans with capital needs, and oversees fund administration, treasury, underwriting-to-collections finance workflows, reporting and tax processes. Zed also leads investor reporting and portfolio analytics, implementing data-driven systems to safeguard capital and support durable performance. Zed has guided startups and mid-market companies to full financial compliance, executed seamless post merger integrations, and led exchange listings and M&A transactions totaling over \$500 million. His background spans public-company CFO roles, FP&A leadership, Big-Firm auditing, and serving funds and operating companies. He holds a Master of Accountancy from Brock University and is a member of the Chartered Professional Accountants of Ontario.

#### AARON RAUB – Chief Operating Officer (COO)

As Chief Operating Officer, Aaron is responsible for building the operational infrastructure—systems, processes, and tools—that enable the company to scale rapidly and efficiently. He specializes in translating the CEO’s vision and fundraising strategy into actionable operating plans that align resources with growth objectives. In addition, Aaron partners closely with the CEO and CFO on capital-raising initiatives, assisting in operational planning, creating investor materials, and performing due diligence to ensure organizational readiness with a fiduciary perspective. Aaron is a seasoned investor and entrepreneur with a dual focus in healthcare real estate and capital markets. He is the Founder & Senior Vice President of Real Estate at Healing Realty Trust, where he leads strategy and acquisitions. He is responsible for identifying and underwriting acquisitions, conducting comprehensive market research, and building financial models to evaluate property performance, debt structures, and risk metrics. Additionally, he is Managing Partner & Portfolio Manager at Ambria Capital, overseeing strategy and capital deployment across both public and private markets. In addition, Aaron serves as a Managing Partner at Phyto Partners and Strategic Adviser to Health In Tech, Inc. (NASDAQ: HIT).

#### PEYTON PIPES – Chief Legal Officer (CLO)

As Chief Legal Officer, Peyton is responsible for ensuring that risk is minimized and that all regulatory requirements are met. Peyton ensures that operations are compliant with various state frameworks and federal law along with overseeing standard corporate governance procedures for the Company. Peyton is responsible for developing and implementing due diligence policies and procedures used to ensure that receivables will ultimately be collected in an efficient and timely manner. Prior to joining the team, Peyton has served as Managing Partner of Koon & Pipes PLLC and as fractional General Counsel to various companies with a specialization in regulated industries such as agriculture and telemedicine. This experience navigating highly regulated and ever-changing legal landscapes provides Peyton with a strong ability to ensure the fund is able to adapt and transition in the event of any potential changes to regulations or state laws. Peyton has also overseen and managed legal and compliance for numerous multi-million dollar raises across various industries.

## **INJURY PRO CAPITAL INC. OPERATIONS OVERVIEW**

The business and operations of the Company shall be managed by its Manager, INJURYPRO SERVICES LLC, a Nevada limited liability company (the "Manager").

### **Class A Membership Units:**

INJURY PRO CAPITAL INC., a Nevada corporation, owns 150 Class A Units of the Company, which represent 100% of the outstanding Units before the Offering and will represent 100% of the voting power of the Company during and after the Offering.

### **FIDUCIARY RESPONSIBILITIES OF THE MANAGER:**

The Manager shall owe such fiduciary duties to the Company's Members as is required by Nevada and other applicable law. This fiduciary duty is in addition to those other duties and obligations of, and limitations of the Manager as set forth in the Operating Agreement. The Company's Operating Agreement also provides that the Manager shall have no liability for losses resulting from errors in judgment or other acts or omissions, unless they are guilty of intentional misconduct, fraud or a known violation of the law. The Operating Agreement also provides that we will indemnify the Manager against liability and related expenses incurred in dealing with members, third parties, or us so long as no intentional misconduct, fraud or knowing violation of the law on the part of the Manager is involved. Therefore, investors may have a more limited right of action than they would have absent these provisions in the Operating Agreement. A successful indemnification of the Manager or any litigation that may arise in connection with the Manager's indemnification could deplete the assets. Investors who believe that a breach of the Manager's fiduciary duty has occurred should consult with their own counsel.

### **MANAGEMENT INTRODUCTION:**

Our leadership and management team has been working with medical receivables factoring since at least 2012, assisting institutional funders to underwrite and trouble shoot medical receivables financing programs. Our current business model is simple: we, through various separate investor funded entities such as the Company ("Investor Entities"), finance medical receivables. Specifically, we finance, and purchase outright, only select, verified medical receivables in several states in the US. We offer, through Investor Entities, investors a fixed preferred return equity participation investment product. Our clients consist exclusively of fully vetted and approved Medical Service Providers ("MSPs") such as surgery centers, hospitals, diagnostics and providers of pain management treatments. Our Investor Entities' assets are purchases and loans secured by medical receivables which are evidenced by verified insurance claims, an executed bill of sale if applicable, a CMS 1500 or UB 04 Form and an Assignment of Benefits ("AOB"), or Letters of Protection ("LOP") and/or agreement referred to as a "Letter of Credit" ("LOC"). MSPs experience payment delays from insurance companies because the medical receivables are tied to personal injury claims. Settlement and payment delays are usually between 6 weeks and 48 months, creating a business cycle financing challenge for the medical provider and a profitable opportunity for our investors through our Investor Entities.

## INVESTMENT MANAGEMENT: RISK MANAGEMENT AND EXIT STRATEGY

**Operational Risk Management.** The Company employs disciplined scalability and experienced underwriting designed to protect principal and smooth cash generation. Deployment pacing is tied to trailing collections, delinquency metrics, and covenant headroom under any senior facility so that growth does not outstrip servicing and liquidity. “Purchase-to-Face Loan-to-Value” (the “LTV”) means the purchase price (or advance, as applicable) expressed as a percentage of the stated face amount of the Medical Receivable being acquired or financed. At purchase, the LTV for each receivable will be equal to or less than forty percent ( $\leq 40\%$ ), unless an exception is approved by the Manager under documented exception authority. Pool construction targets a minimum “coverage ratio” of face value to invested cost of at least three-to-one ( $\geq 3.0x$ ) at pool inception, recognizing that the Manager may adjust this target for particular cohorts in its discretion. Documentation custody and chain-of-title control are mandatory. The Company (or its servicer) will maintain centralized custody of original and/or authoritative copies of letters of protection, liens or assignments, acknowledgments, billing records (including CPT/ICD coding), EOB/EORs where available, confirmatory attorney-of-record notices, and all remittance and reconciliation records. Dual-control and audit trails apply to any document movement, exception, or compromise. Underwriting is performed by experienced personnel and incorporates payer/attorney quality, medical necessity support, lien/LOP enforceability, prior assignments or UCC filings, expected settlement ranges and timelines, dispute history, and aging limits. Concentration limits by provider, specialty, geography, attorney/firm, insurer, and claim type are enforced to reduce correlated loss risk.

**Liquidity Risk Management.** The program is designed as a sixty-month (60-month) cycle with an investor exit feature beginning after twelve (12) months, subject in all cases to Available Cash. A redemption request may be submitted after the first anniversary of issuance and will be processed following required notice (including a one hundred five (105) day prior notice period) and the timing mechanics set forth in the Operating Agreement; the Manager may defer, limit, or stage redemptions to preserve liquidity, comply with borrowing base and covenant requirements, and avoid forced liquidations. Cash-management practices include lockbox control with daily sweeps, remittance acknowledgments to prevent misdirection and double-pledging, and rolling liquidity and covenant forecasts. Portfolio construction emphasizes short-to medium duration receivables and balanced cohorts to ladder cash flows. Pool coverage is managed so that, absent Manager-approved exceptions, aggregate face value to invested cost remains at or above a three-to one ( $\geq 3.0x$ ) target at pool purchase; the Manager may vary this target as facts warrant. The Company is not obligated to borrow or liquidate assets to meet redemption requests.

**Regulatory Risk Management and Program Oversight.** The program is reviewed and internally audited on a continuous basis for compliance with applicable securities laws, state receivables and collections requirements, data-privacy and security obligations, and—where applicable—HIPAA business-associate safeguards. True-sale versus secured-lending structures are selected with reference to anti-assignment restrictions and lien/LOP enforceability; government program claims (e.g., Medicare/Medicaid) are not purchased on a true-sale basis and, if any exposure exists, are handled through secured-lending constructs that collect from providers rather than government payors. Preferred Returns are based solely on cash flow as to profits and are fixed and capped at fifteen percent (15%) per annum, disbursed on a quarterly basis from Available Cash and only within the defined accrual window; they are non-guaranteed and non cumulative. Policies addressing underwriting exceptions, conflicts, valuation, and cash controls are maintained and updated as regulations evolve; exceptions require documented rationale and Manager approval.

**Exit Strategy; Program Maturity.** The program contemplates a sixty-month (60-month) term framework for capital cycles and asset seasoning. Subject to Available Cash and the terms of the Operating Agreement, the Investors' Units shall be redeemed in full upon the earlier of (i) sixty (60) months after the date the offering has terminated or (ii) the point at which all Investors have received, in the form of distributions, the return of their initial investments, any amounts of Preferred Returns previously paid that were elected to be reinvested in the Company, and any then-unpaid Preferred Returns accrued within the applicable accrual period. The Manager may, in its discretion, pace redemptions and reinvestment to maintain liquidity and covenant compliance, and may permit an earlier exit for a fee where consistent with investor parity and program stability. Nothing herein obligates the Company to borrow, sell assets at disadvantageous prices, or otherwise impair the portfolio to meet redemptions. Distributions and redemptions are at all times limited to Available Cash after reserves determined by the Manager in good faith.

**Collections and Outcome Risk.** Realizations depend on settlement outcomes, policy limits, comparative negligence, medical necessity disputes, lien priority, attorney behavior, and defendant solvency. Recovery amounts and timing are uncertain and may be binary.

**Documentation and Priority Risk.** Missing or defective letters of protection or lien instruments, absent acknowledgments, prior assignments or UCC filings, and disputes over attorney trust-account handling can reduce or eliminate recoveries. Without tight remittance controls, double-pledging risk exists.

**Legal Variability; Public Policy.** Enforceability of medical liens and assignments varies by state; legislative or judicial changes (including champerty/maintenance doctrines in certain jurisdictions) may increase costs or reduce value.

**Government Program Limitations.** Federal rules generally restrict assignment of Medicare and Medicaid receivables; the Company expects to avoid true-sale purchases of such claims and may use secured-lending structures when exposure exists.

**Operational/Servicing Risk.** Outcomes rely on underwriting, monitoring, reconciliation, lockbox controls, document integrity, and case management. Errors, system failures, personnel issues, or cyber incidents may impair collections and compromise protected health information.

**Leverage and Liquidity Risk.** Borrowings magnify losses and may trigger covenants. Redemptions are limited, deferrable, and dependent on Available Cash; the Manager is not obligated to borrow or liquidate assets to fund redemptions.

