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FORM D

UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, D.C. 20549

OMB APPROVAL	
OMB Number:	3235-0076
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FORM D

SEC USE ONLY	
Prefix	Serial
DATE RECEIVED	



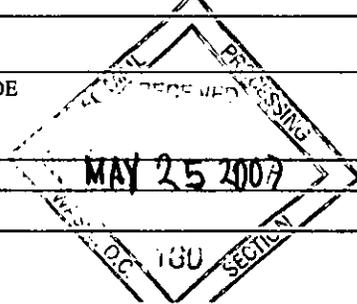
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NOTICE OF SALE OF SECURITIES PURSUANT TO REGULATION D, SECTION 4(6), AND/OR UNIFORM LIMITED OFFERING EXEMPTION

Name of Offering (check if this is an amendment and name has changed, and indicate change.)
Chaperon, LLC - Private Offering

Filing Under (Check box(es) that apply): Rule 504 Rule 505 Rule 506 Section 4(6) ULOE

Type of Filing: New Filing Amendment



A. BASIC IDENTIFICATION DATA

1. Enter the information requested about the issuer

Name of Issuer (check if this is an amendment and name has changed, and indicate change.)
Chaperon LLC

Address of Executive Offices 853 Trail Ridge Drive, Lovisville, CO 80027	(Number and Street, City, State, Zip Code)	Telephone Number (Including Area Code) 720-221-8628
Address of Principal Business Operations (if different from Executive Offices)	(Number and Street, City, State, Zip Code)	Telephone Number (Including Area Code)

PROCESSED

Brief Description of Business
Software security offerings

Type of Business Organization
 corporation limited partnership, already formed other (please specify **THOMSON FINANCIAL liability Company (Form-d)**)
 business trust limited partnership, to be formed

Actual or Estimated Date of Incorporation or Organization: 07 07 Actual Estimated

Jurisdiction of Incorporation or Organization: (Enter two-letter U.S. Postal Service abbreviation for State: CO)
 CN for Canada; FN for other foreign jurisdiction

GENERAL INSTRUCTIONS

Federal:
 Who Must File: All issuers making an offering of securities in reliance on an exemption under Regulation D or Section 4(6), 17 CFR 230.501 et seq. or 15 U.S.C. 77d(6).

When To File: A notice must be filed no later than 15 days after the first sale of securities in the offering. A notice is deemed filed with the U.S. Securities and Exchange Commission (SEC) on the earlier of the date it is received by the SEC at the address given below or, if received at that address after the date on which it is due, on the date it was mailed by United States registered or certified mail to that address.

Where To File: U.S. Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549.

Copies Required: Five (5) copies of this notice must be filed with the SEC, one of which must be manually signed. Any copies not manually signed must be photocopies of the manually signed copy or bear typed or printed signatures.

Information Required: A new filing must contain all information requested. Amendments need only report the name of the issuer and offering, any changes thereto, the information requested in Part C, and any material changes from the information previously supplied in Parts A and B. Part E and the Appendix need not be filed with the SEC.

Filing Fee: There is no federal filing fee.

State:
 This notice shall be used to indicate reliance on the Uniform Limited Offering Exemption (ULOE) for sales of securities in those states that have adopted ULOE and that have adopted this form. Issuers relying on ULOE must file a separate notice with the Securities Administrator in each state where sales are to be, or have been made. If a state requires the payment of a fee as a precondition to the claim for the exemption, a fee in the proper amount shall accompany this form. This notice shall be filed in the appropriate states in accordance with state law. The Appendix to the notice constitutes a part of this notice and must be completed.

ATTENTION

Failure to file notice in the appropriate states will not result in a loss of the federal exemption. Conversely, failure to file the appropriate federal notice will not result in a loss of an available state exemption unless such exemption is predicated on the filing of a federal notice.

A. BASIC IDENTIFICATION DATA

2. Enter the information requested for the following:

- Each promoter of the issuer, if the issuer has been organized within the past five years;
- Each beneficial owner having the power to vote or dispose, or direct the vote or disposition of, 10% or more of a class of equity securities of the issuer.
- Each executive officer and director of corporate issuers and of corporate general and managing partners of partnership issuers; and
- Each general and managing partner of partnership issuers.

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner

Ashif A. Dhanani
Full Name (Last name first, if individual)

853 Trail Ridge Dr. Louisville, CO 80027
Business or Residence Address (Number and Street, City, State, Zip Code)

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner

Full Name (Last name first, if individual).

Business or Residence Address (Number and Street, City, State, Zip Code)

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner

Full Name (Last name first, if individual)

Business or Residence Address (Number and Street, City, State, Zip Code)

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner

Full Name (Last name first, if individual)

Business or Residence Address (Number and Street, City, State, Zip Code)

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner

Full Name (Last name first, if individual)

Business or Residence Address (Number and Street, City, State, Zip Code)

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Full Name (Last name first, if individual)

Business or Residence Address (Number and Street, City, State, Zip Code)

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner

Full Name (Last name first, if individual)

Business or Residence Address (Number and Street, City, State, Zip Code)

(Use blank sheet, or copy and use additional copies of this sheet, as necessary)

B. INFORMATION ABOUT OFFERING

1. Has the issuer sold, or does the issuer intend to sell, to non-accredited investors in this offering? Yes No
Answer also in Appendix, Column 2, if filing under ULOE.
2. What is the minimum investment that will be accepted from any individual? \$ 5,000.00
3. Does the offering permit joint ownership of a single unit? Yes No
4. Enter the information requested for each person who has been or will be paid or given, directly or indirectly, any commission or similar remuneration for solicitation of purchasers in connection with sales of securities in the offering. If a person to be listed is an associated person or agent of a broker or dealer registered with the SEC and/or with a state or states, list the name of the broker or dealer. If more than five (5) persons to be listed are associated persons of such a broker or dealer, you may set forth the information for that broker or dealer only.

Full Name (Last name first, if individual)

N/A

Business or Residence Address (Number and Street, City, State, Zip Code)

Name of Associated Broker or Dealer

States in Which Person Listed Has Solicited or Intends to Solicit Purchasers

(Check "All States" or check individual States) All States

N/A

AL	AK	AZ	AR	CA	CO	CT	DE	DC	FL	GA	HI	ID
IL	IN	IA	KS	KY	LA	ME	MD	MA	MI	MN	MS	MO
MT	NE	NV	NH	NJ	NM	NY	NC	ND	OH	OK	OR	PA
RI	SC	SD	TN	TX	UT	VT	VA	WA	WV	WI	WY	PR

Full Name (Last name first, if individual)

Business or Residence Address (Number and Street, City, State, Zip Code)

Name of Associated Broker or Dealer

States in Which Person Listed Has Solicited or Intends to Solicit Purchasers

(Check "All States" or check individual States) All States

AL	AK	AZ	AR	CA	CO	CT	DE	DC	FL	GA	HI	ID
IL	IN	IA	KS	KY	LA	ME	MD	MA	MI	MN	MS	MO
MT	NE	NV	NH	NJ	NM	NY	NC	ND	OH	OK	OR	PA
RI	SC	SD	TN	TX	UT	VT	VA	WA	WV	WI	WY	PR

Full Name (Last name first, if individual)

Business or Residence Address (Number and Street, City, State, Zip Code)

Name of Associated Broker or Dealer

States in Which Person Listed Has Solicited or Intends to Solicit Purchasers

(Check "All States" or check individual States) All States

AL	AK	AZ	AR	CA	CO	CT	DE	DC	FL	GA	HI	ID
IL	IN	IA	KS	KY	LA	ME	MD	MA	MI	MN	MS	MO
MT	NE	NV	NH	NJ	NM	NY	NC	ND	OH	OK	OR	PA
RI	SC	SD	TN	TX	UT	VT	VA	WA	WV	WI	WY	PR

(Use blank sheet, or copy and use additional copies of this sheet, as necessary.)

C. OFFERING PRICE, NUMBER OF INVESTORS, EXPENSES AND USE OF PROCEEDS

1. Enter the aggregate offering price of securities included in this offering and the total amount already sold. Enter "0" if the answer is "none" or "zero." If the transaction is an exchange offering, check this box and indicate in the columns below the amounts of the securities offered for exchange and already exchanged.

Type of Security	Aggregate Offering Price	Amount Already Sold
Debt	\$ 950,000. ⁰⁰	\$ 200,000. ⁰⁰
Equity	\$ 600,000	\$ 310,000. ⁰⁰
	<input checked="" type="checkbox"/> Common <input type="checkbox"/> Preferred	
Convertible Securities (including warrants) <u>N/A</u>	\$ _____	\$ _____
Partnership Interests <u>N/A</u>	\$ _____	\$ _____
Other (Specify _____)	\$ _____	\$ _____
Total	\$ 1,550,000. ⁰⁰	\$ 510,000. ⁰⁰

Answer also in Appendix, Column 3, if filing under ULOE.

2. Enter the number of accredited and non-accredited investors who have purchased securities in this offering and the aggregate dollar amounts of their purchases. For offerings under Rule 504, indicate the number of persons who have purchased securities and the aggregate dollar amount of their purchases on the total lines. Enter "0" if answer is "none" or "zero."

	Number Investors	Aggregate Dollar Amount of Purchases
Accredited Investors	<u>3</u>	\$ 75,000. ⁰⁰
Non-accredited Investors	<u>6</u>	\$ 125,000. ⁰⁰
Total (for filings under Rule 504 only)	<u>9</u>	\$ 200,000. ⁰⁰

Answer also in Appendix, Column 4, if filing under ULOE.

3. If this filing is for an offering under Rule 504 or 505, enter the information requested for all securities sold by the issuer, to date, in offerings of the types indicated, in the twelve (12) months prior to the first sale of securities in this offering. Classify securities by type listed in Part C — Question 1.

Type of Offering	Type of Security	Dollar Amount Sold
Rule 505 <u>N/A</u>	_____	\$ _____
Regulation A <u>N/A</u>	_____	\$ _____
Rule 504	<u>Debt</u>	\$ 200,000. ⁰⁰
Total	_____	\$ 0.00

4 a. Furnish a statement of all expenses in connection with the issuance and distribution of the securities in this offering. Exclude amounts relating solely to organization expenses of the insurer. The information may be given as subject to future contingencies. If the amount of an expenditure is not known, furnish an estimate and check the box to the left of the estimate.

Transfer Agent's Fees	<input type="checkbox"/>	\$ 0
Printing and Engraving Costs	<input checked="" type="checkbox"/>	\$ 1,000. ⁰⁰
Legal Fees	<input checked="" type="checkbox"/>	\$ 4,000. ⁰⁰
Accounting Fees	<input checked="" type="checkbox"/>	\$ 350. ⁰⁰
Engineering Fees	<input type="checkbox"/>	\$ 0
Sales Commissions (specify finders' fees separately)	<input type="checkbox"/>	\$ 0
Other Expenses (identify) <u>Plan Preparation/Travel</u>	<input checked="" type="checkbox"/>	\$ 6,000. ⁰⁰
Total	<input checked="" type="checkbox"/>	\$ 11,350. ⁰⁰

C. OFFERING PRICE, NUMBER OF INVESTORS, EXPENSES AND USE OF PROCEEDS

b. Enter the difference between the aggregate offering price given in response to Part C — Question 1 and total expenses furnished in response to Part C — Question 4.a. This difference is the “adjusted gross proceeds to the issuer.”

\$ 0.00
188,650.00

5. Indicate below the amount of the adjusted gross proceed to the issuer used or proposed to be used for each of the purposes shown. If the amount for any purpose is not known, furnish an estimate and check the box to the left of the estimate. The total of the payments listed must equal the adjusted gross proceeds to the issuer set forth in response to Part C — Question 4.b above.

	Payments to Officers, Directors, & Affiliates	Payments to Others
Salaries and fees	<input checked="" type="checkbox"/> \$ 70,000. ⁰⁰	<input checked="" type="checkbox"/> \$ 62,055. ⁰⁰
Purchase of real estate	<input type="checkbox"/> \$ 0	<input type="checkbox"/> \$ 0
Purchase, rental or leasing and installation of machinery and equipment	<input checked="" type="checkbox"/> \$ 0	<input checked="" type="checkbox"/> \$ 5,660. ⁰⁰
Construction or leasing of plant buildings and facilities	<input type="checkbox"/> \$ 0	<input type="checkbox"/> \$ 0
Acquisition of other businesses (including the value of securities involved in this offering that may be used in exchange for the assets or securities of another issuer pursuant to a merger)	<input checked="" type="checkbox"/> \$ 0	<input type="checkbox"/> \$ 0
Repayment of indebtedness	<input type="checkbox"/> \$ 0	<input type="checkbox"/> \$ 0
Working capital	<input type="checkbox"/> \$ 0	<input checked="" type="checkbox"/> \$ 50,935. ⁰⁰
Other (specify):	<input type="checkbox"/> \$ 0	<input type="checkbox"/> \$
.....	<input type="checkbox"/> \$	<input type="checkbox"/> \$
Column Totals	<input checked="" type="checkbox"/> \$ 70,000. ⁰⁰	<input checked="" type="checkbox"/> \$ 118,650. ⁰⁰
Total Payments Listed (column totals added)	<input checked="" type="checkbox"/> \$ 188,650. ⁰⁰	

D. FEDERAL SIGNATURE

The issuer has duly caused this notice to be signed by the undersigned duly authorized person. If this notice is filed under Rule 505, the following signature constitutes an undertaking by the issuer to furnish to the U.S. Securities and Exchange Commission, upon written request of its staff, the information furnished by the issuer to any non-accredited investor pursuant to paragraph (b)(2) of Rule 502.

