

## INVESTOR QUALIFICATIONS

Prospective investors should consider carefully each of the risks associated with this Offering, particularly those described in “Risk Factors.” In view of these risks, and the consequent long-term nature of any investment in us, this Offering is available only to investors who have substantial net worth and no need for liquidity in their investments. We, in reliance upon the criteria set forth in Rule 501(a) promulgated under the Securities Act, have established investor suitability standards for investors. Units will be sold only to an investor who:

- (a) represents that such investor is acquiring the Securities for such investor’s own account, for investment only not with a view to the resale or distribution thereof;
- (b) acknowledges that the right to transfer the Securities will be restricted by the Securities Act, applicable state securities laws and certain contractual restrictions, and that the investor’s ability to do so will be restricted by the absence of an active market for our Common Stock; and
- (c) represents that such investor qualifies as one or more of the following:
  - (1) a organization described in Section 501(c)(3) of the Internal Revenue Code, corporation, business trust, or partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of \$5,000,000;
  - (2) a 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;
  - (3) a natural person whose individual net worth, or joint net worth with that person’s spouse, at the time of his purchase exceeds \$1,000,000 (exclusive of principal residence);
  - (4) a natural person who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with that person’s spouse in excess of \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year;
  - (5) a trust with total asset in excess of \$5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii); or
  - (6) an entity in which all of the equity owners are accredited investors.

All investors must verify their Accredited Investor status. There are several ways to verify Accredited Investor status. Note that this list is not exhaustive and if a prospective investor cannot provide one of the following documents, we may be able to work with the prospective investor to verify Accredited Status in some other way:

### For Accredited Investors under the net worth standard:

- (i) One or more of the following types of documents dated within three months of investment:
  - a. For assets: bank statements, brokerage statements, and other statements of securities holdings, certificates of deposit, tax assessments, and appraisal reports issued by independent third parties;
  - b. For liabilities: a consumer report from at least one of the nationwide consumer reporting agencies; **and**
  - c. A written representation from the Investor that all liabilities necessary to determine net worth have been disclosed.

For Accredited Investors under the income standard:

- (i) Any IRS form that reports the investor's income for the two most recent years (e.g., Form W-2, Form 1099, Schedule K-1 to Form 1065; Form 1040); and
- (ii) A written representation from the investor that he, she, or it has a reasonable expectation of reaching the income level necessary to qualify as an Accredited Investor during the year of investment.

For any other Accredited Investor:

- (i) A written confirmation from one or more of the following persons or entities that such person or entity has taken reasonable steps within the prior three months to verify that the investor is an Accredited Investor:
  - a. A registered broker-dealer;
  - b. An SEC registered investment adviser;
  - c. An attorney in good standing in all jurisdictions where he or she is admitted to practice law; **or**
  - d. A CPA in good standing in the place of his or her residence or principal office.

**NOTE:** Where an individual Investor and his or her spouse are jointly qualifying for Accredited Investor status, any documents required above are required with respect to both the Investor and his or her spouse.

Investors will be required to make certain representations and to satisfy certain other standards of suitability and conditions, which are set forth in a Subscription Agreement (annexed hereto as Exhibit A) that must be executed by all investors in this Offering.

The suitability standards referred to above are minimum requirements; the satisfaction of such standards does not mean that investment in us is a suitable investment for an investor. In addition, we may revoke the offer made herein and refuse to sell any Securities to a prospective investor for any other reason whatsoever, even if such investor returns a Subscription Agreement containing appropriate representations, and verification documents