**Valuation and Illiquidity.** Interests are illiquid. Fair-value marks involve significant judgment and may not reflect realizable value.

**Regulatory Drift; Compliance Costs.** Changes in SEC private-fund/adviser rules, AML/CFT obligations, state receivables/factoring and collections regimes, and privacy/security laws may increase compliance burdens and operating costs.

## TERMS OF THE OFFERING:

We (reference to "we" or "our" in this Section entitled "Terms of the Offering" or thereafter in this Offering refers to the Company) are offering on a best-efforts basis up to 100 Units at a price per Unit of \$100,000 for a total offering amount of \$10,000,000. The Manager may, at its sole discretion, elect to sell fractional Units provided that the minimum investment for a fractional Unit shall be \$10,000.00. The Manager may, at its sole discretion, accept additional investments in excess of the initial offering maximum amount referenced in this Offering. Such additional investments shall be subject to the terms and conditions outlined in the Operating Agreement, and the Manager shall have the right to amend this Offering as necessary to reflect the acceptance of additional investments. Once the Company raises at least \$500,000 from the offering we can access the proceeds of the Offering. The Offering will commence as of the date of this Memorandum and will terminate upon the earlier of. (a) the sale of all the Units, or (b) the date which is twenty-four (24) months from the date of this Memorandum (such earlier date, the "Termination Date"), unless otherwise extended in the sole discretion of the Manager. The funds will be returned to Investors whose subscriptions are not accepted by the Termination Date (or extended Termination Date), without interest or deduction.

As described in the Use of Investor Funds section (see page "Use of Proceeds from this Offering:" on page 66) the Manager has elected to supplement the sales efforts of the Manager in this offering of the Units here in, by engaging DEALMAKER SECURITIES, DEALMAKER SECURITIES LLC ("DEALMAKER"), a Delaware limited liability company, a FINRA registered broker-dealer (referenced herein as "Broker") on a non-exclusive basis to introduce to the Manager prospective Investors regarding the purchase of Units under this Offering. The Broker will conduct the Offering on the platform found at <https://dealmaker.tech> (the "Dealmaker Platform"), that is operated for the benefit of the Broker. The Broker is a registered FINRA/SEC broker dealer. The Broker is not purchasing the Units and is not required to sell any specific number or dollar amount of the Units in this Offering. This Offering is being conducted with a minimum Offering amount of \$500,000, such amount must be received before any closing may occur and we may not be able to raise enough funds to fully implement our business plan and our investors which may result in the loss of the entire investment of investors. The Broker and the Company may not be able to raise enough funds to fully implement the Company's business plans or goals.

**Broker's General Disclaimer:**

DEALMAKER HAS NOT INVESTIGATED (NOR HAVE ANY OF ITS AFFILIATES INVESTIGATED) THE DESIRABILITY OR ADVISABILITY OF AN INVESTMENT IN THIS OFFERING OR THE SECURITIES OFFERED HEREIN. DEALMAKER AND ITS AFFILIATES MAKE NO REPRESENTATIONS, WARRANTIES, ENDORSEMENTS, OR JUDGMENT ON THE MERITS OF THE OFFERING OR THE SECURITIES OFFERED HEREIN. DEALMAKER'S CONNECTION TO THE OFFERING IS SOLELY FOR THE LIMITED PURPOSES OF ACTING AS A SERVICE PROVIDER. AN INVESTOR SHOULD HAVE KNOWLEDGE AND UNDERSTANDING OF SOPHISTICATED AND COMPLEX INVESTMENTS TO MAKE A SELF DETERMINATION OR SEEK ADVICE ELSEWHERE. PLEASE REFER TO THE "RISK FACTORS" SECTION OF THIS OFFERING BEGINNING ON "RISK FACTORS" on page 80. DEALMAKER MAY INVITE OTHER BROKER/DEALERS TO PARTICIPATE IN THIS OFFERING UNDER SIMILAR TERMS AND CONDITIONS. NASAA UNIFORM DISCLOSURE AND STATE-SPECIFIC DISCLOSURES NASAA UNIFORM DISCLOSURE: IN MAKING AN INVESTMENT DECISION PURCHASERS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THIS 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, AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. PURCHASERS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

**STATE NOTICES**

FOR RESIDENTS OF ALL STATES: THE INTERESTS OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED ("SECURITIES ACT"), OR THE SECURITIES LAWS OF CERTAIN STATES AND ARE BEING OFFERED AND SOLD IN RELIANCE ON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF SAID ACT AND SUCH LAWS. THE INTERESTS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION OR OTHER REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THIS OFFERING OR THE ACCURACY OR ADEQUACY OF THIS 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 INTERESTS ARE BEING ACQUIRED FOR INVESTMENT PURPOSES ONLY, AND NOT WITH A VIEW TO OR PRESENT INTENTION OF DISTRIBUTION.

THIS 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 MEMORANDUM CONSTITUTES AN OFFER ONLY

IF A NAME APPEARS IN THE APPROPRIATE SPACE ON THE COVER, AND IS AN OFFER ONLY TO THE OFFEREE SO 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 MEMORANDUM AND ITS EXHIBITS. ONLY THOSE REPRESENTATIONS EXPRESSLY SET FORTH IN THIS 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 INTERESTS ARE NOT TO CONSTRUE THE CONTENTS OF THIS 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 MEMORANDUM 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.

**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 MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

**NOTICE TO ALASKA RESIDENTS ONLY:** THE SECURITIES OFFERED HAVE NOT BEEN REGISTERED WITH THE ADMINISTRATOR OF SECURITIES OF THE STATE OF ALASKA UNDER PROVISIONS OF 3 AAC 08.500-3 AAC 08.504. THE INVESTOR IS ADVISED THAT THE ADMINISTRATOR HAS MADE ONLY A CURSORY REVIEW OF THE REGISTRATION STATEMENT AND HAS NOT REVIEWED THIS DOCUMENT SINCE THE DOCUMENT IS NOT REQUIRED TO BE FILED WITH THE ADMINISTRATOR THE FACT OF REGISTRATION DOES NOT MEAN THAT THE ADMINISTRATOR HAS PASSED IN ANY WAY UPON THE MERITS, RECOMMENDED, OR APPROVED THE SECURITIES. ANY REPRESENTATION TO THE CONTRARY IS A VIOLATION OF 45.55.170. THE INVESTOR MUST RELY ON THE INVESTOR'S OWN EXAMINATION OF THE PERSON OR ENTITY CREATING THE SECURITIES AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED IN MAKING AN INVESTMENT DECISION ON THESE SECURITIES.

**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. **NOTICE TO ARKANSAS RESIDENTS ONLY:** THESE SECURITIES ARE OFFERED IN RELIANCE UPON CLAIMS OF EXEMPTION UNDER THE ARKANSAS SECURITIES ACT AND SECTION 4(2) OF THE SECURITIES ACT OF 1933. A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS NOT BEEN FILED WITH THE ARKANSAS SECURITIES DEPARTMENT OR WITH THE SECURITIES AND EXCHANGE COMMISSION. NEITHER THE DEPARTMENT NOR THE COMMISSION HAS PASSED UPON THE VALUE OF THESE SECURITIES, MADE ANY RECOMMENDATIONS AS TO THEIR PURCHASE, APPROVED OR DISAPPROVED THIS OFFERING OR PASSED UPON THE ADEQUACY OR ACCURACY OF THIS MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

**NOTICE TO 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 25104 OF THE CALIFORNIA CORPORATIONS CODE. THE RIGHTS OF ALL PARTIES TO THIS OFFERING ARE EXPRESSLY CONDITION UPON SUCH QUALIFICATIONS BEING OBTAINED, UNLESS THE SALE IS SO EXEMPT. THE SECURITIES OFFERED HEREUNDER HAVE NOT BEEN REGISTERED UNDER APPLICABLE CALIFORNIA 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 CALIFORNIA 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.

**NOTICE TO 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. THIS INFORMATION IS DISTRIBUTED PURSUANT TO AN EXEMPTION FOR SMALL OFFERINGS UNDER THE RULES OF THE COLORADO SECURITIES DIVISION. THE SECURITIES DIVISION HAS NEITHER REVIEWED NOR APPROVED ITS FORM OR CONTENT.

**NOTICE TO CONNECTICUT RESIDENTS ONLY:** SECURITIES ACQUIRED BY CONNECTICUT RESIDENTS ARE BEING SOLD AS A TRANSACTION EXEMPT UNDER SECTION 36-409(b)(9)(A) OF THE CONNECTICUT, UNIFORM SECURITIES ACT. THE SECURITIES HAVE NOT BEEN REGISTERED UNDER SAID ACT IN THE STATE OF CONNECTICUT.

**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. **NOTICE TO ARKANSAS RESIDENTS ONLY:** THESE SECURITIES ARE OFFERED IN RELIANCE UPON CLAIMS OF EXEMPTION UNDER THE ARKANSAS SECURITIES ACT AND SECTION 4(2) OF THE SECURITIES ACT OF 1933. A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS NOT BEEN FILED WITH THE ARKANSAS SECURITIES DEPARTMENT OR WITH THE SECURITIES AND EXCHANGE COMMISSION. NEITHER THE DEPARTMENT NOR THE COMMISSION HAS PASSED UPON THE VALUE OF THESE SECURITIES, MADE ANY RECOMMENDATIONS AS TO THEIR PURCHASE, APPROVED OR DISAPPROVED THIS OFFERING OR PASSED UPON THE ADEQUACY OR ACCURACY OF THIS MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL. ALL INVESTORS SHOULD BE AWARE THAT THERE ARE CERTAIN RESTRICTIONS AS TO THE TRANSFERABILITY OF THE SECURITIES. THESE SECURITIES HAVE NOT BEEN APPROVED OR ISAPPROVED 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. **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.

**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.

**NOTICE TO FLORIDA RESIDENTS ONLY:** THE SECURITIES DESCRIBED HEREIN HAVE NOT BEEN REGISTERED WITH THE FLORIDA DIVISION OF SECURITIES AND INVESTOR PROTECTION UNDER THE FLORIDA SECURITIES ACT. THE SECURITIES REFERRED TO HEREIN WILL BE SOLD TO AND ACQUIRED BY THE HOLDER IN A TRANSACTION EXEMPT UNDER SECTION 517.061 OF SAID ACT. THE SECURITIES HAVE NOT BEEN REGISTERED UNDER SAID ACT IN THE STATE OF FLORIDA. 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. THE SECURITIES OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE FLORIDA SECURITIES ACT.

EACH OFFEREE WHO IS A FLORIDA RESIDENT SHOULD BE AWARE THAT SECTION 517.061(11)(A)(5) OF THE FLORIDA SECURITIES AND INVESTOR PROTECTION 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 SECTION 517.061(11) IS VOIDABLE BY THE PURCHASER IN SUCH SALE EITHER WITHIN THREE 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 THREE 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 OF THE FLORIDA ACT IS HEREBY COMMUNICATED TO EACH FLORIDA OFFEREE.