Issuer (Print or Type) <u>Chaparron, LLC.</u>	Signature 	Date <u>5/23/07</u>
Name of Signer (Print or Type) <u>ASHIF DHANANI</u>	Title of Signer (Print or Type) <u>CEO/PRESIDENT</u>	

ATTENTION

Intentional misstatements or omissions of fact constitute federal criminal violations. (See 18 U.S.C. 1001.)

E. STATE SIGNATURE

1. Is any party described in 17 CFR 230.262 presently subject to any of the disqualification provisions of such rule?

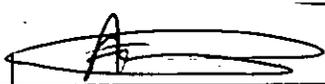
Yes

No

See Appendix, Column 5, for state response.

- 2. The undersigned issuer hereby undertakes to furnish to any state administrator of any state in which this notice is filed a notice on Form D (17 CFR 239.500) at such times as required by state law.
- 3. The undersigned issuer hereby undertakes to furnish to the state administrators, upon written request, information furnished by the issuer to offerees.
- 4. The undersigned issuer represents that the issuer is familiar with the conditions that must be satisfied to be entitled to the Uniform limited Offering Exemption (ULOE) of the state in which this notice is filed and understands that the issuer claiming the availability of this exemption has the burden of establishing that these conditions have been satisfied.

The issuer has read this notification and knows the contents to be true and has duly caused this notice to be signed on its behalf by the undersigned duly authorized person.

Issuer (Print or Type) Chaperon LLC.			Date 5/23/07
Name (Print or Type) ASHIF DHANANI	Title (Print or Type) A PRESIDENT / CEO		

Instruction:

Print the name and title of the signing representative under his signature for the state portion of this form. One copy of every notice on Form D must be manually signed. Any copies not manually signed must be photocopies of the manually signed copy or bear typed or printed signatures.

APPENDIX

1 State	2 Intend to sell to non-accredited investors in State (Part B-Item 1)		3 Type of security and aggregate offering price offered in state (Part C-Item 1)	4 Type of investor and amount purchased in State (Part C-Item 2)				5 Disqualification under State ULOE (if yes, attach explanation of waiver granted) (Part E-Item 1)	
	Yes	No		Number of Accredited Investors	Amount	Number of Non-Accredited Investors	Amount	Yes	No
			Debt \$950,000. ⁰⁰						
AL		<input checked="" type="checkbox"/>							
AK		<input checked="" type="checkbox"/>							
AZ	<input checked="" type="checkbox"/>								
AR		<input checked="" type="checkbox"/>							
CA	<input checked="" type="checkbox"/>								
CO	<input checked="" type="checkbox"/>			3	\$75,000. ⁰⁰	5	\$12,500. ⁰⁰	<input checked="" type="checkbox"/>	
CT	<input checked="" type="checkbox"/>								
DE	<input checked="" type="checkbox"/>								
DC	<input checked="" type="checkbox"/>								
FL	<input checked="" type="checkbox"/>								
GA	<input checked="" type="checkbox"/>								
HI		<input checked="" type="checkbox"/>							
ID	<input checked="" type="checkbox"/>								
IL	<input checked="" type="checkbox"/>								
IN	<input checked="" type="checkbox"/>								
IA		<input checked="" type="checkbox"/>							
KS		<input checked="" type="checkbox"/>							
KY		<input checked="" type="checkbox"/>							
LA		<input checked="" type="checkbox"/>							
ME	<input checked="" type="checkbox"/>								
MD	<input checked="" type="checkbox"/>								
MA	<input checked="" type="checkbox"/>					1	\$12,500. ⁰⁰		
MI	<input checked="" type="checkbox"/>								
MN	<input checked="" type="checkbox"/>								
MS		<input checked="" type="checkbox"/>							

APPENDIX

1	2		3	4				5	
	Intend to sell to non-accredited investors in State (Part B-Item 1)			Type of security and aggregate offering price offered in state (Part C-Item 1)	Type of investor and amount purchased in State (Part C-Item 2)				Disqualification under State ULOE (if yes, attach explanation of waiver granted) (Part E-Item 1)
State	Yes	No		Number of Accredited Investors	Amount	Number of Non-Accredited Investors	Amount	Yes	No
MO	X								
MT		X							
NE		X							
NV	X								
NH	X								
NJ	X								
NM		X							
NY	X								
NC	X								
ND		X							
OH		X							
OK		X							
OR		X							
PA	X								
RI	X								
SC		X							
SD		X							
TN		X							
TX	X								
UT	X								
VT		X							
VA	X								
WA	X								
WV	X								
WI		X							

APPENDIX

1	2		3	4				5	
	Intend to sell to non-accredited investors in State (Part B-Item 1)			Type of security and aggregate offering price offered in state (Part C-Item 1)	Type of investor and amount purchased in State (Part C-Item 2)				Disqualification under State ULOE (if yes, attach explanation of waiver granted) (Part E-Item 1)
State	Yes	No		Number of Accredited Investors	Amount	Number of Non-Accredited Investors	Amount	Yes	No
WY	<input type="checkbox"/>	<input checked="" type="checkbox"/>						<input type="checkbox"/>	<input type="checkbox"/>
PR	<input type="checkbox"/>	<input checked="" type="checkbox"/>						<input type="checkbox"/>	<input type="checkbox"/>

DAVID & JILLIAN
WALDMAN

Chaperon

SUBSCRIPTION DOCUMENT INSTRUCTIONS

Please follow these instructions carefully. Failure to comply fully with these instructions may result in the Subscription not being accepted.

1. You have received a package containing two copies of this Subscription Agreement, one of which you should fully complete and execute, and the second of which you may retain for your records.
2. Arrangements can be made for the wire transfer of funds. Please contact Ashif Dhanani at 720-221-8628 for banking information.
3. The completed and signed Subscription Agreement should be delivered or mailed to:

Chaperon, LLC
c/o Mr. Ashif Dhanani
853 Trail Ridge Dr.
Louisville, Colorado 80027

**SUBSCRIPTION AGREEMENT
FOR
CHAPERON, LLC**

THE UNITS OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR THE SECURITIES LAWS OF CERTAIN STATES AND ARE BEING OFFERED AND SOLD IN RELIANCE ON EXEMPTIONS FROM REGISTRATION REQUIREMENTS OF THE ACT AND SUCH LAWS. THE UNITS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION OR OTHER REGULATORY AUTHORITY, NOR HAVE 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.

HEDGING TRANSACTIONS INVOLVING THESE SECURITIES MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE ACT. ANY NON-U.S. PERSON WHO PURCHASES THE SECURITIES OFFERED HEREBY AGREES TO RESELL OR OTHERWISE TRANSFER SUCH SECURITIES ONLY IN COMPLIANCE WITH REGULATION S, PROMULGATED UNDER THE ACT, PURSUANT TO REGISTRATION UNDER THE ACT, OR PURSUANT TO AN AVAILABLE EXEMPTION FROM REGISTRATION, AND AGREES NOT TO ENGAGE IN HEDGING TRANSACTIONS WITH REGARD TO SUCH SECURITIES UNLESS IN COMPLIANCE WITH THE ACT.

Subscriber's Name DAVID & JILLIAN WALDMAN

SUBSCRIPTION AGREEMENT

Chaperon, LLC
853 Trail Ridge Dr.
Louisville, Colorado 80027
Phone: 720-221-8628

RE: Acquisition of Units of Chaperon, LLC, a Colorado limited liability company, (the "Company").

A. SUBSCRIPTION

The undersigned hereby subscribes for the number of Units (the "Units") in the Company set forth in the signature page below at the purchase price indicated.

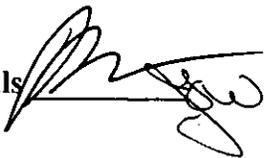
B. SUBSCRIBER'S REPRESENTATION AND WARRANTIES

The undersigned hereby represents and warrants as follows:

In connection with your offer of Units, I represent and warrant that I am 21 years old or older; have had an opportunity to ask questions of the principals or representative of the Company; that I, individually or together with others on whom I rely, have such knowledge and experience in financial and business affairs; that I have the capability of evaluating the merits and risks of my investment in the Company; that I am financially responsible and able to meet my obligations hereunder and acknowledge that this investment is by its nature speculative; that you have made all disclosures and documents pertaining to this investment available to me and, where requested, to my attorney, accountant and investment adviser; and that I will not sell my Units without registration under the Securities Act of 1933 or exemption therefrom.

I represent that I either have such knowledge and experience in financial and business matters, that I am capable of evaluating the merits and asks of my investment in the Company or, together with the purchaser representative, if any, named below, have such knowledge and experience in financial and business matters, that we are capable of evaluating the merits and risks of my investment in the Company; that I relied on my own legal counsel or elected not to rely on my counsel despite the Company's recommendation that I rely on my own legal counsel; and that I am able to bear the economical risk of such investment.

Initials



Risk

The undersigned acknowledges that an investment in the Company involves substantial risks, and the undersigned has carefully reviewed and is aware of all of the risk-factors related to the Purchase of the Units, including those set forth under the caption "Risk Factors" in the Offering Memorandum.

Restrictions of Transferability

The undersigned realizes that the Units have been offered only in the states where permitted and are being sold pursuant to an exemption from registration under the Securities Act of 1933, as amended and Regulation D, promulgated under such act and pursuant to the analogous state statutes. The undersigned further understands that the Units may not be registered in any state which does not recognize such exemption and any transfers to residents of such state must be made pursuant to registration or an exception from registration in the transferee's state. Further, the Subscriber(s) hereby understands that the Units purchased herein are being acquired for investment purposes only, for the purchaser's own account, and not with the intention of redistribution.

Indemnification and Arbitration

The undersigned recognizes that the offer of the Units in the Company was based upon his/her representations and warranties contained above and hereby agrees to indemnify the Company and to hold it harmless against any liabilities, cost or expenses (including reasonable attorney's fees) arising by reason of, or in connection with; any misrepresentation or any breach of such warranties by the undersigned, or arising as result of the sale or distribution of the Units by the undersigned in violation of the Securities Act of 1933, as amended, or any other applicable law. Further, in the event that any dispute were to arise in connection with this Agreement or with the undersigned's investment in the Company, the undersigned agrees, prior to seeking any other relief at law or equity, to submit the matter to binding arbitration in accordance with the rules of the National Association of Securities Dealers (NASD) at a place to be designated by the Company.

Initials

A handwritten signature in black ink, appearing to be "J. J. J.", written over a horizontal line.

I AM or AM NOT an accredited or exempted investor based on the qualifications below:

Accredited Investor

1) Any bank as defined in section 3(a)(2) of the Act, or any savings and loan association or other institution as defined in section 3(a)(5)(A) of the Act whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to section 15 of the Securities Exchange Act of 1934; any insurance company as defined in section 2(13) of the Act; any investment company registered under the Investment Company Act of 1940 or a business development company as defined in section 2(a)(48) of that Act; any Small Business Investment Company licensed by the U.S. Small Business Administration under section 301(c) or (d) of the Small Business Investment Act of 1958; any plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of \$5,000,000; any employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974 if the investment decision is made by a plan fiduciary, as defined in section 3(21) of such Act, which is either a bank, savings and loan association, insurance company, or registered adviser, or if the employee benefit plan has total assets in excess of \$5,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors;

(2) Any private business development company as defined in section 202(a)(22) of the Investment Advisers Act of 1940;

(3) Any organization described in section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of \$5,000,000;

(4) 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;

(5) Any natural person whose individual net worth, or joint net worth with that person's spouse, at the time of his purchase exceeds \$1,000,000;

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

(7) Any trust, with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in § 230.506(b)(2)(ii); and

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

I AM or AM NOT an accredited or exempted investor based on the qualifications below:

Accredited Investor

1) Any bank as defined in section 3(a)(2) of the Act, or any savings and loan association or other institution as defined in section 3(a)(5)(A) of the Act whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to section 15 of the Securities Exchange Act of 1934; any insurance company as defined in section 2(13) of the Act; any investment company registered under the Investment Company Act of 1940 or a business development company as defined in section 2(a)(48) of that Act; any Small Business Investment Company licensed by the U.S. Small Business Administration under section 301(c) or (d) of the Small Business Investment Act of 1958; any plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of \$5,000,000; any employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974 if the investment decision is made by a plan fiduciary, as defined in section 3(21) of such Act, which is either a bank, savings and loan association, insurance company, or registered adviser, or if the employee benefit plan has total assets in excess of \$5,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors;

(2) Any private business development company as defined in section 202(a)(22) of the Investment Advisers Act of 1940;

(3) Any organization described in section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of \$5,000,000;

(4) 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;

(5) Any natural person whose individual net worth, or joint net worth with that person's spouse, at the time of his purchase exceeds \$1,000,000;

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

(7) Any trust, with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in § 230.506(b)(2)(ii); and

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

Subscription

I hereby subscribe for 25,000 Units at \$1.00 per Unit for a total

purchase prices of \$ 25,000⁰⁰

(Please return with your check made payable to: Chaperon, LLC.)

I ask that title of my Units be maintained on the books of the Company as designated below.

1. The Units be held by an individual, named below.
2. I ask that the Units be held in the following name:

David & Jillian Waldman

(If 2, check one of the following boxes to show how such person or persons are to hold the Shares):

1. Community Property
2. Joint tenant with the right of survivorship
3. Tenants in Common
4. Individually
5. Corporation
6. Other (partnership, trust, etc). Please specify:

(NOTE: IF OWNERSHIP IS BEING TAKEN IN JOINT NAME WITH A SPOUSE OR OTHER PERSON, THEN ALL SUBSCRIPTION DOCUMENTS MUST BE EXECUTED BY ALL SUCH PERSONS. IF OWNERSHIP IS TO BE BY AN ENTITY SUCH AS A TRUST, CORPORATION OR LLC, ADDITIONAL DOCUMENTATION WILL BE REQUIRED.)

IN WITNESS WHEREOF, subject to acceptance by the Company, the undersigned has completed this Subscription Agreement to evidence his Subscription this

26 day of Dec, 2006.

Subscriber:

Name David Waldman

Address 1871 Continental View Pl Louisville
80027

Signature 

Social Security Number 297-52-0137

Spouse/Partner:
Name Jillian Waldman

Address same

Signature 

Social Security Number 392-72-5411

If Subscriber is a legal entity Name of Entity and state of organization (please print)

By _____

Its _____

Address: _____

Federal Tax Identification Number _____

ACCEPTANCE OF SUBSCRIPTION

Chaperon hereby accepts this Subscription this _____ day of _____, 200__

Chaperon, LLC, a Colorado limited liability company

By: _____

Mr. Ashif Dhanani, Manager

Chaperon, LLC Operating Agreement Signature Page

IN WITNESS WHEREOF, the undersigned, desiring to become a Member of Chaperon, LLC, a Colorado limited liability company (the "Company"), hereby adopts and agrees to be bound by all of the terms and provisions of the Limited Liability Company Operating Agreement of the Company.

Dated: _____, 200____
 Units Acquired: _____
 Capital Contribution: \$ _____

INDIVIDUAL MEMBER	ENTITY MEMBER
(this column should also be used by joint tenants and tenants in common)	
<i>William Feldmann Waldman</i>	
<i>DAVID BRUCE WALDMAN</i>	_____ (Print Full Legal Name of Member)
(Print Full First Name, Last Name and Middle Initial)	
	By: _____
(Signature)	Print Name: _____
_____	Title: _____
_____	_____
(Residence Address Street, City, State and Zip Code)	(Address of Member Street, City, State and Zip Code)
<i>1871 Continental View Dr</i>	_____
<i>Louisville Co 80027</i>	_____
Fax Number: _____	Fax Number: _____
<i>N/A</i>	_____

*Please sign and return with completed Subscription Agreement

chaperon

AMENDMENT 1
TO
CONFIDENTIAL OFFERING MEMORANDUM
Dated October 1, 2006

CHAPERON, LLC

Contact:
Ashif Dhanani
Ashif.Dhanani@chaperon-secure.com
720-221-8628

April 9, 2007

Chaperon, LLC (the "Company") is issuing an Amendment to all current Members of the Company that affects the minimum offering to release funds for capital contribution to the Company for the intended use as described in the Offering Memorandum.

The Confidential Offering Memorandum (Memorandum) dated October 1, 2006 is hereby amended as set forth below in this Amendment 1 dated April 9, 2007.

The Minimum Offering of 350,000 Units offered at \$1.00 each for a minimum \$350,000 of capital contribution to the Company will be changed to a new offering minimum of 175,000 Units or \$175,000 in member capital contribution.

This change will affect:

- 1) The amount of 350,000 Units and \$350,000 as it pertains to the reference of the Minimum Offering in the Memorandum on pages 9, 10, 11, 12, 13 and 21.
- 2) The Use of Proceeds as described on page 21 of the Memorandum –see new "Use of Proceeds" below as it applies to the Minimum Offering. This minimum "Use of Proceeds" will replace the one currently found on page 21 of the Memorandum.

<i>Break down by Category</i>			
Product Sales Commission		\$8,750	5%
Salary + Benefits		\$122,500	70%
Capital + S/W Licenses		\$5,250	3%
Legal		\$10,500	6%
Marketing / Demand Creation		\$10,500	6%
Travel		\$17,500	10%
Total		\$175,000	100%
<i>Breakdown by Function</i>			
Sales + Marketing		\$94,500	54%
Customer Support		\$19,250	11%
Engineering		\$50,750	29%
Legal		\$10,500	6%
Total		\$175,000	100%

The Management of the Company is making this Amendment based on the progress made to date with regards to staffing and sales. These developments have enabled the Company to increase cash flow and lower cost expectations so that the business of the Company and desired objectives can be achieved with a decreased need for initial capital funding. However, the Company will continue to pursue the Maximum Offering of the Memorandum or at sometime in the future may seek subsequent funding. The primary developments are:

- 1) Revenue: The Company has already billed over \$50,000 in revenue in 2007 and revenues were not anticipated until the 3rd quarter.
- 2) Salary and Wages: The Company has been able to recruit a number of talented employees to work on an equity only basis which has lowered the expected operations expenditure.
- 3) Product: The engineering team has been able to enhance the product without incremental resources.

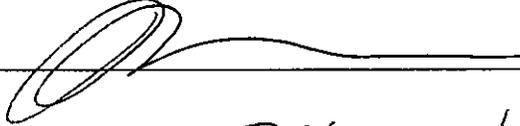
With these changes, the Management believes they can execute the original business plan with a minimum capital contribution of \$175,000.

Your signature hereby indicates that you understand and agree to the conditions of this Amendment and will be bound by this agreement on;

11 day of April, 2007.

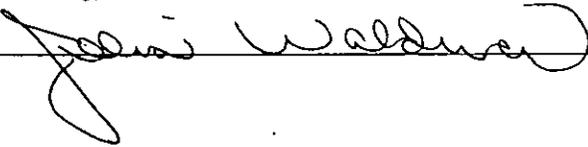
Member Name David Waldman

Address 1821 Continental View Dr

Signature 

Spouse/Partner Name Jillian Waldman

Address SAME

Signature 

CONFIDENTIAL OFFERING MEMORANDUM

MAY 25 2009

chaperon

This brief introductory to the Company is provided to give you a summary of the function and capability of Chaperon.



Company marketing material

THE SITUATION

With seductively low labor rates in India and China, companies are feeling the pressure to move their software development offshore or to outsource it. This sometimes means doing business in developing countries where there is usually little copyright protection and only the loosest of piracy laws. While short term cost savings may be achieved, potential loss of software Intellectual Property (IP) might not be worth the risk.

Information Security has become the top risk concern for US companies that are considering or currently outsourcing operations to service providers. The survey of 158 US senior executives from a variety of industries found that the vast majority of respondents - 91% were 'somewhat' or 'very concerned' about data theft or misuse in outsourced operations¹.

Of those surveyed, 50% picked information security as one of the three most important factors in selecting an outsourcing partner - ahead of financial strength, business stability and reputation. Furthermore, 85% of respondents say they may be willing to pay 10% - 15% more for extra security. Nearly 70% of respondents also said they were reviewing their outsourcing strategy in response to recent high profile cyber crime, customer data theft and network security incidents.

¹ Finextra: "Data security top risk in outsourcing"
Booz Allen Hamilton Study Summary 3/24/2006

THE OPPORTUNITY

A leading industry research firm states in a soon-to-be-released report, that the number of information technology jobs outsourced to low-cost countries such as India and China is just a trickle compared with what's going to happen over the next 10 years. Gartner says that less than 5% of IT jobs in the United States and other developed countries are currently "offshored." By 2015, however, that number will rise to 30%. "It's a tectonic shift," says Gartner's analyst Frances Karamouzis, the report's author.²

There is a significant opportunity for a company that can assist customers to secure their IP assets both overseas and within their own corporate infrastructure. With the software IP secure, the customers can continue to take advantage of the economics off-shoring and outsourcing without the risk of losing their IP.

² Information Week: "Gartner Predicts Huge Increase In Offshore Outsourcing By 2015" by: Paul McDougall

THE CORE TEAM

- 25+ years of system and software development and service experience
- IT security, planning, design, implementation, support and management expertise
- Heterogeneous IT expertise
- Highly scalable set of resources in both North America and Asia

THE SOLUTION

Chaperon is a breakthrough service that allows the customer to provide source code to offshore and outsource partners and internal employees in a highly sophisticated and secure development environment that makes it virtually impossible to copy or pirate. With multiple "safety nets" that protect their code at every juncture, Chaperon works within a secure, open source, development environment.

Chaperon users can develop, modify, add, compile and de-bug the encrypted source - without being able to copy, print or pirate it. The code is fully protected during staging, transport, while under development and testing at offshore partner and finally in transit back home. Only those parties authorized by you can work with your code - and they can only perform authorized operations.

The Chaperon strategy:

- End-to-end solution (Installation, transition, support, ongoing functional updates).
- Customizable security options, as an additional revenue stream.
- Leveraging open source technology to create repeatable and scalable solutions.
- Online, collaborative support infrastructure.

The Chaperon business model:

- Low cost for customer entry
- Recurring/ annuity revenue model
- Leverage emerging open source technologies to increase value to customers and reduce costs.

**For more information: <http://www.Chaperon-Secure.com>
Chaperon LLC. Private and Confidential**

ehaperon

CONFIDENTIAL OFFERING MEMORANDUM

\$950,000

MEMBERSHIP UNITS

*Minimum Offering:
350,000 Membership Units*

*Maximum Offering:
950,000 Membership Units*

Purchase Price:

\$1.00 per Unit

Minimum Investment:

25,000 Units

REGULATION D RULE 504

CHAPERON, LLC

Contact:

Ashif Dhanani

Ashif.Dhanani@chaperon-secure.com

720-221-8628

October 1, 2006

\$950,000

DOCUMENT # _____

NAME: _____

RETURN TO ISSUER

THE INFORMATION CONTAINED HEREIN IS CONFIDENTIAL TO THE COMPANY AND HAS NOT BEEN RELEASED PUBLICLY. SUCH INFORMATION IS DISCLOSED SOLELY TO PERMIT OFFEREES TO EVALUATE AN INVESTMENT IN THE SECURITIES OFFERED HEREBY. THIS MEMORANDUM HAS BEEN PREPARED SOLELY FOR THE BENEFIT OF PERSONS INTERESTED IN THE PROPOSED PRIVATE PLACEMENT OF THE SECURITIES OFFERED HEREBY, AND CONSTITUTES AN OFFER ONLY TO THE RECIPIENT WHOSE NAME APPEARS IN THE APPROPRIATE SPACE PROVIDED ON THIS PAGE. DELIVERY OF THIS MEMORANDUM TO ANYONE OTHER THAN THE PROSPECTIVE INVESTOR AND INVESTOR'S PURCHASER REPRESENTATIVE(S), IF ANY, IS UNAUTHORIZED AND ANY DISTRIBUTION OR REPRODUCTION OF THIS MEMORANDUM, IN WHOLE OR IN PART, OR THE DIVULGENCE OF ANY OF ITS CONTENTS WITHOUT THE PRIOR WRITTEN CONSENT OF THE COMPANY, IS PROHIBITED. EACH PROSPECTIVE INVESTOR, BY ACCEPTING DELIVERY OF THIS MEMORANDUM, AGREES TO RETURN IT AND ALL OTHER DOCUMENTS RECEIVED BY SUCH PROSPECTIVE INVESTOR TO THE COMPANY IF (i) THE PROSPECTIVE INVESTOR DOES NOT SUBSCRIBE FOR THE SECURITIES, (ii) THE PROSPECTIVE INVESTOR'S SUBSCRIPTION IS NOT ACCEPTED BY THE COMPANY OR (iii) THIS OFFERING IS TERMINATED.

THE UNITS OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR THE SECURITIES LAWS OF CERTAIN STATES AND ARE BEING OFFERED AND SOLD IN RELIANCE ON EXEMPTIONS FROM REGISTRATION REQUIREMENTS OF THE ACT AND SUCH LAWS. THE UNITS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION ("SEC"), ANY STATE SECURITIES COMMISSION OR OTHER REGULATORY AUTHORITY, NOR HAVE 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 MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY THE SECURITIES DESCRIBED HEREIN TO ANYONE IN ANY STATE, COUNTRY OR IN ANY JURISDICTION TO WHOM OR IN WHICH SUCH AN OFFER OR SOLICITATION WOULD NOT BE PERMITTED BY LAW.