**NOTICE TO GEORGIA RESIDENTS ONLY:** THESE SECURITIES ARE OFFERED IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE GEORGIA SECURITIES ACT PURSUANT TO REGULATION 590-4-5-04 AND-01. THE SECURITIES CANNOT BE SOLD OR TRANSFERRED EXCEPT IN A TRANSACTION WHICH IS EXEMPT UNDER THE ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE ACT OR IN A TRANSACTION WHICH IS OTHERWISE IN COMPLIANCE WITH THE ACT. THESE SECURITIES HAVE BEEN ISSUED OR SOLD IN RELIANCE ON PARAGRAPH (13) OF CODE SECTION 10-5-9 OF THE "GEORGIA SECURITIES ACT OF 1973," AND MAY NOT BE SOLD OR TRANSFERRED EXCEPT IN A TRANSACTION WHICH IS EXEMPT UNDER SUCH ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION UNDER SUCH ACT.

**NOTICE TO HAWAII RESIDENTS ONLY:** NEITHER THIS PROSPECTUS 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 PROSPECTUS. **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.

**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.

**NOTICE TO INDIANA RESIDENTS ONLY:** THESE SECURITIES ARE OFFERED PURSUANT TO A CLAIM OF EXEMPTION UNDER SECTION 23-2-1-2 OF THE INDIANA SECURITIES LAW AND HAVE NOT BEEN REGISTERED UNDER SECTION 23-2-1-3. THEY CANNOT THEREFORE BE RESOLD UNLESS THEY ARE REGISTERED UNDER SAID LAW OR UNLESS AN EXEMPTION FORM REGISTRATION IS AVAILABLE. A CLAIM OF EXEMPTION UNDER SAID LAW HAS BEEN FILED, AND IF SUCH EXEMPTION IS NOT DISALLOWED SALES OF THESE SECURITIES MAY BE MADE. HOWEVER, UNTIL SUCH EXEMPTION IS GRANTED, ANY OFFER MADE PURSUANT HERETO IS PRELIMINARY AND SUBJECT TO MATERIAL CHANGE.

**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.

**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 81-5-6 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.

**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 RULE 808 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.

**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.

**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.

**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 SECURITIES HAVE NOT BEEN REGISTERED UNDER SAID ACT IN THE STATE OF MARYLAND. ALL INVESTORS SHOULD BE AWARE THAT THERE ARE CERTAIN RESTRICTIONS AS TO THE TRANSFERABILITY OF THE SECURITIES. THE SECURITIES REPRESENTED BY THIS DOCUMENT HAVE BEEN ISSUED PURSUANT TO A CLAIM OF EXEMPTION FROM THE REGISTRATION PROVISIONS OF FEDERAL AND STATE SECURITIES LAWS AND MAY NOT BE SOLD OR TRANSFERRED WITHOUT COMPLIANCE WITH THE REGISTRATION PROVISIONS OF APPLICABLE FEDERAL AND STATE SECURITIES LAWS OR APPLICABLE EXEMPTIONS THEREFROM.

**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.

**NOTICE TO MICHIGAN RESIDENTS ONLY:** THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER SECTION 451.701 OF THE MICHIGAN UNIFORM SECURITIES ACT (THE ACT) AND MAY BE TRANSFERRED OR RESOLD BY RESIDENTS OF MICHIGAN ONLY IF REGISTERED PURSUANT TO THE PROVISIONS OF THE ACT, OR IF AN EXEMPTION FROM REGISTRATION IS AVAILABLE. THE INVESTMENT IS SUITABLE IF IT DOES NOT EXCEED 10% OF THE INVESTOR'S NET WORTH.

**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.

**NOTICE TO MISSISSIPPI RESIDENTS ONLY:** THE SECURITIES ARE OFFERED PURSUANT TO A CLAIM OF EXEMPTION UNDER THE MISSISSIPPI SECURITIES ACT. A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS NOT BEEN FILED WITH THE MISSISSIPPI SECRETARY OF STATE OR WITH THE SECURITIES AND EXCHANGE COMMISSION. NEITHER THE SECRETARY OF STATE NOR THE COMMISSION HAS PASSED UPON THE VALUE OF THESE SECURITIES OR APPROVED OR DISAPPROVED THIS OFFERING. THE SECRETARY OF STATE DOES NOT RECOMMEND THE PURCHASE OF THESE OR ANY OTHER SECURITIES, EACH PURCHASER OF THE SECURITIES MUST MEET CERTAIN SUITABILITY STANDARDS AND MUST BE ABLE TO BEAR AN ENTIRE LOSS OF THIS INVESTMENT. THE SECURITIES MAY NOT BE TRANSFERRED FOR A PERIOD OF ONE (1) YEAR EXCEPT IN A TRANSACTION WHICH IS EXEMPT UNDER THE MISSISSIPPI SECURITIES ACT OR IN A TRANSACTION IN COMPLIANCE WITH THE MISSISSIPPI SECURITIES ACT.

**NOTICE TO 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.

**NOTICE TO MONTANA RESIDENTS ONLY:** IN ADDITION TO THE INVESTOR SUITABILITY STANDARDS THAT ARE OTHERWISE APPLICABLE, ANY INVESTOR WHO IS A MONTANA RESIDENT MUST HAVE A NET WORTH (EXCLUSIVE OF HOME, FURNISHINGS AND AUTOMOBILES) IN EXCESS OF FIVE (5) TIMES THE AGGREGATE AMOUNT INVESTED BY SUCH INVESTOR IN THE SECURITIES.

**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  
**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 NRS 90.540 OF THE NEVADA REVISED STATUTES, THE INVESTOR IS HEREBY ADVISED THAT THE SECURITIES DIVISION OF THE SECRETARY OF STATE OF NEVADA HAS NOT PASSED ON OR ENDORSED THE MERITS OF OR APPROVED THIS OFFERING.

**NOTICE TO NEW HAMPSHIRE RESIDENTS ONLY:** NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE 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 NEW HAMPSHIRE SECRETARY OF STATE THAT ANY DOCUMENT FILED UNDER NEW HAMPSHIRE 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 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.

**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.

**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 MEMORANDUM. 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 RISK 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.

**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 SECURITIES OFFERED HEREIN AND HAS MADE NO ARRANGEMENTS WITH BROKERS OF OTHERS TO TRADE OR MAKE A MARKET IN THE SECURITIES. AT SOME TIME IN THE FUTURE, THE COMPANY MAY ATTEMPT TO ARRANGE FOR INTERESTED BROKERS TO TRADE OR MAKE A MARKET IN THE SECURITIES AND TO QUOTE THE SAME IN A PUBLISHED QUOTATION MEDIUM, HOWEVER, NO SUCH ARRANGEMENTS HAVE BEEN MADE AND THERE IS NO ASSURANCE THAT ANY BROKERS WILL EVER HAVE SUCH AN INTEREST IN THE SECURITIES OF THE COMPANY OR THAT THERE WILL EVER BE A MARKET THEREFORE. THIS IS NOT A FIRM OFFER IN THE STATE OF NEW YORK. NO FIRM OFFER MAY BE MADE IN NEW YORK, AND NO PURCHASE PAYMENT, DEPOSIT, OR PURCHASE COMMITMENT MAY BE RECEIVED UNLESS AN EXEMPTION IS GRANTED FROM THE FILING OF AN OFFERING STATEMENT OR PROSPECTUS UNDER NEW YORK LAW. THIS PRELIMINARY OFFERING LITERATURE IS SUBJECT TO REVISION AND AMENDMENT.

**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.

**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.

**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 107.03(2) 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. **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.

**NOTICE TO OREGON 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. 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, 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. YOU WILL NOT BE ABLE TO TRANSFER OR RESELL THESE SECURITIES EXCEPT PURSUANT TO REGISTRATION UNDER THE FEDERAL SECURITIES ACT OF 1933 OR AN EXEMPTION FROM REGISTRATION IF AVAILABLE. CONSEQUENTLY, YOU MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

**NOTICE TO PENNSYLVANIA RESIDENTS ONLY:** 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. ACCORDING TO SECTION 207(M)(2) OF THE PENNSYLVANIA SECURITIES ACT OF 1972: "IF YOU HAVE ACCEPTED AN OFFER TO PURCHASE THESE SECURITIES AND HAVE RECEIVED A WRITTEN NOTICE EXPLAINING YOUR RIGHT TO WITHDRAW YOUR ACCEPTANCE PURSUANT TO SECTION 207(M)(2) OF THE PENNSYLVANIA SECURITIES ACT OF 1972,

YOU MAY ELECT, WITHIN TWO BUSINESS DAYS FROM THE DATE OF RECEIPT BY THE ISSUER OF YOUR BINDING CONTRACT OF PURCHASE OR, IN THE CASE OF A TRANSACTION IN WHICH THERE IS NO BINDING CONTRACT OF PURCHASE, WITHIN TWO BUSINESS DAYS AFTER YOU MAKE THE INITIAL PAYMENT FOR THE SECURITIES BEING OFFERED, TO WITHDRAW YOUR ACCEPTANCE AND RECEIVE A FULL REFUND OF ALL MONEYS PAID BY YOU. YOUR WITHDRAWAL OF ACCEPTANCE WILL BE WITHOUT ANY FURTHER LIABILITY TO ANY PERSON. TO ACCOMPLISH THIS WITHDRAWAL, YOU NEED ONLY SEND A WRITTEN NOTICE (INCLUDING A NOTICE BY FACSIMILE OR ELECTRONIC MAIL) TO THE ISSUER (OR PLACEMENT AGENT IF ONE IS LISTED ON THE FRONT PAGE OF THE OFFERING MEMORANDUM) INDICATING YOUR INTENTION TO WITHDRAW.

**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.

**NOTICE TO SOUTH CAROLINA RESIDENTS ONLY:** THESE SECURITIES ARE OFFERED PURSUANT TO A CLAIM OF EXEMPTION UNDER ONE OR MORE SECURITIES ACTS. 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 COMMISSIONER 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 WILL BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

**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.

**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.

**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.

**NOTICE TO VERMONT RESIDENTS ONLY:** (I) INVESTMENT IN THESE SECURITIES INVOLVES SIGNIFICANT RISKS AND IS SUITABLE ONLY FOR PERSONS WHO HAVE NO NEED FOR IMMEDIATE LIQUIDITY IN THEIR INVESTMENT AND WHO CAN BEAR THE ECONOMIC RISK OF A LOSS OF THEIR ENTIRE INVESTMENT. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME (II) 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. (III) 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 AND THE VERMONT SECURITIES ACT, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM.