THE SECURITIES DESCRIBED HEREIN HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT IN RELIANCE UPON EXEMPTIONS SPECIFIED IN SECTIONS 3(b) OR 4(2) OF SUCH ACT AND REGULATION D, RULES 501 THROUGH 508, PROMULGATED UNDER SUCH ACT BY THE SEC; NOR HAVE THESE SECURITIES BEEN REGISTERED OR QUALIFIED UNDER THE SECURITIES LAWS OF ANY STATE IN RELIANCE UPON THE EXEMPTIONS FROM REGISTRATION SPECIFIED UNDER APPLICABLE STATE LAWS

AND REGULATIONS. IN GENERAL, SUCH EXEMPTIONS ARE AVAILABLE FOR SECURITIES TRANSACTIONS INVOLVING A LIMITED NUMBER OF PURCHASERS OR ACCREDITED INVESTORS OR LIMITED OFFERING AMOUNTS AND NOT INVOLVING A PUBLIC OFFERING, PUBLIC SOLICITATION, OR ADVERTISING OF ANY KIND. COMPLIANCE WITH THE TERMS OF SUCH EXEMPTIONS MEANS THAT UNITS MAY BE OFFERED AND SOLD ONLY TO PURCHASERS WHO MEET CERTAIN SUITABILITY STANDARDS OR, AS WITH THIS OFFERING, AND ONLY TO INVESTORS WHO ARE PURCHASING FOR INVESTMENT PURPOSES AND NOT WITH A VIEW TOWARD RESALE OR DISTRIBUTION.

THIS INVESTMENT INVOLVES A HIGH DEGREE OF RISK. INVESTORS WHO CANNOT AFFORD A HIGH RISK INVESTMENT, WHICH MAY BE LOST IN ITS ENTIRETY, ARE ADVISED AGAINST AN INVESTMENT IN THE SECURITIES OFFERED HEREBY. SEE "RISK FACTORS." EACH PROSPECTIVE INVESTOR WILL BE REQUIRED TO REPRESENT THAT (I) SUCH INVESTOR MEETS CERTAIN FINANCIAL REQUIREMENTS, (II) SUCH INVESTOR IS FAMILIAR WITH AND UNDERSTANDS THE TERMS, RISKS AND MERITS OF THIS OFFERING, AND (iii) IF SUCH INVESTOR IS NOT AN ACCREDITED INVESTOR, THAT ALONE OR WITH SUCH INVESTOR'S PURCHASER REPRESENTATIVE(S), SUCH INVESTOR HAS SUCH KNOWLEDGE AND EXPERIENCE IN FINANCIAL AND BUSINESS MATTERS THAT SUCH INVESTOR IS CAPABLE OF EVALUATING THE MERITS AND RISKS OF THE INVESTMENT. AN INVESTOR MAY BE UNABLE TO LIQUIDATE AN INVESTMENT IN THE UNITS QUICKLY OR ON ACCEPTABLE TERMS, IF AT ALL.

NO REPRESENTATIONS OR WARRANTIES OF ANY KIND ARE MADE OR INTENDED TO BE MADE, NOR SHOULD ANY BE INFERRED, WITH RESPECT TO THE ECONOMIC RETURN OF AN INVESTMENT IN THE UNITS OFFERED HEREBY.

THERE IS NO PUBLIC MARKET FOR THE UNITS. PURCHASERS OF THE UNITS WILL BE REQUIRED TO REPRESENT THAT THE UNITS ARE BEING ACQUIRED WITHOUT A VIEW TO DISTRIBUTION, AND WILL NOT BE ABLE TO RESELL SUCH UNITS UNLESS THEY HAVE BEEN REGISTERED UNDER THE SECURITIES ACT OR AN EXEMPTION FROM REGISTRATION IS APPLICABLE. PURCHASERS OF THE UNITS MUST BE PREPARED TO BEAR THE ECONOMIC RISK OF THEIR INVESTMENT FOR AN INDEFINITE PERIOD OF TIME

NO GENERAL SOLICITATION WILL BE CONDUCTED AND NO OFFERING LITERATURE OR ADVERTISING IN WHATEVER FORM, OTHER THAN THE MATERIALS ACCOMPANYING THIS MEMORANDUM, WILL OR MAY BE EMPLOYED IN THIS OFFERING, WITH THE EXPRESS EXCEPTION OF ANNOUNCEMENTS OF THIS OFFERING WHICH ARE PERMISSIBLE

PURSUANT TO APPLICABLE SECURITIES LAWS OF CERTAIN STATES. ALL SUPPLEMENTS, IF ANY, TO THE MATERIAL CONTAINED IN THIS MEMORANDUM WILL BE ATTACHED AS AN EXHIBIT HERETO. PROSPECTIVE INVESTORS SHOULD REVIEW THE MATERIAL CONTAINED IN THIS MEMORANDUM, THE SUBSCRIPTION BOOKLET AND THE INFORMATION CONTAINED IN ANY SUCH SUPPLEMENTS. NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR MAKE ANY REPRESENTATIONS OTHER THAN THOSE CONTAINED IN THIS MEMORANDUM, AND IF GIVEN OR MADE, PROSPECTIVE INVESTORS SHOULD NOT RELY UPON SUCH INFORMATION OR REPRESENTATIONS.

THIS MEMORANDUM CONTAINS SUMMARIES OF CERTAIN DOCUMENTS, WHICH SUMMARIES ARE BELIEVED TO BE ACCURATE, BUT REFERENCE IS HEREBY MADE TO THE ACTUAL DOCUMENTS FOR COMPLETE INFORMATION CONCERNING THE RIGHTS AND OBLIGATIONS OF THE PARTIES THERETO. ALL SUCH SUMMARIES ARE QUALIFIED IN THEIR ENTIRETY BY SUCH REFERENCE. COPIES OF CERTAIN SUCH DOCUMENTS, INCLUDING THE COMPANY'S ARTICLES OF ORGANIZATION AND OPERATING AGREEMENT ARE ATTACHED HERETO. OTHER DOCUMENTS ARE AVAILABLE FROM ASHIF DHANANI.

DURING THE COURSE OF THIS OFFERING AND PRIOR TO SALE OF UNITS, EACH PROSPECTIVE INVESTOR AND PURCHASER REPRESENTATIVE, IF ANY, ARE INVITED TO ASK QUESTIONS OF AND OBTAIN ADDITIONAL INFORMATION FROM THE COMPANY CONCERNING THE TERMS AND CONDITIONS OF THIS OFFERING, THE COMPANY AND ANY OTHER RELEVANT MATTERS. PROSPECTIVE INVESTORS AND PURCHASER REPRESENTATIVES HAVING QUESTIONS OR DESIRING ADDITIONAL INFORMATION SHOULD CONTACT ASHIF DHANANI AT THE COMPANY AT 720 -221-8628 DURING NORMAL BUSINESS HOURS.

THE DELIVERY OF THIS MEMORANDUM DOES NOT IMPLY THAT INFORMATION CONTAINED HEREIN IS CORRECT AS OF ANY TIME SUBSEQUENT TO THE DATE HEREOF AND THE COMPANY SHALL UNDERTAKE NO OBLIGATION TO UPDATE THIS INFORMATION.

THIS OFFER MAY BE WITHDRAWN AT ANY TIME BEFORE CLOSING AND IS SPECIFICALLY MADE SUBJECT TO THE TERMS DESCRIBED IN THIS MEMORANDUM. THE COMPANY RESERVES THE RIGHT TO REJECT IN ITS SOLE DISCRETION ANY SUBSCRIPTION, IN WHOLE OR IN PART, OR TO ALLOT TO ANY PROSPECTIVE INVESTOR LESS THAN THE NUMBER OF UNITS SUBSCRIBED FOR BY SUCH PROSPECTIVE INVESTOR.

THE UNITS WILL BE SOLD ONLY SUBJECT TO THE SUBSCRIPTION AGREEMENT INCLUDED IN THE SUBSCRIPTION BOOKLET ACCOMPANYING THIS MEMORANDUM, WHICH CONTAINS CERTAIN

REPRESENTATIONS AND WARRANTIES OF THE INVESTOR, AND THE TERMS AND CONDITIONS OF THE INVESTMENT. EACH PROSPECTIVE INVESTOR SHOULD CAREFULLY CONSIDER THE PROVISIONS OF THE SUBSCRIPTION AGREEMENT BEFORE SIGNING THE AGREEMENT. IN THE EVENT OF ANY CONFLICT BETWEEN THE STATEMENTS IN THIS MEMORANDUM OR SUPPLEMENTS AND THE TERMS OF THE SUBSCRIPTION AGREEMENT, THE SUBSCRIPTION AGREEMENT SHALL CONTROL. SUBSCRIPTIONS WILL BE EFFECTIVE ONLY UPON ACCEPTANCE BY THE COMPANY.

PROSPECTIVE INVESTORS ARE NOT TO CONSTRUE THE CONTENTS OF THIS MEMORANDUM AS LEGAL, TAX OR INVESTMENT ADVICE. EACH PROSPECTIVE INVESTOR SHOULD CONSULT ITS OWN LEGAL COUNSEL, ACCOUNTANT AND BUSINESS ADVISOR AS TO POSSIBLE LEGAL, TAX AND RELATED MATTERS CONCERNING AN INVESTMENT IN THE UNITS.

CALIFORNIA RESIDENTS

THE SECURITIES OFFERED HEREBY HAVE NOT BEEN QUALIFIED UNDER THE CALIFORNIA CORPORATE SECURITIES ACT OF 1968, AS AMENDED, BY REASON OF SPECIFIC EXEMPTIONS THEREUNDER RELATING TO THE NATURE OF THIS OFFERING. THESE SECURITIES CANNOT BE SOLD, TRANSFERRED OR OTHERWISE DISPOSED OF TO ANY PERSON OR ENTITY UNLESS SUBSEQUENTLY QUALIFIED UNDER THE CORPORATE SECURITIES ACT OF 1968, AS AMENDED, IF SUCH QUALIFICATION IS REQUIRED.

COLORADO RESIDENTS

THE SECURITIES OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE COLORADO SECURITIES ACT OF 1981, AS AMENDED, 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 SUBSEQUENTLY REGISTERED UNDER THE SECURITIES ACT AND THE COLORADO SECURITIES ACT OF 1981, AS AMENDED, IF SUCH REGISTRATION IS REQUIRED.

FLORIDA RESIDENTS

THE SECURITIES OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE FLORIDA SECURITIES ACT, AS AMENDED, AND WILL BE OFFERED AND SOLD PURSUANT TO AN EXEMPTION UNDER SECTION 517.061 OF SUCH ACT. ALL FLORIDA RESIDENTS SHALL HAVE THE PRIVILEGE OF VOIDING THE PURCHASE OF ANY SECURITIES WITHIN THREE DAYS AFTER THE FIRST TENDER OF CONSIDERATION IS MADE BY SUCH PURCHASER TO THE COMPANY, AN AGENT OF THE COMPANY OR THE ESCROW AGENT OR WITHIN THREE DAYS AFTER THE AVAILABILITY OF THAT PRIVILEGE

IS COMMUNICATED TO SUCH PURCHASER, WHICHEVER OCCURS LATER.

TEXAS RESIDENTS

THE SECURITIES OFFERED HEREBY ARE BEING SOLD IN RELIANCE UPON AN EXEMPTION UNDER THE TEXAS SECURITIES ACT OF 1957, AS AMENDED, CONTAINED IN SECTIONS 5.T AND 109.13(K) PROMULGATED THEREUNDER. THESE SECURITIES HAVE NOT BEEN REGISTERED AND MAY NOT BE REOFFERED FOR SALE OR RESOLD IN THE STATE OF TEXAS, UNLESS THEY ARE REGISTERED UNDER SUCH ACT, OR IN A TRANSACTION EXEMPT UNDER SUCH ACT.

THE TOTAL INVESTMENT IN SHARES FOR ANY TEXAS PURCHASER WHO IS NOT AN ACCREDITED INVESTOR MUST NOT EXCEED TEN PERCENT OF HIS NET WORTH (EXCLUSIVE OF PRINCIPAL RESIDENCE, FURNISHINGS AND PERSONAL AUTOMOBILES).

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CONFIDENTIAL OFFERING MEMORANDUM

CHAPERON, LLC

A Colorado Limited Liability Company

Up to 950,000 Membership Units

Offering Price: \$1.00 Per Unit

Minimum Offering: \$350,000

Maximum Offering: \$950,000

The Membership Units (each, a “Unit”, and collectively, the “Units”), which are comprised of capital interests and profits interests in Chaperon, LLC, a Colorado limited liability company (the “Company”), offered hereby involve a high degree of risk. See “Risk Factors.”

The purchase price (the “Purchase Price”) for the Units, as well as the other terms of this Confidential Offering Memorandum (this “Memorandum”), have been established by the Management of the Company, without regard to assets, earnings or other performance indicators of the Company or the price of securities of similar companies in the same industry.

The Units offered hereby are primarily being sold by certain officers, directors and key management employees of the Company who will receive no selling commissions or other remuneration in connection with such sales. However, the Company reserves the right to sell up to 100 percent of this Offering through broker-dealers registered with the National Association of Securities Dealers (“NASD”). The Company may pay up to 10% sales commissions to such broker dealers from the proceeds of this Offering, however, the Company does not intend to distribute Units in that manner.

OFFERING MEMORANDUM SUMMARY

The following summary is qualified in its entirety by more detailed information and financial information appearing elsewhere in this Memorandum.

The Company

The Company is an early stage business and consequently has generated minimal revenues and has incurred limited expenses with its organization and this Offering. The Company is dependent, to some extent, upon the proceeds of this Offering to enter the market at the speed and level necessary to conduct business as it is proposed in this Memorandum.

The Company has developed and begun the marketing and servicing of a unique software application for the protection of intellectual property (IP) in connection with software development. The advantage of the Company’s software is its ability to secure source code at all times and on all levels. This security is achieved through a series of methods that minimize the possibility for piracy of crucial information whether development is off-shored, outsourced or in-house. This technology and methodology is capable of

affordably providing much needed services for a rapidly expanding industry that has experienced numerous serious security breaches. The Company's management believes licensing the software to other resellers may create an environment where would be competitors will become potential clients.

The dynamic aspect of this application is that Chaperon users can develop, modify, add, compile and de-bug the encrypted source without being able to copy, print or pirate it. Code and information security has become a critical need in the technology realm and with Chaperon; code is fully protected during staging, transport, while under development and testing at the offshore partner. The Company believes that the security provided by Chaperon appears to be the most comprehensive solution currently on the market.

TERMS OF THE OFFERING

Offering:	Minimum of \$350,000 Maximum of \$950,000
Closing Date:	Minimum offering amount to be raised on or before September 30, 2007
Investors; Minimum Purchase;	Accredited and non-accredited investors Minimum purchase: 25,000 Units (\$25,000)
Sales Commissions:	Sales commissions of up to 10% may be paid to registered broker-dealers who participate in the Offering.
Securities to be Issued; Purchase Price	Units, comprised of a capital interest and profit interest in the Company; \$1.00 per Common Unit sold in 25,000 Unit Lots Less than a full Lot may be sold at the sole discretion of the Company.
Additional Capital Contributions;	Additional capital contributions to fund Company expenses and investments will be voluntary, but failure to participate will be dilutive to non-participating Unit holders.
Escrow:	Funds will be held in escrow, without interest, until the minimum Offering is reached.

Capitalization:	<p>Pre-Offering: 6,000,000 Units outstanding and held by Chaperon, LLC</p> <p>Post-Offering (Minimum of \$350,000; 350,000 Common Units): 6,350,000 Units outstanding (Chaperon and Investors)</p> <p>Post-Offering (Maximum of \$950,000; 950,000 Units): 6,950,000 Units outstanding (Chaperon and Investors)</p>
Management:	<p>The Company's Board of Directors will guide the long-term and strategic decisions of the Company. The Manager of the Company will be Mr. Ashif Dhanani, who will exercise day-to-day supervision and control over the Company's business operations. The Manager will report to the Board.</p>
Distributions:	<p>Distributions shall be made from time to time at the discretion of the Board, after determination of necessary reserves and the payment of the Company's expenses, all as determined in the Manager's sole discretion.</p>
Tax Distributions:	<p>The Investors will receive customary tax distributions from net available cash (as defined in the operating agreement) to enable them to pay state and federal taxes on their share of taxable income of the Company, based on federal and Colorado income tax rates.</p>
Compensation of Manager:	<p>The Manager will receive a salary and benefits as approved by the Board and will be entitled to reimbursement of expenses in accordance with policies to be established and approved.</p>
Other Activities of the Managing Member and Affiliates; No Exclusive Duty to the Company	<p>The Manager shall not be required to manage the Company as his sole business activity, and he shall not be obligated to present other business opportunities to the Company. However, the Manager shall devote a majority of his business time to the affairs of the Company.</p>

Voting:

Holders of Units shall have voting rights as required by applicable law. The vote of a majority of the Common Units shall be required to approve the following actions:

- (i) Admission of a new holder of Common Units after the offering period has expired;
- (ii) Engaging in any activities unrelated to the purposes of the Company;
- (iii) Bankruptcy of the Company;
- (iv) Approval of a plan of merger or consolidation;
- (v) Termination or dissolution of the Company;
- (vi) Amendment to the Operating Agreement of the Company with certain customary exceptions;
- (vii) Election of a successor Manager.

**Transfer of Units;
Redemption**

The Units may not be transferred without the consent of the Manager, in addition to compliance with federal and applicable state securities laws. Redemptions of Units are not permitted.

**Right of First
Refusal, Substitute
Members**

The Company's Operating Agreement will allow for the existing Members to have the opportunity to purchase Units that become available for sale, by the members, before being offered to a third party purchaser.

Co-sale Rights

The Operating Agreement requires certain measures with regards to the exit strategy of the Company in the case of a partial or total buyout. The details of these 'Drag-Along' and 'Tag-Along' rights can be found in the Company's Operating Agreement attached as Exhibit F.

Market for Units

The Units are being offered pursuant to Rule 504 of Regulation D promulgated under Section 3 (b) of the Act, which provides for an exemption from registration. Potential investors should be aware that no market for the Units of the Company presently exists and there can be no assurance that a market will materialize following completion of this Offering.

Plan of Distribution

The Units are being offered by the Company on a "best efforts", with a minimum of three hundred thousand (350,000) Units and a maximum of nine hundred fifty thousand (950,000) Units. Pending the sale of the minimum number of Units offered hereby, all proceeds of this Offering would be deposited into a special segregated escrow account with the Company. In the event the minimum number of Units is not sold prior to the termination of the Offering period, including any extensions, all funds will be promptly returned, without interest or deduction, to the subscribers.

The Offering period will commence on the date of this Memorandum and shall continue until September 30, 2007, subject to one thirty day extension at the option of the Board and with consent of the existing members. The initial closing of this Offering will occur within five (5) business days following the acceptance by the Company of subscriptions for the minimum number of Units offered hereby. If the minimum 350,000 Units has been sold prior to the termination of the Offering period, then the remaining Units, up to the maximum of 950,000 Units, will be offered by the Company on a "best efforts" basis and will be issued in one or more closings as subscriptions are received and accepted until the earlier of the date by which all of the Units offered hereby are sold or the termination of the Offering period.

The Company reserves the right, in its absolute discretion, to reject any subscription, in whole or in part, for the purchase of Units offered hereby. In the case of subscriptions, which are rejected or partially rejected, the Company will refund, without interest or deduction, the amount of the subscription or that portion thereof which has not been accepted.

The Company reserves the right to terminate the Offering, without prior notice, prior to the first closing, at which time all subscriptions will be returned, without interest or deduction.

Proceeds of Offering

Assuming sale of the maximum number of Units offered hereby, the Company would receive gross cash proceeds of approximately \$950,000. If only the minimum number of Units is sold, the Company will receive gross cash proceeds of \$350,000. The Company intends to use the proceeds of the Offering substantially in accordance with the "Use of Proceeds" section.

Use of Proceeds

The Company intends to use the proceeds of this Offering to employ the necessary sales; engineering and service personnel to better serve the Company's existing and future clientele, to extend marketing efforts and other general corporate purposes. The Company has generated significant customer interest but at the same time is aware that it does not have the staff necessary to meet the needs of the potential interest. See "USE OF PROCEEDS"

Risk Factors

There are numerous risks unique to the Company and its business. Prospective investors should understand that an investment in the Units offered hereby involves a high degree of risk and is suitable only for those persons who (i) have a continuing high annual income and substantial net worth, (ii) have no need for liquidity from such investment and (iii) can afford to bear the economic risk of the complete loss of their investment. See "RISK FACTORS".

INVESTOR SUITABILITY STANDARDS

THE SUITABILITY STANDARDS DISCUSSED HEREIN REPRESENT MINIMUM SUITABILITY STANDARDS FOR PROSPECTIVE INVESTORS. EACH PROSPECTIVE INVESTOR SHOULD DETERMINE WHETHER THIS INVESTMENT IS APPROPRIATE FOR SUCH INVESTOR.

Accredited Investor

To qualify as an "accredited investor," as such term is defined in Rule 501(a) of Regulation D under the Securities Act, an Investor must fall within one or more of the following categories at the time of the investment in the Company:

- (1) Any corporation, Massachusetts or similar 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) 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;
- (3) Any natural person whose individual net worth or joint net worth with that person's spouse, at the time of his purchase exceeds \$1,000,000;
- (4) Any natural person who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with that person's spouse in excess of \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year;
- (5) Any trust, with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in § 230.504(b)(2)(ii); and
- (6) Any entity in which all of the equity owners are accredited investors.

Unaccredited Investor:

Unaccredited investors, for the purpose of this Offering, are those Investors who do not meet the definition of an "accredited investor." The Units will be sold to an unaccredited investor only if management has reasonable grounds to believe, after making reasonable inquiry, that such investor, either alone or with his purchaser representative, has such knowledge and experience in financial business matters that he or she is capable of evaluating the merits of making an investment in the Company upon reviewing the Confidential Purchaser Questionnaire in the Subscription Agreement.

In addition, an investment in the Units subscribed for must not exceed 10% of the subscriber's net worth. The Company will make available certain information, during the

course of the Offering and prior to sale, to unaccredited investors if requested in writing.

Subscription Procedures:

In order to purchase Units an Investor must complete and execute the Subscription materials accompanying this Memorandum.

For more information, contact Mr. Ashif Dhanani at 720-221-8628.

The Company will notify each investor of its acceptance or rejection of such investor's subscription promptly after receipt of all necessary documents as described above. Any subscription not accepted by the Company will be returned to the investor. Upon each closing of the Offering, the Company will issue Units to each investor whose subscriptions are accepted for such closing.

Securities Laws Considerations:

The Units offered hereby have not been registered under the Act or under the securities laws of any state. The Subscription Agreement contains various representations and warranties on the part of each subscriber, which will be relied upon by the Company to ensure that exemptions from registration under the Act and any applicable state securities laws will be available for this Offering. To further ensure compliance by the Company with the securities laws, each investor will be required to agree in the Subscription Agreement that he or she will not sell or otherwise transfer the Units except (a) pursuant to the registration under the Act; or (b) in accordance with an opinion of counsel satisfactory to the Company or no-action letters from the SEC and the appropriate state regulatory agencies prior to such transfer to effect that registration under the Act or any applicable state securities law is not required in connection with the transaction resulting in such transfer. A legend may be placed on all certificates representing the Units stating that the securities represented thereby have not been registered under the Act or any applicable state securities laws. A notation to the same effect will also be made in the appropriate records of the Company. In addition, the Company's Operating Agreement contains certain restrictions on the transfer of Units.

RISK FACTORS

The Units represent a speculative investment and involve a high degree of risk. Prior to making an investment decision, prospective investors should carefully consider each of the following risk factors, which are illustrative of the substantial risks affecting the proposed activities of the Company, as well as all other matters set forth elsewhere in this Offering Memorandum.

Limited Operating History of the Company

The Company is an early stage company, organized on July 12, 2006. With its limited operations and assets, the Company is subject to many of the risks common to enterprises with a limited operating histories, including potential undercapitalization, limitations with respect to personnel, financial and other resources, and inability to recognize sufficient revenues. There can be no assurance that the Company will be able to successfully

market its technology or generate sufficient revenues in order to operate profitably. Any investment in the Company should be considered a high-risk investment.

Undercapitalization

The Company must secure the funds necessary to continue its technology development, sales efforts, market services, hiring and retention of employees, and other working capital needs. If the Offering proceeds are insufficient to permit the attainment of profitable operations, the Company may not be able to obtain additional debt or equity financing at all or on terms acceptable to the Company. In such event, the ongoing viability of the Company would be materially adversely affected.

Risks of Rapid Growth

The Company anticipates a period of rapid growth once sales efforts commence, which will strain management and operational resources. The Company's ability to manage growth effectively will require the Company to integrate successfully its business and administrative operations into one dynamic, management structure. If the Company is unable to properly manage its resources in response to such growth, the Company may not become or remain profitable.

Open Source Software

Chaperon has been developed around open source software, and its effectiveness is dependent on the continued effectiveness of the open source software. In the event bugs, viruses, security breaches and/or other flaws are introduced into the open source software community, the functionality of Chaperon could be compromised. While the Company will test open source software through its quality assurance process, there is no guarantee that it will discover each flaw introduced in the open source software community. Furthermore, because certain licensing terms and conditions govern the open source communities, and they are subject to change without notice, the ability to effectively use Chaperon in connection with open source software could be compromised in the future. If any of these or other problems are originated in the open source community, they could have an adverse impact on the Chaperon product, and the revenues and income of the Company.

Security

The Company employs encryption algorithms, keys with varying key lengths, detection modules and various other processes to maximize the security of Chaperon. However, advances in computer capabilities and other technological resources and developments may result in a compromise or breach of the Chaperon technology. Any compromise of our security could harm our reputation and financial condition, and therefore, the Company. Furthermore, if our security measures are circumvented, this could expose both Chaperon and the Company's customers' source code to misappropriation, theft and other disruptions. With its security measures and contractual protections, the Company seeks to protect Chaperon and its business; however, it cannot fully absolve itself from liability.

Intellectual Property

We take reasonable steps to protect the Company's intellectual property, including employing confidentiality and security measures with our employees and third parties and continued assessment of the patentability and other protections of our intellectual property. If our intellectual property is misappropriated, if we are not issued patents in respect of any patent applications or if we are the subject of infringement claims, the value of the Company's intellectual property could be negatively impacted, and the Company's reputation, revenues and income could be materially and adversely effected.

International and Economic Instability

The profitability of the technology industry is largely dependent on the global socio-political and economic status. Any global economic decline or other international instability could significantly affect the demand for the Company's services, its revenues, and ultimately, its profitability.

International Laws

The Company's proposed operations are subject to many domestic and international laws, which are continually changing. Changes in existing laws, governmental regimes or treaties and other relationships between governments could affect our ability to conduct business, which may materially and adversely affect the Company.