**NOTICE TO VIRGINIA RESIDENTS ONLY:** THE SECURITIES REPRESENTED BY THIS DOCUMENT HAVE BEEN ISSUED PURSUANT TO A CLAIM OF EXEMPTION FROM THE REGISTRATION OR QUALIFICATION PROVISIONS OF FEDERAL AND STATE SECURITIES LAWS AND SHALL NOT BE SOLD OR TRANSFERRED WITHOUT COMPLIANCE WITH THE REGISTRATION OR QUALIFICATION PROVISIONS OF APPLICABLE FEDERAL AND STATE SECURITIES LAWS OR APPLICABLE EXEMPTIONS THEREFROM.

**NOTICE TO WASHINGTON RESIDENTS ONLY:** THE ADMINISTRATOR OF SECURITIES HAS NOT REVIEWED THE OFFERING OR MEMORANDUM AND THE SECURITIES HAVE NOT BEEN REGISTERED IN RELIANCE UPON THE SECURITIES ACT OF WASHINGTON, CHAPTER 21.20 RCW, AND THEREFORE, CANNOT BE RESOLD UNLESS THEY ARE REGISTERED UNDER THE SECURITIES ACT OF WASHINGTON, CHAPTER 21.20 RCW, OR UNLESS AN EXEMPTION FROM REGISTRATION IS MADE AVAILABLE.

**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.

**NOTICE TO WISCONSIN RESIDENTS ONLY:** IN ADDITION TO THE INVESTOR SUITABILITY STANDARDS THAT ARE OTHERWISE APPLICABLE, ANY INVESTOR WHO IS A WISCONSIN RESIDENT MUST HAVE A NET WORTH (EXCLUSIVE OF HOME, FURNISHINGS AND AUTOMOBILES) IN EXCESS OF THREE AND ONE-THIRD (3 1/3) TIMES THE AGGREGATE AMOUNT INVESTED BY SUCH INVESTOR IN THE SECURITIES OFFERED HEREIN.

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

**FOR ALL NON-U.S. INVESTORS:** NO ACTION HAS BEEN OR WILL BE TAKEN IN ANY JURISDICTION OUTSIDE THE UNITED STATES OF AMERICA THAT WOULD PERMIT AN OFFERING OF THE SECURITIES, OR POSSESSION, OR DISTRIBUTION OF OFFERING MATERIAL IN CONNECTION WITH THE ISSUE OF THE SECURITIES, IN ANY COUNTRY OR JURISDICTION WHERE ACTION FOR THAT PURPOSE IS REQUIRED. IT IS THE RESPONSIBILITY OF ANY PERSON WISHING TO PURCHASE THE SECURITIES TO SATISFY HIMSELF OR HERSELF AS TO FULL OBSERVANCE OF THE LAWS OF ANY RELEVANT TERRITORY OUTSIDE THE UNITED STATES OF AMERICA IN CONNECTION WITH ANY SUCH PURCHASE, INCLUDING OBTAINING ANY REQUIRED GOVERNMENTAL OR OTHER CONSENTS OR OBSERVING ANY OTHER APPLICABLE FORMALITIES. YOUR INVESTMENT WILL BE DENOMINATED IN UNITED STATES DOLLARS (\$) AND, THEREFORE, WILL BE SUBJECT TO ANY FLUCTUATION IN THE RATE OF EXCHANGE BETWEEN UNITED STATES DOLLARS (\$), THE CURRENCY OF YOUR OWN JURISDICTION AND THE CURRENCY OF THE JURISDICTION IN WHICH ANY FUND PORTFOLIO ASSET OPERATES OR GENERATES INVESTMENT PROCEEDS, AS APPLICABLE. SUCH FLUCTUATIONS MAY HAVE AN ADVERSE EFFECT ON THE VALUE, PRICE OR INCOME OF YOUR INVESTMENT.

During the course of the Offering and prior to any sale, each offeree of the Securities and their professional advisor(s), if any, are invited to ask questions regarding the terms and conditions of the Offering and to request any additional information necessary to verify the accuracy of the information provided herein. The Company shall make a reasonable effort to provide such information to the extent it is within the Company's possession or can be obtained without unreasonable effort or expense.

#### **SUITABILITY REQUIREMENTS AND DISCLOSURES**

Each Purchaser will be required to represent that such Purchaser's overall commitment to investments which are not readily marketable is not disproportionate to such Purchaser's net worth, and that such Purchaser's investment in the Issuer will not cause such overall commitment to become excessive; that such Purchaser can sustain a complete loss of such Purchaser's investment in the Securities and has limited need for liquidity in such Purchaser's investment in the Securities; and that such Purchaser has evaluated the risks of investing in the Securities. The Issuer and/or broker dealer may reject a Purchaser for any reason in its sole and absolute discretion. If a Purchaser is rejected, any payment remitted by the Purchaser will be returned without interest. Only persons of adequate financial means who have no need for present liquidity with respect to this investment should consider purchasing the Securities offered hereby because: (i) an investment in the Securities involves a number of significant risks (See 'Risk Factors'); and (ii) no market for the Securities or the purchase rights contained therein, and none is likely to develop in the reasonably foreseeable future. This Offering is intended to be a private offering that is exempt from registration under the Securities Act and applicable state securities laws. We may also request any documentation or other information regarding an Investor and its beneficial owners, if applicable, in connection with the disqualification provisions under Regulation D under the Act,

which may prohibit us from relying on the offering exemption if an Investor or one or more of an Investor's significant equity holders has had a disqualifying event.

THE BELOW SUITABILITY STANDARDS REPRESENT MINIMUM REQUIREMENTS, AND NEITHER THE SATISFACTION OF SUCH STANDARDS BY A PROSPECTIVE PURCHASER NOR THE ACCEPTANCE BY THE ISSUER OF A PROSPECTIVE PURCHASER'S PURCHASE NECESSARILY MEANS THAT THE SECURITIES ARE A SUITABLE INVESTMENT FOR THE PURCHASER. THE FINAL DETERMINATION AS TO THE SUITABILITY OF AN INVESTMENT IN THE ISSUER CAN BE MADE ONLY BY A PROSPECTIVE PURCHASER AND HIS OR HER ADVISORS, IF ANY.

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

(2) Any individual whose net worth, or joint net worth with that person's spouse or spousal equivalent, at the time of purchase exceeds \$1 million. In calculating a person's net worth (the amount of assets in excess of liabilities):

- The value of the person's primary residence is not included as an asset,
- the amount of debt secured by the primary residence, up to its estimated fair market value, is not included as a liability, unless the person incurred debt within 60 days before buying securities in the unregistered offering for the purpose of buying those securities and not for buying the residence. In that situation, the amount of debt borrowed during that 60-day period must be included as a liability;
- any debt secured by the primary residence in excess of the estimated fair market value of the home is included as a liability; and
- these additions and subtractions to the definition of net worth do not apply to a person exercising a right to buy securities if the person held that right to buy those securities, as well as other securities of the same issuer, on July 20, 2010, and met the net worth test in effect at the time the person acquired the right.

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

(4) Any bank, any savings and loan association, whether acting in its individual or fiduciary capacity, any registered broker or dealer; any registered investment adviser, any investment adviser relying on registration exemptions under Section 203(1) or (m) under the Investment Company Act of 1940; any insurance company; any investment company registered under the Investment Company Act of 1940 or a business development company as defined in Section 2(a)(48) of that Act; any Small Business Investment Company licensed by the US Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958; any Rural Business Investment Company as defined in Section 384A of the Consolidated Farm and Rural Development Act; 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, with total assets in excess of \$5 million; or any employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974 where investment decisions are made by a plan fiduciary that is either a bank, savings and loan association, insurance company, or registered investment adviser, or if the employee benefit plan has total assets in excess of \$5 million or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors. Any private business development company as defined in Section 202(a)(22) of the Investment Advisers Act of 1940.

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

(6) Any trust, with total assets in excess of \$5 million, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2) (ii) under the Securities Act.

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

(8) Any entity of a type not listed above, owning investments in excess of \$5 million, that is not formed for the specific purpose of acquiring the securities offered.

(9) Any individual holding in good standing one or more professional certifications or designations or credentials from an accredited educational institution that the SEC has designated as qualifying an individual for accredited investor status. On the date of this Memorandum, the SEC designated the following certifications, when held in good standing, as qualifying natural persons for accredited investor status: · Licensed General Securities Representative (Series 7); · Licensed Investment Adviser Representative (Series 65); or

· Licensed Private Securities Offerings Representative (Series 82).

(10) Any individual who is a "knowledgeable employee," as defined in Rule 3c-5(a)(4) under the Investment Company Act, of the issuer of the securities being offered where the issuer is a private fund (excluded from the definition of investment company in Section 3(c)(1) or 3(c)(7) ) The sales commissions will be 7% of each dollar invested by Investors that are introduced by such Broker (such Investors, the "Broker Dealer Investors"). Such sales commissions will be an expense of the Company and, with respect to purchases by the Broker Dealer Investors, reduce the net investment proceeds available to the Company to invest in Receivables. It is estimated that the aggregate amount of sales commissions paid by the Company would be: \$35,000. In addition to such sales commissions that are payable to the Broker with respect to Broker Dealer Investors, the Company may incur termination fees if the Company terminates their agreement with the Broker prior to the Termination Date as follows: The greater of (a) \$5,000; or (b) all out of pocket costs incurred by DEALMAKER in enabling the Offering to be listed on the DealMaker Platform such total costs not to exceed \$ 25,000; except that if circumstances beyond the control of the Company make a closing impossible, then these termination fees will not apply. Prospective Investors should consult their own tax and legal counsel regarding the suitability of an investment. Each Investor will be required to represent that the Units are being acquired for investment only and not with a view toward the resale or distribution thereof and will not be re-sold or distributed in violation of the Securities Act or any other applicable securities law. No transfer of any Units by an Investor will be effective unless adequate assurance is received by us that no violation of the Securities Act or any other applicable securities law will occur by reason of such transfer. The investment will be illiquid and is suitable only for persons of adequate financial means who have no need for liquidity with respect to the investment and who are able to bear the economic risk of complete loss of the investment. Any proposed transferee of Units from an Investor hereunder will be required to provide us with written representations like those required of Investors hereunder.

The suitability standards herein represent minimum suitability requirements for a prospective Investor and the satisfaction of such standards by a prospective Investor does not necessarily mean that the purchase of Securities is a suitable investment for him. We reserve the right to refuse a subscription if, in our discretion, we believe that the prospective Investor does not meet the suitability requirements or that the purchase of Securities is otherwise an unsuitable investment for the prospective Investor. We have the absolute right, in our sole discretion, to accept or refuse any subscription. We will rely on the accuracy of each prospective Investor's representations as set forth in the documents to be executed by a prospective Investor in connection with his purchase of Securities. We may require additional evidence that a prospective Investor meets the standards set forth above at any time prior to acceptance of a prospective Investor's subscription. A prospective Investor is not obligated to supply any information so requested by us, but we may reject a subscription from any prospective Investor who fails to supply any information so requested.