Competition

In order to achieve commercial sales of the Company's products and services, the Company must compete with many well-established companies in the technology industry. More well established service providers might have or develop the ability to produce similar technology and application to achieve the same results as the services offer by the Company. These companies may be better financed, well branded and operated by larger, more experienced management teams. All of these factors could adversely affect the Company's ability to compete.

Product Acceptance

To date, the Company has not successfully commercialized its products or services. Notwithstanding the growth of domestic and international markets, there can be no assurance that the Company will successfully commercialize its services and products, whether through the quality of the product, lack of perceived need for the product or other general market conditions.

No Proven Track Record

There can be no assurance the Company has now or ever will have the ability to obtain the proper skills to implement and deliver applications to multiple users or that they will be able to maintain those skills. To date the strength of its management team, customer success, and scale of operations has not been proven and there can be no assurance that they will ever prove successful.

Dependence on Key Personnel

The Company will be heavily dependent upon the continued services of its President and CEO, Mr. Ashif Dhanani. Mr. Dhanani has been the key contributor to the Company's formation and growth, and has personally funded the majority of the Company's expenses from its inception. The Company will be solely dependent on the skills and decisions made by Mr. Dhanani, the other managers and independent professionals advising the Company. Although Mr. Dhanani has substantial experience in the information technology industry, he has neither formed nor served as CEO of a venture similar to the Company.

Continued Control by Management and Present Members

The purchasers of Units will not have voting control of the Company, although the holders of Units will have the right to vote for the members of the Board of Directors of the Company. As such, the Company will continue to be controlled by the founding group of Members.

"Best Efforts" Offering

The Units are being offered by the Company on a best efforts basis, and if it does not sell the maximum number of Units, the Company may be unable to accomplish all of its goals as outlined in this Memorandum.

Offering Price

The price at which the Units are offered hereby and the Company valuation on which the price is based have been set by the Company's management and advisors, and has no relationship to the book value, current earnings of the Company, or other generally accepted measurements of value.

Substantial Dilution

The investors in this Offering are subject to substantial dilution of the net tangible book value of their Units immediately upon the completion of this Offering.

No Distributions Anticipated

The Company does not presently intend to make distributions on its Units for the foreseeable future, but intends to retain all earnings, if any, in order to finance future growth of its business over the long-term, although the Company does intend to make certain tax distributions from available cash. See "TERMS OF THE OFFERING."

Limited Transferability

The Units will not be registered under the Act or any state securities laws in reliance upon the exemption afforded by Section 4(2) or Section 3(b) of the Act and Regulation D there under and similar provisions of state securities laws. The availability of such exemptions depends in part upon the investment intent of the investor. Furthermore, the Company has no present intention to go public or file information pursuant to Rule 144 under the Act, and the investors should assume there will be no public market for the

Units. Accordingly, subscribers for the Units must bear the economic risk from this investment for an indefinite period of time.

Restrictions on Transfer

The Units have not been registered under the Act or any state or foreign securities laws and subscribers may not sell or otherwise transfer any such securities except pursuant to a registration under the Act and any applicable state or foreign securities laws or exemptions there from.

Possible Future Issuance of Units by the Company

The Company may issue additional Units, or Units of a different class, all of which would be dilutive of the interests of the investors in the Units, subject to the proper approvals under the Company's Operating Agreement. See "TERMS OF THE OFFERING".

Limited Financial Statements

The Company's financial statements are limited to the information attached hereto as Exhibit "A". As to any projections contained in such financial information, there can be no assurances that such results will be achieved. See also, "FORWARD LOOKING STATEMENTS."

THE FOREGOING RISK FACTORS DO NOT PURPORT TO BE COMPLETE EXPLANATIONS OF ALL THE RISKS INVOLVED IN THIS OFFERING. POTENTIAL INVESTORS SHOULD READ THIS ENTIRE MEMORANDUM BEFORE DETERMINING TO INVEST IN THE COMPANY, SHOULD BE FAMILIAR WITH THE COMPANY'S BUSINESS IN GENERAL, AND SHOULD CONSULT THEIR OWN LEGAL, FINANCIAL AND TAX ADVISORS WITH RESPECT TO AN INVESTMENT IN THE COMPANY.

FORWARD LOOKING STATEMENTS

Except for the historical information contained in this Memorandum, the matters discussed in this Memorandum or otherwise incorporated by reference into this Memorandum are “forward-looking statements” within the meaning of Section 27A of the Securities Act and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). These statements can be identified by the use of forward-looking terminology such as “believes,” “expects,” “may,” “will,” “should” or “anticipates” or the negative thereof or other variations thereon or comparable terminology, or by discussions of strategy that involve risks and uncertainties. These forward-looking statements involve risks and uncertainties, including those identified within the “RISK FACTORS” Section above and elsewhere in this Memorandum. Although management believes the expectations reflected in such forward-looking statements are based on reasonable assumptions, the Company cannot assure investors that these expectations will prove correct, and the actual results that the Company achieves may differ materially from any forward-looking statements, due to such risks and uncertainties. These forward-looking statements are based on current expectations, and the Company assumes no obligation to update this information. Readers are urged to carefully review and consider the various disclosures made by the Company in this Memorandum that attempt to advise interested parties of the risks and factors that may affect the Company’s business.

THE COMPANY

The Company, Chaperon, LLC, a Colorado limited liability company, is an early stage business. The Company has developed unique software offering and application for the protection of intellectual property (IP) in connection with software development. The primary use for the application and focus of the Company will be to protect IP during off-shoring and/or outsourcing software development process. However, this application will also be available for protection of IP in connection with in-house development, in both the private and governmental sectors. Essentially, any entity that requires IP protection for software development is a direct target market. Currently that target market is growing at a significant rate and is difficult to calculate in size. See TARGET MARKET.

USE OF PROCEEDS

The gross proceeds to the Company from the sale of the minimum number of Units in this Offering will be \$350,000. The gross proceeds to the Company, in the event all Units are sold, will be \$950,000. The Company intends to use the net proceeds of this Offering over the next 12 months as follows:

Use of Proceeds if \$350,000 raised

<i>Break down by Category</i>		
Product Sales Commission	\$18,000	5%
Salary + Benefits	\$247,000	70%
Capital + S/W Licenses	\$9,000	3%
Legal	\$21,000	6%
Marketing / Demand Creation	\$21,000	6%
Travel	\$34,000	10%
Total	\$350,000	100%
<i>Breakdown by Function</i>		
Sales + Marketing	\$190,000	54%
Customer Support	\$39,000	11%
Engineering	\$100,000	29%
Legal	\$21,000	6%
Total	\$350,000	100%

Use of Proceeds if \$950,000 raised

<i>Breakdown by Category</i>		
Product Sales Commission	\$20,000	2%
Salary + Benefits	\$656,000	69%
Capital + S/W Licenses	\$13,000	1%
Legal	\$37,000	4%
Marketing / Demand Creation	\$55,000	6%
Travel	\$72,000	8%
Reserve	\$97,000	10%
Total	\$950,000	100%
<i>Break down by Function</i>		
Sales + Marketing	\$508,000	54%
Customer Support	\$85,000	9%
Engineering	\$223,000	23%
Legal	\$37,000	4%
Reserve	\$97,000	10%
Total	\$950,000	100%

The allocations of net proceeds set forth in the financial sections represent the Company's estimates based on its present plans, certain assumptions regarding industry conditions and the Company's projected revenues. If any of these factors or assumptions change, the Company may find it advisable or necessary to reallocate some of the proceeds or use portions thereof for other business purposes.

These amounts are before deduction of Offering and related expenses incurred by the Company in this offering and organization of the Company, which are estimated to be approximately \$10,000 and include printing, accounting, legal, organizational and other miscellaneous fees.

***Notice:** In the following sections we will be referencing a considerable amount of statistical information acquired from various websites. We encourage all potential investors to perform their own due diligence and therefore a list of those sites is attached as Exhibit B 'References'.*

THE BUSINESS

The business of the Company will be to provide a secure development environment designed to take advantage of the economics of developing software overseas without risking the loss of software intellectual property (IP). To remain competitive, many companies are looking to outsource their software development needs to countries where there are economically attractive labor rates and large talent pools. While short term cost savings may be achieved, loss or piracy of software IP during such development is a real risk to these companies. The Company has developed a proprietary application that addresses this need, and the application is affordable, easy to integrate and currently has no known direct competition for this particular solution strategy.

The Company will have both a direct and indirect sales model, whereby it will provide services directly to clients and also to various types of resellers. Currently, the Company is unaware of any other service provider offering similar solutions, although competitors may be developing this technology or may enter the market in the future. Management believes that if resellers and direct users of the Company's services enter the market place and are proven superior to existing business practices, resellers will be positioned to either offer the same service or suffer from the disadvantage. The Company plans to have an annuity, service-based business model with the objectives of providing both long term income and making the Company's services affordable. Sharing the portion of the ongoing annuity stream would compensate resellers.

The long-term goal will be to develop an innovative and widely recognized brand name solution that set the industry standard.

THE INDUSTRY

The technology industry has suffered through significant growing pains and will indubitably continue to evolve and change with demand and advancements. The one

constant is the need for continued software development. Technology companies, and any industry that is heavily dependent on technology, will continue to meet these new challenges with solutions that will require ongoing development via investment in new projects, enhancements to existing software and sustaining engineering to remain competitive. Unfortunately, an inescapable consequence of this need is the cost.

Technology costs are driving software development to be performed offshore, in developing countries. Consulting company McKinsey estimates that by 2010, the U.S. IT industry will save \$390 billion through offshore outsourcing of software development. Certain developing countries have proven to be large source of untapped development talent that exists for a fraction of the cost of those in more developed countries. To meet budget demands, as profit margins continue to thin due to increasing competition and globalization, IT budgets are being decreased. CIO's must find cost effective solutions that meet budget requirements, yet accomplish the unquenchable need for new technology and software development.

Most developing countries have neither the legal infrastructure nor the motivation to enforce copyright laws or protect IP, and therefore, companies that send their source code offshore for development are at the mercy of the integrity of the provider and/or the engineer. Source code theft is tremendously easy, and the economic circumstances in these developing countries may encourage rather than discourage such piracy and other economic opportunism. As such, unchallenged trust with such development is difficult, if not impossible.

The paradox that is emerging in the IT services industry is demanding a solution that has thus far remained elusive. This paradox stems from the need for risk management with regards to securing source code and the ability to remain cost competitive in the industry. Technology companies seek to outsource to remain cost competitive, yet the cost of either securing the code or the loss of the IP reduces the cost effectiveness, or worse, it becomes a liability.

Additionally, an increasingly large number of corporations are outsourcing their data and business processing needs to developing countries, and securing such information is a rapidly growing concern. The Company's technology has the security capability for those who outsource business processes in the financial and health care industries. The Company believes that the epidemic of identity theft and ever increasing regulations, such as HIPPA, will require stricter enforcement of securing personal information and data. If this is the case, then this segment of users for the Company's technology, by itself, could be very large.

Challenges in IP Protection

In a recent survey, 74% of the CIO's surveyed voted that IP protection, security, business continuity and disaster recovery processes were critical while considering an IT offshore vendor.¹

Typical challenges identified by CIO's seeking to outsource their IT operations are:

- Access to servers, particularly when the technical data is controlled by state or commerce;
- The need to share critical data like source-code with the offshore developer for certain development projects;
- Building secure networks;
- Lack of control on the IP-protection infrastructure at the vendor side;
- Lack of awareness among the vendor employees on IP protection for the client;
- Employees of the vendor joining a competitor's organization; and
- Theft of the code that could be directly or indirectly used on another project for another client, most likely a competitor.

The Cost of IP Theft

Information is currently among the most valued assets to companies, and the protection of information is a primary concern to owners and managers. A report in the *2003 Computer Crime and Security Survey* by the Computer Security Institute and the Federal Bureau of Investigation, allege the damages stemming from data theft amount to upwards of \$10 billion each year.

The Opportunity

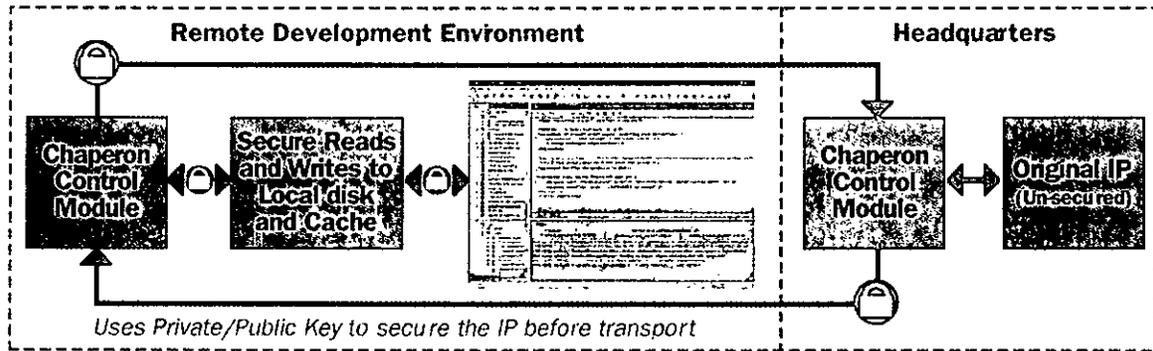
The Company believes there is a significant opportunity for a company that can assist customers in securing their IP assets both overseas and within their own corporate infrastructure. When the software IP is more secure, the customers can continue to take advantage of the economics of off-shoring and outsourcing while minimizing the risk of losing their IP. The Company believes that a company that is able to provide a solution for the paradox that currently exists, will be in high demand.

CHAPERON

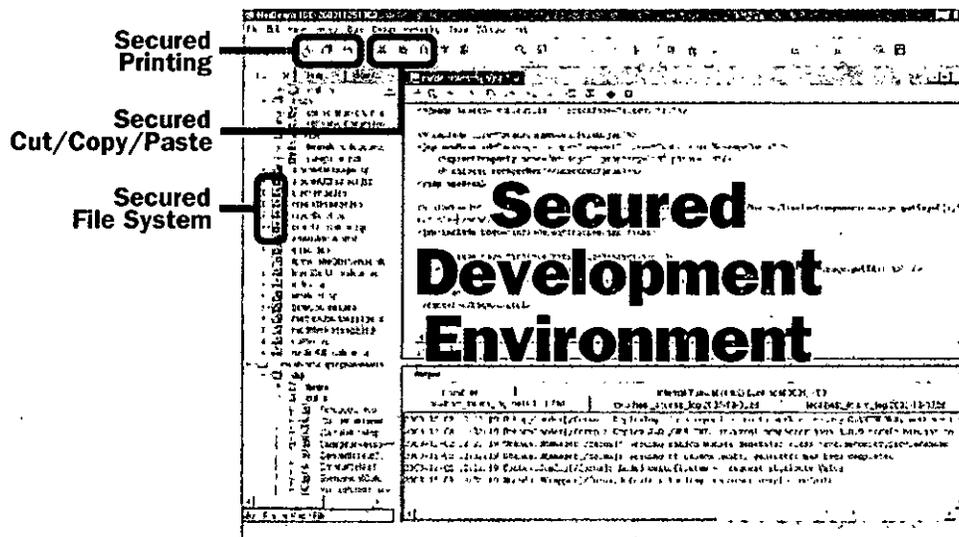
Chaperon is a breakthrough service that allows the customer to provide source code to offshore or outsource partners or internal employees in a highly sophisticated and secure development environment. The Company has developed certain technologies and adjustments to open source development environments, like Netbeans and Eclipse, which make it virtually impossible to copy or pirate any information. The management vision is that Chaperon will provide clients with security and peace of mind in a wide range of

¹ Best Practices in IP Protection When Off Shoring
By Jaydeep Kulkarni, KeyTone Technologies Inc.

applications due to multiple “safety nets” that protect code and personal information at every juncture.



Chaperon users can develop, modify, add, compile and de-bug the encrypted source without being able to copy, print or pirate it. The code is fully protected during staging, transport, while under development and testing at the offshore partner and finally in transit back home. Only those parties authorized by the client can work with the code and they can only perform authorized operations.



The current version of Chaperon has been through quality assurance testing and is in trials at customer sites. The product is fully functional and meets the original design goals and has thus far received positive reviews.

Potential Enhancements

The Company’s management team is very familiar with the target marketplace and understands the enhancements required to further enhance the service. Some of these potential enhancements include:

- Provide Chaperon for additional development environment(s), including but not limited to Eclipse. Management feels this will expand the target marketplace.

- Enhancing software capabilities to render the environment inoperable in the event of tampering (currently the product tracks and reports events). This will further enhance the security and customer confidence.
- Addition of ephemeral keys, which are temporary keys that expire if not renewed by securely making contact with the customer's environment. This will provide customers with more granular control of their code and provide a convenient 'self destruct' mechanism in the case of equipment loss or theft.
- Adding additional reporting and enhanced access control mechanisms. This will enhance customer understanding of development activity and augment the current level of user controls.

Management feels that these enhancements will help make Chaperon's capabilities even more prone to acceptance in the industry.

Chaperon Advantage

The focus of the Chaperon service will be to provide a secure development environment based on open source development environment(s). By assembling an experienced and scalable team, with a focused strategy and compelling business model, the Company believes the prospects for Chaperon are significant.

Team

Each individual in the Company's core team will average an excess of 25 years experience in system and software development and service. Additionally, the dynamic individuals identified by the Company have expertise in IT security, planning, design, implementation, support and management. Their collectively expertise results in a highly scalable set of resources in both North America and Asia.

Strategy

The Company's strategy will be to provide an end-to-end solution from installation to transition, to support and ongoing functional updates. The Company will offer customizable security options as an additional revenue stream while leveraging current open source technology to create repeatable and scalable solutions. The Company will further service the client by providing an online, collaborative support infrastructure. The Company plans to eventually have the ability to provide 'onsite' services when resources allow.

Business Model

The business model is designed to provide customer entry at a low cost and the Company with reoccurring annuity revenues. The Company believes this approach will make the service attractive to new users and potentially exponentially grow revenues with minimal overhead increases. The Company plans to leverage emerging open source technologies to increase value to customers and reduce development costs.

CHAPERON'S INTELLECTUAL PROPERTY

Due to the highly confidential nature of the Company's unique application for securing source code, no crucial trade secret information will be made available in this Memorandum. Potential investors are welcome to make inquiries regarding such information; however, the Company may not provide information that it deems could jeopardize the security of the Company's trade secrets or potential patents. The Company may at some time make such information available to investors, at its discretion; currently there is no plan to make this information available.

The Company feels that the service provided by Chaperon consists of four (4) areas that have the ability to obtain a patent and three (3) key trade secrets that are unique to its application. Due to budget constraints, currently the company has only filed for 2 provisional patents. The Company will file the remaining two once it secures the minimum for this round of funding or at such time it becomes necessary or advisable by the Company's legal advisors to file such patents, that matter will be taken into consideration and presented to the Board for consideration.

The Company has implemented its intellectual property in a manner that can leverage open source development environments without requiring disclosure of Chaperon enhancements. Chaperon feels confident in its ability to market and service its products without jeopardizing this crucial information. The Company will take necessary precautions to protect its assets and the investment herein.

THE MARKET

Current Situation

Today, information security has become the top risk concern for U.S. companies that are considering or currently outsourcing operations to service providers. The survey of 158 US senior executives from a variety of industries found that the vast majority of respondents - *91% were 'somewhat' or 'very concerned' about data theft or misuse in outsourced operations.*

Of those surveyed, 50% identified information security as one of the top three most important factors in selecting an outsourcing partner, ahead of financial strength, business stability and reputation. Furthermore, *85% of respondents say they may be willing to pay 10% - 15% more for extra security.* Nearly 70% of respondents also said they were reviewing their outsourcing strategy in response to recent high profile cyber crime, customer data theft and network security incidents².

Market size

According to Gartner Research, a leading industry research firm, the current number of IT jobs outsourced to low-cost countries such as India and China is just a trickle compared with what's going to happen over the next 10 years. Gartner Research says that

² Finextra: "Data security top risk in outsourcing" Booz Allen Hamilton Study Summary 3/24/2006

less than 5% of IT jobs in the U.S. and other developed countries are currently "offshored." By 2015, however, that number will rise to 30%. "It's a tectonic shift," says Gartner's analyst Frances Karamouzis, the report's author.

MARKETING

The Company plans to employ an aggressive marketing campaign and has already developed professional marketing materials that are attached to this Memorandum as Exhibit D. The Company has already experienced initial success from its marketing efforts. While still in its developmental stage, the Company is nearing a 40% engagement rate of those it has contacted to date. The Company is largely dependent on the proceeds from this Offering, however, to create the capacity to service the future needs of existing and new, additional clientele.

Go To Market Plan

The Company's marketing plan will be executed on a number of different levels, from direct sales to sales resulting from various types, or classes, of resellers. The management of the Company has historical ties to the technology industry both in the North American and the international IT communities. Management will initially attempt to capitalize on these existing relationships.

The general outline of the Company's sales strategy is as follows:

1. Initial direct sales and initial resellers, leveraging the relationships of the management and advisory board.
2. Focused direct sales efforts, supported by awareness and demand creation marketing programs.
3. Leverage initial reseller efforts into a focused channel program to significantly broaden effective customer base.
4. Expansion of the channel program to handle outsourcing brokers and other potential sales avenues.

The Company is currently supplying its applications to a few resellers who have responded positively with regards to the ability of and need for this service. These resellers already have established track records and inroads with the target market of the Company. They are the Company's preferred method to best reach the desired client base.

The Company will allow potential clients and resellers the opportunity to test its products and applications. The Company will provide product demos and evaluation periods for potential clients to gage the effectiveness of the application. The Company feels confident that once a potential client has had the proper opportunity to evaluate the product they will conclude it is worth the investment.

Target Market

Potential target markets for Chaperon are most entities that have the need to protect crucial software intellectual property and copyrighted materials in the development arena. Additionally, any company that provides or resells services to these entities is a target

market. This makes the Company's potential target market, a massive opportunity that can range from IBM Global Services to a small reseller who is virtually located anywhere, domestically or internationally.

Market Segmentation

The current market opportunity for Chaperon can be divided into the following five areas:

Off-shore software development

This includes both overseas-based companies providing service to developed countries and multi-national companies with software development operation in emerging countries like India and China.

Multi-site corporate environments

This segment would cover company with software development distributed over multiple locations that are physically separated.

Flexible workforce

This segment would cover companies that on a regular basis hire flexible workforce for software development. This would include contractors, temporary employees and consultants.

Work from Home

The focus on this segment is on companies encouraging work-from-home programs for their software development staff.

Compliance and Regulatory Markets

This is an evolving segment for Chaperon and the management is still investigating on which major compliance and regulatory policies to focus.

For each of the above five segments, the Company's focus is to allow maximum flexibility to the customer and/or partner without risking their software assets residing outside of the corporate protection infrastructure.

Current Reseller

TrekLogic Advanced Solutions, in Toronto, Ontario, is currently the Company's main reselling partner. TrekLogic elected to private label Chaperon and call it "IT Secure Smart Sourcing." TrekLogic is planning to acquire a number of licenses that are going to be used to offer secure programming to their current and future customers. They will be purchasing these licenses on an annuity format from the Company.

The Company has provided, for a fee, sales and technical training to TrekLogic's key staff in Toronto, Ontario and Calgary, Alberta, Canada, and their reselling agents in Santa Clara, California. Based on the success of these initial engagements, the Company plans to expand the relationship with TrekLogic to include their China-based operations.

TrekLogic Profile

TrekLogic Advanced Solutions is a leading software and Internet solution provider. Founded in 1997 and based in Toronto, Canada, their customers span a wide variety of industries and professions, work for multi-national corporations and small businesses, and range from highly skilled IT groups to non-computer users. Regardless of industry or level of expertise, the reason for using TrekLogic remains the same; to achieve the most effective business solution at the most competitive price. TrekLogic Advanced Solutions is a BRAINHUNTER COMPANY. Brainhunter is traded on the Toronto Stock exchange under "BH".

COMPETITION

Direct Competition

Currently, the Company has not identified a direct competitor that approaches this particular need in the same manner, using a software solution based around an open source interactive development environment, although similar technology and application may exist and may be currently servicing the market. If such competition does exist, it may be better financed, managed and experienced than the Company and its management team.

The Company has identified one company (www.phpcodelock.com) with similar technology but applied differently from Chaperon. The similarities are:

- Both protect IP at the source code level
- Both use encryption to protect IP at the source code level
- Both claim to be deterrents to theft; either product makes no guarantees
- Both support secure distribution (transport) of source code

Differences:

- CodeLockPHP protects the execution (runtime) of the PHP code whereas Chaperon does not perform any runtime protection
- CodeLockPHP protect HTML and PHP source files whereas Chaperon protects Java, C and C++ source files
- CodeLockPHP is more of a standalone utility whereas Chaperon is a complete IDE
- CodeLockPHP assumes the developer of the PHP code is the one who wants to protect it from others and does not have the notion of a separate security administrator role where Chaperon supports the case where the developer may not be trusted and therefore introduces a separate Security Administrator role.

Indirect Competition

Indirect competition is varied and fragmented with their effectiveness nearly impossible to measure. This competition, mostly in the area of "physical" security, includes but is not limited to the following areas of focus:

- Indemnification and Liability – use of contractual terms to 'protect' the customer in the event of loss of IP.

- Chief Finance Officer / Vice President of Finance
- Vice President Customer Support *
 - Director Customer Engagements *
 - Director of Customer Support *
- Vice President of Sales
 - Director of Direct Sales
 - Director of Indirect Sales (Partners and Alliances) *
- Vice President Business Development and Marketing *

** Candidates have already been identified for these positions*

Initially, these roles will be filled and duties performed by key members of the initial management team until such time that the business results justify further addition to the management staff.

Current Management Operating Structure

- Ashif Dhanani, CEO
 - Acting lead for Business Development, Marketing and Sales
 - Acting lead for Customer Engagements and Customer Support
- Subramanya Kumar, Chief Architect / Vice President Engineering
- Acting Vice President of Finance

Support Team

- Akbar Jaffer – Manager, Business Development, International Partners
- Engineering Team
 - 1 Senior Programmer – Based in Colorado
- 2 Development/QA/ Sustaining Engineering – Based in China

MANAGEMENT TEAM

The current management team will consist of the President and CEO, Mr. Ashif Dhanani, Subramanya Kumar and the Vice President of Engineering who has been identified but not yet retained by the Company. Once funding is in place, the Company will implement key management positions as the need arises.