If our belief as to the suitability of a prospective Investor is incorrect in any instance, then the delivery of this Memorandum shall not be deemed to be an offer to that person to invest in us and such prospective Investor shall, after notice from us, immediately return this Memorandum to us.

### **SUBSCRIBING TO THE OFFERING**

Investors who wish to purchase Units must complete and execute our Subscription Agreement (under which the Investor will agree to be bound by the terms of the Operating Agreement) and return the same, along with the payment for the Units, as directed in the Subscription Agreement. By executing a Subscription Agreement, a subscriber unconditionally and irrevocably agrees to purchase the Units shown thereon on a "when issued basis." Accordingly, upon executing a Subscription Agreement, the subscriber is not yet an owner of our Units. Units will be deemed issued when the Subscription Agreement is accepted by the Company and the prospective Investor is admitted to the Company as a Member. Subscription Agreements are non-cancelable and irrevocable, and the subscription funds are non-refundable for any reason, except with our consent or pursuant to any legal right of rescission. After having subscribed for the minimum investment amount, you may at any time, and from time to time, subscribe to invest additional amounts so long as this Offering is open. We will be reviewing subscription applications as they are received and will accept or reject subscription applications within generally 15 days after receipt. We will indicate our acceptance of a subscription agreement by countersigning it and indicating the number of Units we will issue. We reserve the right to reject any subscription submitted for any reason. If accepted, an Investor will become a Member subject to execution of the documents specified in the subscription agreement and you shall become subject to the Operating Agreement.

### **PLAN OF DISTRIBUTION**

The Units offered hereby have not been registered under the Securities Act with the SEC or under the securities laws of any state. As a result, all certificates for Securities sold herein will bear a restrictive legend and the Investor will only be able to sell or otherwise transfer the Securities pursuant to an effective registration statement or in accordance with an opinion from counsel that the Securities may be sold pursuant to an exemption from registration. The Securities sold in this offering constitute restricted securities with limited marketability. An investment in the Securities offered herein involves a long-term, high-risk investment.

The Units will be offered to both Investors who qualify as "accredited investors" as defined under Rule 501(a) of Regulation D promulgated under the Securities Act and Rule 506(b) thereunder and also nonaccredited investors as allowed under Rule 504. Recently adopted Rule 506(c) requires that we undertake reasonable methods to independently verify that an Investor is "accredited". Such methods include, without limitation, (i) review of an Investor's income tax returns and filings along with a written representation that the person reasonably expects to reach the level necessary to qualify as an accredited investor during the current year, (ii) review of one or more of the following, dated within three months, together a written representation that all liabilities necessary to determine net worth have been disclosed. For assets: bank statements, brokerage statements and other statements of securities holdings, certificates of deposit, tax assessments and appraiser reports issued by third parties and for liabilities, credit report from a nationwide agency, (iii) obtaining a written confirmation from a registered broker-dealer, an SEC registered investment advisor, a licensed attorney, or a CPA that such person or entity has taken reasonable steps to verify that the purchaser is an accredited investor within the prior three months. Notwithstanding anything to the contrary, we shall not sell securities to Investors that do not qualify for the exemption from registration as an Investment Company under the Investment Company Act of 1940. Section 3(c)(1) of the Investment Company Act excludes from being an investment company any issuer whose outstanding securities are beneficially owned by not more than 100 persons and that is not making and does not presently propose to make a public offering of its securities.

The benefit of Section 3(c)(1) is that there is no additional status requirement for the Investor, such as net worth, total assets, or total investments owned beyond the "accredited investor" standard. Subscribers shall execute subscription documents provided with this Memorandum in which they represent that the purchase of Units is being made for investment purposes with no intent to resell.

### **WHO MAY INVEST?**

An investment in our Units involves a high degree of risk and is suitable only for persons of substantial financial means who have no need for liquidity in their investment. Our Units are only suitable for those who desire a relatively long-term investment for which they do not need liquidity until the anticipated return on investment as set forth in this Memorandum. The offer, offer for sale, and sale of our Units is intended to be exempt from the registration requirements of the Securities Act pursuant to Regulation D promulgated thereunder and is intended to be exempt from the registration requirements of applicable state securities laws as a federally covered security. Our offering of the Units will be conducted in reliance upon exemptions contained in the Securities Act and in the various state Securities Acts for transactions not involving a public offering. A subscriber must meet one (or more) of the investor suitability standards below to purchase Units. Fiduciaries must also meet one of these conditions. If the investment is a gift to a minor, the custodian or the donor must meet these conditions. For purposes of the net worth calculations below, net worth is the amount by which assets exceed liabilities, but excluding your house, home furnishings or automobile(s) among your assets. In the Subscription Agreement, a prospective Investor will have to confirm satisfaction of these minimum standards:

- (1) Each Investor must have the ability to bear the economic risks of investing in the Units.
- (2) Each Investor must have sufficient knowledge and experience in financial, business or investment matters to evaluate the merits and risks of the investment.
- (3) Each Investor must represent and warrant that the Units to be purchased are being acquired for investment and not with a view to distribution.
- (4) Each Investor will make other representations to us in connection with purchase of the Units, including representations concerning the Investor's degree of sophistication, access to information concerning the Company, and ability to bear the economic risk of the investment.

### **REDEMPTIONS:**

**Investor/Member Redemptions.** Member may request by written notice to the Manager (the "Redemption Notice") to redeem some or all of their Membership Units after the initial 12 month period commencing on the date their original investment was accepted by the Company (such 12 month period, the "Lockup Period"). "Redemption Amount" means, as to Units that are being redeemed, the amount equal to the original amount paid by the Investor for such Unit plus any unpaid Preferred Return with respect to the Units being redeemed calculated through the end of the calendar quarter immediately preceding the Redemption Payment Date as defined. The Redemption in question shall be effective 105 days after receipt by the Manager of the Redemption Notice and the actual date of redemption and payment of the Redemption Amount will be the last Business Day of the calendar quarter following such 105 day period (and/or at such other times and in such other amounts with the consent of, and upon such terms of payment as may be approved by the Manager in its discretion) (such date of actual Redemption, the "Redemption Payment Date").

**Payments.** Subject to the Redemption Limitation paragraph described below and subject to availability of cash after taking into account cash reserves that must be maintained by the Company for operating costs, financing of receivables and other requirements as determined by the Manager, the applicable Redemption Amount will be paid to the Member within 45 days after the end of the applicable quarter as provided for above Reserves.

**Redemption Limitation.** If a Member or Members in any 45-day period (the "Redemption Period") seeks to redeem (a "redemption request") Units which will collectively equate to an aggregate redemption amount representing in aggregate 25% or more of the "Net Average Value of the Receivables" (i.e. 25% of the estimated amount of the uncollected balance of the receivables that are owned or financed by the Company the last day of such 45 period, as determined in the sole discretion of the Manager as of the last date of the applicable Redemption Period, (the "Redemption Limitation Amount"), the Manager shall ratably reduce all redemption requests to 25% of the number of Membership Units then subject the Redemption requests, and in no event shall the aggregate amount of all redemption requests made in a Redemption Period exceed such Redemption Limitation Amount; provided, however, that notwithstanding the provisions of this paragraph, if in the sole determination of the Manager after taking into account the anticipated cash flow of the Company and anticipated or further redemption requests made after the end of the Redemption Period in question, the Manager in its sole and absolute discretion, may increase or decrease the Redemption Limitation Amount with respect to redemption requests made in any Redemption Period. Except as provided above, or as to the below paragraph entitled Required Redemption, in no event shall a Member have the right to redeem their Units (except as expressly for in the Operating Agreement, as summarized in this Offering).

**Required Redemptions.** The Manager may, in its sole and absolute discretion, require a member/Investor to redeem all or any amount of his/her Membership units if they consider such a withdrawal to be in the best interest of the Company or for any other reason or no reason at all. In such an event, the Manager will give at least five days' written notice to the Member specifying the date of redemption. As soon as practicable thereafter, the redeeming Member will receive payment of the applicable Redemption Amount with the Preferred Return determined through the calendar quarter immediately preceding the date of such payment.

**Leverage.** The Company does not intend to borrow money to increase amounts deployed to create accounts receivable assets or other investment purposes, nor does the Company reserve such a right.

**Taxation.** The Company is a pass-through entity and has elected to be a partnership for tax purposes.

**Risks.** An investment in the Units of the Company is subject to risk, including general investment risk, the performance of the Company manager, the Company's narrow focus, portfolio concentration, conflicts of interest and the semi-illiquid nature of the Units.

**Reports.** Each member will receive within 120 days after the end of the calendar year, as applicable, a quarterly annual financial statement.

**Transferability.** As a member, you may not assign or transfer your Units without the Manager's consent. Transfers of Membership Units are restricted in the Operating Agreement and Agreement and by applicable law, including compliance with ERISA and federal and state securities laws.

**Conflicts of Interest.** Because of the Manager's and its affiliates role as underwriter and portfolio administrator for this Company, and the Class A Member's affiliation with the Manager, the terms of the Operating Agreement and contracts entered into and to be entered into between the Company and its vendors, such as IPM who are affiliates of the Manager or the Class A Member, were not the result of arm's length negotiation.

## USE OF INVESTOR PROCEEDS USE OF PROCEEDS:

The use of proceeds, assuming \$10,000,000 is raised in this Offering, is described in the box below, where \$7,800,000<sup>1</sup> or 78%<sup>1</sup> of the invested funds are used to purchase Medical Receivables from a Medical Service Provider (each a MSP) equal to approximately \$30,000,000 in face value of the Medical Receivables that were billed by the MSP.

SOURCE/USE OF FUNDS	ASSUME \$10M RAISED	% OF \$ RAISED	FACE AMOUNT OF MEDICAL RECEIVABLES PURCHASED
GROSS OFFERING PROCEEDS	\$10,000,000.00	100%	
FUND STARTUP/ORG COSTS	\$400,000.00	4%	1.33%
DILIGENCE & UNDERWRITING	\$400,000.00	4%	1.33%
PORTFOLIO ADMIN (IPM) (*3)	\$1,400,000.00	14.00%	4.55%
CAPITAL ADVANCES TO PURCHASE PORTFOLIOS (INCLUDING CASH BUFFER)	\$7,800,000.00	78%	26%
TOTAL	\$10,000,000.00	100%	33%

(\*1) These costs include, without limitation, attorneys' fees, accounting fees, other professional expenses and expenses in connection with preparing this offering and the making of the contemplated purchase of Medical Claims and entering into agreements with the vendors and estimated cost for state income taxes payable by the Company and costs to retain an outside CPA to prepare and file tax returns and to prepare of the financial statements of the Company for the life of the project.

(\*3.) This fee is 14% of the capital advanced from Investor funds to purchase or finance accounts receivable (so initially as to the funds raised in this Offering. However, to the extent any fees are paid to the Broker, such fees payable to IPM for Portfolio Administrator services will be reduced by such fees paid to Broker. Reimbursement for Organization and Operations: 4% of the amount of the Company's total invested capital will be used for organizational and ongoing business operational costs. These monies will stay within the Company as and when Investor monies are accepted by the Company and are non-refundable.

Diligence & Underwriting: 4% of the amount of the Company's total invested capital will be used for investigative, diligence, underwriting, processing, verification, and portfolio risk mitigation/evaluation costs which will be ongoing until the receivables are fully collected or sold. These monies will be paid to IPM as and when Investor monies are accepted by the Company and are non-refundable.

Portfolio Administrator: The Portfolio Administrative Fee ("PAD") is a non-refundable fee paid to IPM and is equal to 14% of the amount of funds raised by the Company in this Offering; provided, however, that as and when any fees are paid to the Broker, such PAD Fee shall be reduced by the amount of such fees paid to the Broker. For example, if an Investor purchases a Units in the sum of \$100,000 through the efforts of the Broker, the Broker will be paid \$7000 and IPM shall receive a PAD fee equal to \$14,000 less \$7000 = \$7000. The PAD shall not apply as to any reinvestments by Investors of any Preferred Return.

The PAD is for IPM to provide all reasonably necessary services to service, monitor and collect all proceeds from medical accounts receivables (but excluding outside legal fees that may be incurred in connection with such collection efforts and enforcement of the Company's rights with respect to its financing and purchasing of medical accounts receivable, which costs shall be paid by the Company) from the time the specified receivables are determined to be purchased or financed until the earlier of (a) disposition of all medical receivables by the Company; or (b) the date the Company dissolves. The PAD is not refundable (although the Company has the right to terminate IPM if it fails to provide the required services after applicable notice and cure periods as provided or in its agreement with the Company). IPM's responsibilities will include being responsible for costs associated with sourcing and processing the portfolio asset acquisition/financing and documentation relating to the account receivable assets. Such PAD is paid as to each purchase of Units, on the later of when the funds from the Investor is received by the Company and the Company's acceptance of the Investor's subscription agreement to purchase the Units in question. Capital Advanced to Purchase/Finance Assets: 78% of the amount of the Company's total invested capital from the initial sale of Class B Units under this Offering will be used in consideration for the acquisition/financing account receivable assets from the Medical Service Provider, the Lien, and/or the underlying security.

#### **MEDICAL SERVICE PROVIDER (MSP) PURCHASE TERMS:**

With respect to each dollar (\$1.00) invested in the Company, the Company will purchase approximately \$3.00 (based on billed value) of designated claims and related receivables against insurance companies as selected by Company's vendor, Injury Pro Management, LLC ("IPM") (such designated claims and related receivables, sometimes referred to herein as "receivables" or the "Designated Claim"); provided, however, that the Manager may, in its discretion, purchase or finance Designated Claims at a discount to the face value of the Designated Claim that is more or less than 1/3. The billing and collection and settlement of all the Designated Claims will be handled on behalf of the Company by the designated vendors of the Company including the Billing and Collection Vendor (as defined herein).

Each receivable financed by the Company will be securitized using the most regulatory effective combination of documentation to evidence ownership or secured creditor position, as applicable, standing and/or collectability by the Company and/or its vendors at a minimum:

- (1) Purchase agreement
- (2) Proof of payment
- (3) Assignment of Benefits
- (4) Letter of Protection
- (5) Form 1500/UB-40
- (6) Patient ledger
- (7) Audit documentation (MSP/Patient/Treatment/Documentation)

Depository Accounts: All bank accounts as to the Company are currently and projected to remain housed with Mercury Bank or such other FDIC insured bank as determined by the Manager from time to time. Administrative fees: The PAD fee, as described above, is paid to Injury Pro Management LLC, a Nevada limited liability company, an affiliate of the Manager as to each investment made by each Investor as to Units under this Offering (less any fees paid to the Broker as to such Investor as described above).. The Company's estimate of the potential collections from the Designated Claims that would be payable to the Company on the purchase are described in Exhibit C attached hereto. (1) Such estimates are subject to various assumptions as described in Exhibit C. (2) There can be no assurance that the assumptions are correct or that the projections accurately predict future events or performance. (3) No independent auditor has examined, compiled or performed audit procedures for these projections.

#### **RESTRICTIVE LEGEND ON MEMBERSHIP CERTIFICATE:**

If we decide to issue membership certificates, we will place restrictive legends on your membership certificate or any other document evidencing ownership of our Units. The language of the legend will be like the following:

THE TRANSFERABILITY OF THE MEMBERSHIP UNITS REPRESENTED BY THIS CERTIFICATE IS RESTRICTED. SUCH UNITS MAY NOT BE SOLD, ASSIGNED, OR TRANSFERRED, AND NO ASSIGNEE, VENDEE, TRANSFEREE OR ENDORSEE THEREOF WILL BE RECOGNIZED AS HAVING ACQUIRED ANY SUCH UNITS FOR ANY PURPOSES, UNLESS AND TO THE EXTENT SUCH SALE, TRANSFER, HYPOTHECATION, OR ASSIGNMENT IS PERMITTED BY, AND IS COMPLETED IN STRICT ACCORDANCE WITH, APPLICABLE FEDERAL AND STATE LAW AND THE TERMS AND CONDITIONS SET FORTH IN THE OPERATING AGREEMENT OF INJURY PRO MANAGEMENT FUND X LLC AS AMENDED FROM TIME TO TIME. THE SECURITIES REPRESENTED BY THIS CERTIFICATE MAY NOT BE SOLD, OFFERED FOR SALE OR TRANSFERRED IN THE ABSENCE OF AN EFFECTIVE REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND UNDER APPLICABLE STATE SECURITIES LAWS, OR AN OPINION OF COUNSEL SATISFACTORY TO INJURY PRO MANAGEMENT FUND X LLC THAT SUCH TRANSACTION IS EXEMPT FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND UNDER APPLICABLE STATE SECURITIES LAWS.

#### **SUMMARY OF OPERATING AGREEMENT:**

The following is a summary of our Operating Agreement and is qualified in its entirety by the terms of our Operating Agreement itself. You are urged to read our entire Operating Agreement, a copy of which is attached hereto as Exhibit B. By participating in the Offering, the Investor shall become a Member of the Company and shall be bound by the terms of the Operating Agreement.

#### **CAPITALIZATION: BUSINESS PURPOSE**

We are authorized to issue up to 100 Class B Units and 150 Class A Units subject to the right of the Manager in its sole and absolute discretion to increase the size of the Offering and to sell additional Class B Units.

Class A Membership Units: Injury Pro Capital Inc, a Nevada limited corporation and an affiliate of the Manager shall hold Class A Units which shall each be entitled to one vote per Class A Unit with respect to all matters on which Members are entitled to vote. The Class A Members shall receive each quarter all profits (and related distributions of cash), from the Company that are in excess of the Preferred Return payable to the Class B Members (i.e., 15% return per annum and 3.75% per quarter on amount invested by such Class B Member as to their respective Units). The Class A Members shall re-invest such cash distributions into the Company and the Company shall use such cash to purchase additional medical accounts receivables if practical in the sole and absolute discretion of the Manager. After (a) repayment of all of the Class B Member's Preferred Returns and (b) the return of their original investments (plus the return of any further reinvestments of capital made by a Class B Member as to any Preferred Returns paid to such Class B Member), such Class B Member's Units shall be considered fully redeemed by the Company. After all of the Class B Members' Units are fully redeemed, all profits and related distributions shall be allocated and made solely to the Class A Member, and all remaining cash and all remaining assets of the Company shall be distributed to the Class A Members upon the dissolution or liquidation of the Company.

**Class B Membership Units:** The Class B Units Membership subscribers will be entitled to an annualized fixed 15% per annum return (i.e., 15% of the amount of the Member's purchase paid for his Units) (referred to in this Offering as "Preferred Return"), paid quarterly, and will have no voting rights. Except for the rights to receive the Preferred Return and return of capital and reinvested Preferred Returns, the Class B Member shall have no rights, such as rights to profits or distributions, with respect to the Company and its profits and assets.

Each Class B Member may elect in writing within 105 days prior to the end of each calendar quarter, to have their cash distributions that are paid with respect to payments of Preferred Returns reinvested by the Company for additional purchases of Designated Claims and in such case the Class B Member shall not receive any additional Units. However, such reinvested monies will also earn the Preferred Return and be considered part of the purchase price for the Class B Units that are subject to redemption, as provided for herein.

As described above, any profits of the Company in excess of such Preferred Return per annum shall be allocated to and the available cash related to such profits shall be distributed solely to the Class A Member except, as provided for elsewhere in this Offering, any such distributions of cash shall be reinvested in the Company so the Company can purchase receivables, and the Class A Member shall not receive any additional Class A Units.

The Manager may, at its sole discretion, elect to sell fractional units of ownership in the Company. The sale of fractional units shall be subject to the terms and conditions outlined in this Agreement, including any applicable securities laws and regulations.

The Manager may, at its sole discretion, accept additional investments in excess of the initial offering maximum amount referenced in the offering memorandum. Such additional investments shall be subject to the terms and conditions outlined in this Agreement, and the Manager shall have the right to amend this offering memorandum as necessary to reflect the acceptance of additional investments. Subject to available cash, the Investors' Class B Units shall be redeemed in full upon the earlier of 60 months after the date the Offering has terminated or when all Investors have received back in the form of distributions: their initial investment, any monies from Preferred Returns paid to them that they elected to reinvest in the Company, and any unpaid Preferred Returns.

**Business Purpose:** The business purpose of the Company is to finance medical account receivables in one or more series of purchases or financings of Designated Claims using cash from initial investments by the Class B Members plus excess cash flow from collections from such receivables after Investors have first received their fixed Preferred Return.

#### **RIGHTS AND LIABILITIES OF INVESTORS:**

Only the Class A Units have voting rights. The rights, duties and powers of Investors are governed by our Operating Agreement and by the Act, and the discussion herein of such rights, duties and powers is qualified in its entirety by reference to our Operating Agreement and the Act. Persons who become Investors in the manner set forth in this Memorandum will not be responsible for our obligations and will be liable only to the extent of their agreed upon capital contributions. Investors may be liable for any return of capital plus interest, if necessary, to discharge liabilities existing at the time of such a return. Any cash distributed to Investors may constitute, wholly or in part, return of capital.

#### **CAPITAL CONTRIBUTIONS:**

The minimum number of Units that must be purchased by any single Investor is one (1) at a price per Unit of \$100,000. Fractional Units may be sold at the discretion of the Manager.

#### **RIGHTS, POWERS, AND DUTIES OF THE MANAGER:**

Subject to the right of our Class A Unit holders to vote on specified matters, our Manager will have complete charge of our business. Our Manager is not required to devote full time to our affairs but only such time as is required for the conduct of our business. In addition, our Manager is granted a special power of attorney from each Investor for the purpose of executing the documents that the Investors have expressly agreed to execute and deliver or that are required to be executed, delivered or filed under applicable law. The Manager may also retain vendors to administer, bill, service and collect and otherwise adjudicate the Designated Claims on behalf of the seller and collect legal, accounting, tax, financial and all other advisors at his discretion. The Manager is InjuryPro Services LLC, a Nevada limited liability company. The Manager shall be elected by those Members holding a majority of the Class A Units. The Manager shall remain so until its resignation or dissolution or liquidation, or until replaced by vote of the Class A Members. In the event of the resignation or removal of a Manager, a new Manager shall be selected by vote of the Class A Members, at their sole discretion.

#### **ALLOCATION AND DISTRIBUTIONS:**

The Company's profits and distributions cash available for (but limited as to profits and distributions to the Preferred Return plus applicable redemptions) shall be allocated and distributed to the Class B Members in proportion to their ownership of Units. After such distributions have been made to the Class B Members, any remaining profits shall be allocated to the Class A Members and any remaining available cash (after payments of liabilities of the Company) shall be used by the Company to reserve or retain or used by the Company to purchase additional medical accounts receivable.

#### **BUSINESS AND ECONOMIC GOAL:**

A key business goal is to increase the available cash flow of the Company over time by regularly purchasing/financing additional medical accounts receivable from the available cash that is derived from the profits of the Company (i.e. the profits allocable to the Class A Members which generally is all of the profits in excess of the Preferred Returns, plus all Preferred Returns to the extent such Class B Members elect to reinvest such Preferred Returns in the Company.) Over time, it is projected that the cash flow from such increasing pool of medical accounts receivable will allow the Company to achieve its goals of achieving the following over a 60 month period as to each Investor: paying the Investors their original investment plus all reinvestments of Preferred Returns, plus all accrued Preferred Return.

#### **MEETINGS:**

We do not plan to have meetings of the Members. We may have a special telephonic meeting of Members at any time at the request of the Manager or the holders of more than 50% of either the Class A Units or, to the extent required by applicable law, the Class B Units. Any such request must state the purpose or purposes of such meeting and the matters proposed to be acted on at the special meeting. Notices will be sent to Members of the time and telephone number of any special meeting of Members.

#### **ACCOUNTING AND REPORTS:**

Our Manager will prepare a quarterly and annual report on operations, which will be furnished to our Members within 75 days of the close of the year covered by the report. Members will be furnished such detailed information as is reasonably necessary to enable them to complete their own tax returns within 75 days after the end of the year.

**TAX RETURNS AND TAX INFORMATION:**

Annually, the Manager will file an informational return, using IRS Form 1065. In addition, the Manager will annually provide each Member a Schedule K-1 report. Each Member will report this income or loss along with their other taxable income. The tax liability incurred by each Member will depend on their individual marginal tax rates for both State and Federal tax. The Manager will attempt to provide the annual tax information to the Members by March 1 of each year.

**AMENDMENT OF OUR OPERATING AGREEMENT:**

Our Operating Agreement may be amended only by the Class A Members upon the vote of Class A Members holding more than 50% of the outstanding Class A Units; provided, however, that no amendment may increase the rights of the Class A Members or, unless approved by more than 50% of the holders of Class B Units, decrease the rights of the Class B Members.

**LIMITATIONS ON TRANSFERABILITY:**

Our Operating Agreement places substantial limitations on the transferability of our Units. Generally, your Units may not be voluntarily transferred or assigned. We urge you to read the Operating Agreement in order to understand completely these numerous restrictions.

**WINDING UP:**

Upon our dissolution, our Manager will wind up our affairs and liquidate our remaining assets as promptly as is practical and without an obligation or duty to obtain or attempt to obtain the fair market value of such remaining assets. All the funds received by us will be applied and promptly distributed in accordance with our Operating Agreement. Provided the Class B Members have first received back their invested capital (including reinvestments of any Preferred Returns that were previously distributed to the Class B Members) and all accrued and unpaid Preferred Returns, all remaining assets after payment of any liabilities of the Company shall be distributed solely to the Class A Members.

**ELECTION TO DISSOLVE:**

The Company's Manager may, upon approval of the Class A Member, elect to dissolve and windup the Company at any time after the later of the date that is 12 months from the date of this Memorandum or at such time as the Company is able to return to the Class B Members their respective original investments (plus any reinvestments of any Preferred Returns) made by each Class B Member plus their Preferred Return through the calendar month immediately preceding the date of such election to dissolve.

**FEDERAL AND STATE INCOME TAX CONSEQUENCES:**

This Memorandum does not address any tax considerations that may be relevant to you. You are urged to consult your own tax advisors as to the specific tax consequences of purchasing, owning and disposing of an interest in the Company, including any federal, state or local tax consideration. WE URGE YOU TO CONSULT AND RELY UPON YOUR OWN TAX ADVISOR WITH RESPECT TO YOUR OWN TAX SITUATION, POTENTIAL CHANGES IN APPLICABLE LAWS AND REGULATIONS AND THE FEDERAL AND STATE CONSEQUENCES ARISING FROM AN INVESTMENT IN OUR UNITS. THE COST OF THE CONSULTATION COULD, DEPENDING ON THE AMOUNT CHARGED TO YOU, DECREASE ANY RETURN ANTICIPATED ON YOUR INVESTMENT. NOTHING IN THIS MEMORANDUM IS OR SHOULD BE CONSTRUED AS LEGAL OR TAX ADVICE TO ANY SPECIFIC INVESTOR, AS INDIVIDUAL CIRCUMSTANCES MAY VARY. THIS FEDERAL INCOME TAX CONSEQUENCES SECTION OF THIS MEMORANDUM ONLY PROVIDES THE CURRENT STATE OF TAX LAWS. YOU SHOULD BE AWARE THAT THE INTERNAL REVENUE SERVICE MAY NOT AGREE WITH ALL TAX POSITIONS TAKEN BY US AND THAT LEGISLATIVE, ADMINISTRATIVE OR COURT DECISIONS MAY REDUCE OR ELIMINATE YOUR ANTICIPATED TAX BENEFITS.

## **SUBSCRIPTION PROCEDURES:**

Each prospective Investor is required to do the following to subscribe for Unit(s):

1. Complete and sign a copy of the Subscription Agreement in the form attached hereto as Exhibit A and Exhibit A (i) and return it as directed in the Subscription Agreement. By subscribing to Units in this Offering and executing the Subscription Agreement, you shall, upon acceptance of the subscription by the Company, become a member of the Company and become subject to the Operating Agreement.
2. Deliver payment by check or wire transfer made pursuant to the instructions as set forth in the Subscription Agreement in the applicable amount for the Unit(s) purchased, which payment will be deposited in our operating account upon acceptance of the subscription. If a subscription is not accepted, subscription funds will be promptly returned to the subscriber, without interest or deduction.
3. Provide such documents and information as may be requested by the Company to complete a verification of accredited investor status or provide evidence of accreditation from a third party in accordance with Rule 506(b)(c).

## **STATEMENTS TO INDEMNIFICATION:**

Our Operating Agreement provides for indemnification of managers and officers under certain circumstances, which could include liabilities relating to securities laws. The SEC mandates the following disclosure of its position on indemnification for liabilities under the federal securities laws: Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers or persons controlling an issuer, the Company has been informed that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is therefore unenforceable.

The Company has agreed to indemnify the Broker and its affiliates and their respective officers, directors, agents, and employees (each a "Broker Party") as follows pursuant to its engagement agreement with the Broker. (a) With respect to any action taken by the Broker to deny or oppose the transaction with regard to any prospective Purchaser (an "investor") if Broker, in its sole discretion, believes or has reason to believe that the investment is unsuitable for the investor, or if Broker believes or has reason to believe that the investor violated or may violate securities or anti-money laundering laws. (b) any investigation, claim, action, or proceeding ("Action") brought by a Purchaser, court, regulator, or self-regulatory organization asserting jurisdiction over the Broker or by any other party against any Broker Party if such Action relates to the Issuer, any affiliate of Issuer, the Units, the Offering, the marketing and advertising thereof, handling of Purchaser information by the Company or that results from any action, inaction, omission, misstatement, or statement of Issuer or on Issuer's behalf (other than any misstatement or statement about DEALMAKER provided by DEALMAKER); and (c) expenses, fees (including reasonable attorney's fees and other legal expenses), losses, claims, damages, demands, liabilities, judgments incurred by the DEALMAKER Indemnified Parties arising out of, or related to, Actions.

## **COMPENSATION OF MANAGER:**

- (1) The Company shall not pay any compensation to the Manager to serve as Manager or to perform day to-day operations.
- (2) The Manager will be entitled to reimbursement for all expenses reasonably incurred in connection with operating the business of the Company.

## OWNERSHIP OF SECURITIES ONLY FOR CLASS A MEMBERS:

The following table sets forth as of the date of this Memorandum, the number of outstanding Units beneficially owned by an affiliate of the Manager:

OWNER	# OF UNITS HELD PRIOR TO OFFERING	% OF UNITS OF THE CLASS # OF UNITS IN THE CLASS PRIOR OFFERING	# OF UNITS IN THE CLASS PRIOR OFFERING INJURY PRO CAPITAL INC 150 CLASS A UNITS 100% TO AFTER PLACEMENT	% OF UNITS IN QUESTION AFTER THE OFFERING
INJURY PRO CAPITAL INC.	150 CLASS A UNITS	100%	150 (1)	100% OF CLASS A UNITS
NEW CLASS B INVESTOR	-0-	0%	100 (1)	100% OF CLASS B UNITS
TOTAL	150	100%	250	100%

(1) Based on 150 Class A Units outstanding before the Offering and a total of 100 Class B Units outstanding after the Offering (assuming all 100 Units are sold in the Offering).

## DESCRIPTION OF UNITS:

An Investor in the Company is both a holder of Units and a member of the limited liability company at the time of acceptance of the investment (a "Member"). We have 2 classes of Units:

- (1) Class A Units and
- (2) Class B Units

Except as otherwise provided for in the Operating Agreement and as summarized herein, Members shall be subject to the terms and conditions of our Operating Agreement described herein and attached hereto as Exhibit B. An Investor must sign the Subscription Agreement on the form attached as Exhibit A in order to invest in the Offering, under which the Investor will agree to be bound, as a Member, by the terms of the Operating Agreement.

## UNITS, ORGANIZATION AND MANAGEMENT:

Our equity ownership is divided into Class A Units and Class B Units of limited liability company interests with such rights as described in the DESCRIPTION OF UNITS Section of this Offering. Class A Units. The Class A Units are the only Units with voting rights and are owned by our We maintain a membership register at our principal office setting forth the name, address, capital contribution and number of Units held by each Member. We have elected to organize as a limited liability company rather than a corporation because we wish to qualify for partnership tax treatment for Federal and state income tax purposes with our earnings or losses passing through to our members and subject to taxation at the member level. See "Federal and State Income Tax Consequences" on page 51. As a Member, an Investor will be entitled to certain economic rights, such as the right to the distributions that accompany the Units. Our business and affairs and the respective rights and obligations of the members are governed by our Operating Agreement.

Except as otherwise specifically provided herein, no Member, other than the Manager, shall have any voice in, or take any part in, the management of our business, nor any authority or power to act on our behalf in any manner whatsoever. In the event of the resignation, removal or liquidation of a Manager, a new Manager shall be selected by vote of the Class A Members entitled to elect such Manager, at their sole discretion. All acts of a Manager within the scope of the Manager's authority shall bind the Company. Decisions regarding our day-to-day operations shall be vested in the Manager. Generally, the Manager shall have the right, power and authority on our behalf, and in our name, to exercise all of the rights, power and authority which may be possessed by Manager pursuant to applicable Nevada law including, but not limited to, the borrowing of funds and the pledging of our assets to secure our debts.

**OPERATING AGREEMENT; MANAGER OF COMPANY:**

The Company is operated pursuant to a limited liability company agreement, which is attached hereto as Exhibit B (the "Operating Agreement"). Any references to the Operating Agreement in this Memorandum do not purport to be a complete statement and are qualified in their entirety by reference to the complete Operating Agreement. A summary of the provisions of the Operating Agreement is described beginning on page 56 herein. Our business and operations will be managed by the Manager, the Investors shall have no control over or vote as to any decisions made by the Company or our Manager.

**MANAGER COMPENSATION:**

The Company is operated pursuant to a limited liability company agreement, which is attached hereto as Exhibit B (the "Operating Agreement"). Any references to the Operating Agreement in this Memorandum do not purport to be a complete statement and are qualified in their entirety by reference to the complete Operating Agreement. A summary of the provisions of the Operating Agreement is described beginning on page 56 herein. Our business and operations will be managed by the Manager, the Investors shall have no control over or vote as to any decisions made by the Company or our Manager.

**RETAINING VENDORS TO BILL, ADMINISTER, SERVICE AND COLLECT THE DESIGNATED CLAIMS ON BEHALF OF THE SELLER:**

The Manager of the Company will retain several vendors to perform due diligence/investigation, procure, process, underwrite, service, bill/collect and portfolio administration of the various operational activities of the Company to create the highest level of securitization and profitability. This is further summarized below. Document Auditor: Injury Pro Management LLC, a Nevada limited liability company ("IPM") (the "Documentation Administrator"), as one of the Company's primary vendors shall:

- (1) verify that the prescribing doctor or clinic is properly licensed and in good standing at the time of placement of the order with seller,
- (2) that the case is active and has not been dismissed or settled,
- (3) that the billed amount of the receivable is the amount authorized and/or approved CPT codes, and
- (4) prior to the funding, review each proposed Designated Claim and file on behalf of the Company to verify the presence of all claim documentation that collectively constitutes an eligible receivable and

(5) coordinate and arrange to secure any additional documentation that may be required during the claim adjudication process from the ordering doctor or clinic. Portfolio Administrator: Injury Pro X LLC (the "Portfolio Administrator"), shall be the authorized Portfolio Administrator on behalf of the Company, to

(1) review the week prior to the funding of the purchase

(2) review and coordinate the Deposit Account and transfer of monies to the Company from the Deposit Account, and

(3) oversee the performance of all contracted portfolio third-party services, including but not limited to, collections, documentation services on behalf of seller.

#### **DISSOLUTION OF THE COMPANY:**

The Manager may elect to dissolve the Company and distribute all the assets to the Class A Members as determined by the Manager without obtaining an appraisal of such assets value and without any obligations to use commercially reasonable efforts to sell the assets, on the earlier of (i) when the Class B Members have received over the course of time cash distributions, equal to the original investment made by the Class B Member, the amount of any reinvestments of Preferred Return, less any amounts paid to the Class B Member as to early redemptions, plus all applicable Preferred Returns. By way of clarification, and as further described below, on a quarterly basis, the Class A Members who shall be allocated any profits and related cash of the Company in excess of the Preferred Return to the extent it can be distributed to the Class A Member who shall reinvest such distributions into the Company shall use such cash to purchase Medical Receivables if available for purchase.

#### **DESCRIPTION OF UNITS: RIGHTS OF HOLDERS OF UNITS:**

**Class A Units.** The Class A Units are the only Units with voting rights and are owned by the Manager. The Class A Units have distribution and liquidation rights as described above. No Class A Units are being offered in this Offering. **Class B Units.** The Class B Units: (i) are non-voting, (ii) have their right to receive on a quarterly basis the Preferred Return and such other rights as described above.

(1) Offering Price: \$100,000 per Unit

(2) Maximum Offering: \$10,000,000 (100 Units)

(3) Minimum Offering: \$500,000

The Units will be offered to individuals or entities (the "Investors") who qualify as "accredited investors" as defined in Rule 501 of Regulation D ("Regulation D") promulgated under the Securities Act of 1933, as amended (the "Securities Act") Nevertheless, after the closing of the Offering and anytime thereafter, we shall be limited to no more than 100 Investors such that we comply with the section 3(c)(1) exemption of the Investment Company Act of 1940. The Manager may, at its sole discretion, elect to sell fractional units of ownership in the company. The sale of fractional units shall be subject to the terms and conditions outlined in this Agreement, including any applicable securities laws and regulations. The Manager may, at its sole discretion, accept additional investments in excess of the initial offering maximum amount referenced in the offering memorandum. Such additional investments shall be subject to the terms and conditions outlined in this Agreement, and the Manager shall have the right to amend the offering memorandum as necessary to reflect the acceptance of additional investments.

**Offering Period:**

The Offering of Units will terminate upon the earlier of: (a) the sale of all of the Units, or (b) the termination date which shall be twenty-four months from the date of this Memorandum, unless otherwise extended by the Company, which we may do in our sole discretion.

**Distribution of Units:**

We intend to offer the Units for sale directly to Investors privately pursuant to Regulation D as promulgated by the Securities and Exchange Commission (the "SEC") under the Securities Act. Subscribers shall execute subscription documents provided with this Memorandum in which they represent that the purchase of the Units is being made for investment purposes with no intent to resell.

**Use of Proceeds from this Offering:**

We intend to use the proceeds from this Offering for: (i) the funding of purchasing/financing of medical accounts receivables from medical providers, (ii) professional and vendor fees incurred, and (iii) reserve for anticipated legal and accounting and tax expenses. See "Use of Investor Proceeds" on page 52. Securities Outstanding Before the Offering: 150 Class A Units owned by Injury Pro Capital Inc.

**Securities Outstanding After Offering:** 150 Class A Units as referenced above and up to 100 Class B Units (assuming the sale in this Offering of all 100 Class B Units).

**Restrictions on Transfer:**

The Units will be restricted as to transferability under state and federal laws regulating securities. The offer of the Units has not been registered under the Securities Act, or any other similar state statutes in reliance upon exemptions from the registration requirements contained therein. Accordingly, the Units will be "restricted securities" as defined in Rule 144 of the Securities Act. As "restricted securities," an Investor must hold them indefinitely and may not dispose or otherwise sell them without registration under the Securities Act and any applicable state securities laws unless exemptions from registrations are available. Moreover, in the event an Investor desires to sell or otherwise dispose of any of the Units, the Investor will be required to furnish us with an opinion of counsel acceptable to us that the transfer would not violate the registration requirements of the Securities Act or applicable state securities laws. The Units are further restricted as to transferability pursuant to our Operating Agreement, as described throughout in this Memorandum. An Investor shall sign the Subscription Agreement together with the investor questionnaire attached thereto, all in the form attached as Exhibit A, under which the Investor will agree to be bound, as a Member, by the terms of the Operating Agreement.

**Expenses:**

All proposed purchasers of the Units would be responsible for their own costs, fees, and expenses, including the costs, fees and expenses of their counsel and other advisors. The purchasers of the Units will be required to indemnify the Company for any finder's fees for which such purchasers may be responsible.

**Risk Factors:**

AN INVESTMENT IN THE UNITS THAT ARE THE SUBJECT OF THE MEMORANDUM IS HIGHLY SPECULATIVE AND INVOLVES A HIGH DEGREE OF RISK. INVESTORS SHOULD BE ABLE TO WITHSTAND THE TOTAL LOSS OF THEIR ENTIRE INVESTMENT IN THE UNITS. PROSPECTIVE PURCHASERS SHOULD CAREFULLY REVIEW THE INFORMATION SET FORTH UNDER "RISK FACTORS" AS WELL AS OTHER INFORMATION CONTAINED IN THIS MEMORANDUM. THERE CAN BE NO ASSURANCE THAT THE COMPANY'S OBJECTIVES CAN BE ACHIEVED.

Financial Projections as to Amount Potentially Collectible from insurance settlements on Personal Injury Claims Require Caution. Investors are urged to consider that the financial projections discussed in this Memorandum as to the projected collections received by the Company from Designated Claims (see Exhibit C attached hereto), assumes that the Company is able to utilize available cash to purchase medical accounts receivable that meet the Company's criteria, assume a certain amount of each Designated Claim would be collected and paid to the Company each period based on certain assumptions and projects described in such Exhibit C and assuming the full completion of this Offering. Such projections are not guarantees of future financial performance, nor should they be understood as such by Investors. Investors should be aware of the inherent inaccuracies of forecasting. Although the Manager has a reasonable basis for these projections and has provided them herewith in good faith, Investors may wish to consult independent market professionals about the Company's future performance and the performance of the purchases and financing of receivables.

**DISCLOSURE STATEMENT - INJURY PRO MANAGEMENT FUND X LLC THIS BRIEF STATEMENT CANNOT DISCLOSE ALL THE RISKS AND OTHER FACTORS NECESSARY TO EVALUATE YOUR PARTICIPATION IN THIS COMPANY. THEREFORE, BEFORE YOU DECIDE TO PARTICIPATE IN AN EQUITY INVESTMENT IN THIS COMPANY, YOU SHOULD CAREFULLY STUDY THIS DISCLOSURE DOCUMENT, INCLUDING A DISCUSSION OF THE CERTAIN RISK FACTORS OF THIS INVESTMENT.**