In addition to the brief summary of the careers and accomplishments of each member of the management team in this Memorandum, resumes for each member has been attached to this Memorandum as Exhibit E.

Ashif Dhanani

*CEO/President, Acting VP of Business Development and Marketing
VP, Customer Support*

Mr. Ashif Dhanani spent the last 19 years with Sun Microsystems, Inc., and provided substantial leadership, invaluable skills and the loyalty and drive to open new frontiers

with technology in the service industry. After owning his own business in the industry, and a brief stint doing R&D in the oil and gas sector, he joined Sun in late 1986 where he originally worked as a Systems Engineer. While working with Sun, Mr. Dhanani's accomplishments included developing and launching various successful projects, such as Sun's current initiative, Utility Computing.

Due to Mr. Dhanani's ability to converse effectively in the technology industry, on numerous occasions, he served as a spokesperson on behalf of Sun in conversations and interviews with analysts and media relations.

Mr. Dhanani's education and career have given him the skills for working with limited resources to drive measurable results. He is proficient in marketing, strategy development, business development, product marketing, product development, and business processes and sales operations. He has strong working experience in the service industry including field delivery, consulting, education, hardware and software support and service sales.

Mr. Dhanani graduated from the University of Calgary with a Bachelor of Science Degree in Computer Science with a specialty in Geophysics. He later continued his education at the University of British Columbia in the Management Training with the Executive Management Programs. Mr. Dhanani's Resume is included in Exhibit F.

Subramanya Kumar

Chief Architect, Vice President Engineering

Mr. Kumar was employed with Sun Microsystems for the last nine years as a Senior Staff Engineer and has worked with Sun in Ontario, Canada and Colorado. He began his career in technology, over 22 years ago, as a senior systems analyst in Bangalore, India, and over the past 22 years, he has held various positions within the industry.

Mr. Kumar is a technical leader with an established track record of managing full software product development for the architecture, design and implementation. He currently has one (1) patent pending in the area of "Storage Provisioning Policies." He is a certified Java and Oracle Programmer and has experience with almost every programming language and software application that currently exists in the technology realm. Mr. Kumar's experience level and education make him the ideal candidate for this project.

SUPPORT TEAM

Akbar Jaffer

Manager, Business Development, International Partners

Akbar earned his bachelors degree from Georgia State University in Marketing and Finance and his Masters from Florida International University in Hospitality Management. For ten years, he worked nationwide, specializing in turning around distressed hotel properties. His repertoire of turnarounds includes hotels such as Sheraton, Holiday Inn and Ramada Inns. In 1997, Akbar made a career change to the

telecommunications industry, joining NEC. Mr. Jaffer is currently the Business Development Manger for X Inc. in Colorado.

ADVISORY COMMITTEE

The Company has established an Advisory Committee of persons who have been appointed by the Company, but are not Directors, employees, officers or managers of the Company. The purpose of the Committee is to consult with Management concerning factors affecting the Company's business operations. Advisory Committee members are individuals selected by Company Management who have the relevant knowledge and experience that will aid in the Company's development and growth. Members of the Advisory Committee will serve at the Company's request, and except for confidentiality agreements, there are no express or implied contracts between the Company and the Advisory Committee members.

Dipankar Chakravarti

*The Ortloff Professor of Business
Professor of Marketing and Faculty Director,
Programs in International Management
Leeds School of Business*

Dr. Chakravarti is currently a Professor of Marketing at the Ortloff Professor of Business at the Leeds School of Business for the University of Colorado at Boulder. He holds a Bachelor of Science degree with honors in Physics from the University of Calcutta, in India, Dipankar also has a Masters of Science and a Ph.D in Industrial Administration from Camegie-Mellon University. Dr. Chakravarti joined CU-Boulder in 1995 and has held prior faculty appointments at the University of Florida, Duke University and the University of Arizona. While at the University of Arizona he was Professor of Marketing and Psychology. Prior to his academic positions he was an executive with Delhi Cloth and General Mills, India with responsibility for market planning and control for a nationally distributed line of cosmetics.

Dr. Chakravarti has written extensively on managerial and consumer decision making in marketing and is among the most published and cited authors in the major scholarly marketing and consumer behavior journals. He has received many major research awards from the American Marketing Association and the Association for Consumer Research

Dr. Chakravarti has worked with major corporations like Proctor and Gamble, Hewlett Packard, IBM and Sun Microsystems. He has also worked with agencies such as the Federal Trade Commission and the United Nations as a consultant and as an executive educator in the areas of marketing strategy, market research, and e-Commerce. He is a member of the policy board of the Journal of Consumer Research and serves on the advisory Council of the Marketing Research Special Interest Group of the American Marketing Association.

Richard W. Lawrence

*Senior Vice President, Administration
Chief Finance Officer and Treasurer
University of Colorado Foundation*

In June of 2006, Mr. Lawrence took the role of Senior Vice President of Administration, Chief Finance Officer and Treasurer at University of Colorado Foundation. Established in 1967, the University of Colorado Foundation is a privately governed nonprofit corporation whose mission is to support the University of Colorado. Today, the Foundation manages an endowment that exceeds \$430 million and has total assets of more than \$717 million.

Prior to joining University of Colorado Foundation, Mr. Lawrence was the Executive Vice President of VectraBank Colorado, leading the bank's core retail operation in the greater Denver Metro area including Executive Banking, Business Banking, 19 branches and more than 150 employees. Mr. Lawrence also managed the bank's statewide operations, a team of 180 in the Operations & Regulatory Relations groups.

Mr. Lawrence has more than 20 years of banking experience, much of it in leadership positions spanning finance, operations and retail bank assignments. Prior to joining VectraBank in 2000, Lawrence helped lead the nationwide Year 2000 Project for the Bank One Corporation as Senior Vice President. In this role, Mr. Lawrence developed and managed Bank One's program to resolve Y2K risks associated with its computer systems and oversaw related communications, training, regulatory liaison and liquidity programs. He also managed corporate level initiatives relating to reengineering human resources processes and systems conversions for Arizona's Valley National Bank and six individual Colorado banks in the Bank One system in the mid-1990s.

BOARD OF DIRECTORS; MANAGER

Currently, the only member of the Board of Directors is Mr. Ashif Dhanani. Additional Board Members may be added in accordance with the Company's Operating Agreement. The Board of Directors will guide the long term operations and strategies of the Company. The Board will appoint a manager to manage the day-to-day operations of the Company.

Indemnification of Management, Directors and Officers

Pursuant to the Colorado Limited Liability Company Act and the Operating Agreement, the Company intends to indemnify and to limit the liability of its managers, officers, directors, advisors, independent contractors and employees to the fullest extent permitted by the law.

Insofar as indemnification for liabilities arising under the U.S. securities laws may be permitted for directors, officers or persons controlling the Company pursuant to the foregoing provisions, it is the position of the SEC that such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable.

Keyman Life Insurance

The Company may acquire and maintain an appropriate level of keyman life insurance as to Ashif Dhanani for benefit of the Company, although such insurance has not yet been considered.

CONFLICTS OF INTEREST

Management has and will continue to have an affirmative obligation to disclose conflicts of interest to the Company's Board of Directors.

PRINCIPAL MEMBERS

The following table sets forth certain information as of October 1, 2006 with respect to the beneficial ownership of Units by each person or group that beneficially owns more than 5% of the outstanding Units of the Company:

Name	Units	Current Equity
X Inc.	2,320,000	38.67%
Ashif Dhanani	1,500,000	25.00%
Subramanya Kumar	1,020,000	17.00%
Reserved for Employee, Advisors & Board of Directors	600,000	10.00%
Miscellaneous owners of less than 5% equity	560,000	9.33%
Total	6,000,000	100%

INCOME TAX MATTERS

This discussion is a summary of certain material U.S. federal income tax consequences of purchasing and owning Units. This discussion applies only to potential investors who are natural persons, who have not and will not perform services to or for the benefit of the Company, who will acquire Units for investment, and who are U.S. citizens or residents. This discussion is of necessity general and cannot address tax issues that are particular to any investor in light of the investor's special circumstances. This discussion does not address foreign, state or local tax aspects. This discussion is based upon current law, which is subject to change, possibly with retroactive effect. **The following is merely informational and is not tax or legal advice. Potential investors are urged to consult with their own tax advisors concerning material federal, foreign, state and local tax aspects of an investment in Units in light of their particular tax situations.**

Notice Pursuant To IRS Circular 230

Anything contained in this summary concerning any U.S. federal tax issue is not intended or written to be used, and it cannot be used by a an investor for the purpose of avoiding federal tax penalties under the Internal Revenue Code ("Code"). This summary was written solely to support the marketing of the Offering addressed by this Memorandum.

Partnership Taxation

The Company will be treated as a partnership for federal income tax purposes. Accordingly, items of taxable income, gain, loss, deduction and credit recognized by the Company will be passed-through to, and separately reportable by, the members of the Company ("Member"). Each Member will receive a Form K-1 from the Company after the end of each taxable year setting forth the member's allocable share of income, gain, loss, deduction and credit from the Company for the year. Members will be required to treat tax items of the Company on their individual returns in a manner consistent with the treatment of those items on the Company's return, unless the members file with the IRS a statement identifying the inconsistency.

Allocations

Under Section 704(b) of the Code, the partners' allocable shares of partnership income, gain, loss and deduction are determined under the partnership agreement if the allocations have "substantial economic effect," and are otherwise determined in accordance with the partners' "interests in the partnership." Under Code Section 704(c), items of taxable income and loss must be allocated to take into account the difference, if any, between tax basis and book value of assets. The Company intends to comply with these Code provisions. However, the IRS might assert that the Company's allocations do not satisfy these provisions. Any reallocation by the IRS of tax items for this or any other reason could affect the tax and financial consequences of an investment in the Company. In addition, under certain circumstances, allocations of taxable income and loss may not reflect allocations of net profit and net loss that are made to the Members' capital accounts, and that as a result a Member may be allocated more or less taxable income than its economic profit or loss.

Distributions

A Member will not generally be taxable on cash distributions received from the Company except to the extent that they exceed the Member's adjusted basis in the Member's membership interest. To that extent, a distribution will be treated as gain on the sale of a membership interest. A reduction in a Member's share of indebtedness of the Company will be treated as a distribution for tax purposes. **A Member's share of taxable income of the Company may not correspond to distributions received from the Company, and distributions may be insufficient to fund income taxes on income allocated by the Company.**

Adjusted Basis in Unit

A Member's initial basis in the Member's membership interest will be the amount paid by the Member for the membership interest. The Member's basis will be increased by the Member's allocable share of income and gain from the Company, and will be decreased (but not below zero) by the Member's allocable share of deductions and loss from the Company and by the amount of any distributions received from the Company. A Member will also include in its basis its allocable share of non-recourse indebtedness, if any, of the Company, i.e., indebtedness of the Company for which no Member or related person is liable.

Passive Income or Loss

Under the “passive activity loss” rules, income or loss from operations of the Company is expected to be “passive” income or loss for a Member in the Company. As a result, a Member may not use the Member’s allocable share of loss from the Company, if any, to offset the Member’s income from other sources, except for “passive” income from other sources. Income or loss from an activity generally is “passive” income or loss unless the taxpayer “materially participates” in that activity. Dividends and interest income generally are “portfolio” income rather than “passive” income, and cannot be offset by passive losses.

Any loss that a Member cannot use because of the “passive activity loss” limitations will carry forward to future years subject to the same limitation. A Member’s unused “passive loss” carryforwards from the Company, if any, will be treated as non-passive losses if and when the Member disposes of the Member’s entire membership interest in a taxable transaction to an unrelated person. If a Member sells only a part of his interest to an unrelated person in a fully taxable transaction, the Member may be able to deduct an allocable portion of any suspended passive losses, if the Member can establish with reasonable certainty the amount of income, deductions and credits allocable to the interest sold. The “passive activity loss” rules generally apply to individuals, estates, trusts and (with certain modifications) certain closely-held “C” corporations.

Other Loss Limitations

Under Code Section 704(d), a Member may not claim net losses from the Company in excess of the Member’s basis in the member’s Units. Under the “at-risk” rules of the Code (applicable to individuals and certain closely-held C corporations), the amount of net loss, if any, which an investor may deduct in any year as a consequence of his or her investment in the Company will be limited to the investor’s amount “at risk” in the Company, *i.e.*, the investor’s cumulative cash payments for the member’s membership interest less distributions from the Company and net losses allowed in prior years. Distributions to a Member in excess of a Member’s amount “at risk” may, in certain situations, require the Member to recognize gain with respect to the Member’s membership interest.

Special Limitation on the Deductibility of Interest

A non-corporate taxpayer is not permitted to deduct “investment interest” in excess of “net investment income.” “Net investment income” generally includes all gross income of the taxpayer from property held for investment and, under certain circumstances, net gain attributable to the disposition of property held for investment. This limitation could apply to limit the deductibility of interest paid by a non-corporate person that is a Member (directly or through a partnership or other pass-through entity) on indebtedness incurred to finance its investment in the Company or the deductibility of such Member’s share of interest expense, if any, of the Company.

Gain or Loss on Sale of Units; Treatment of Buyer

Any gain recognized by a Member on the sale of a membership interest will be

ordinary income to the extent attributable to “hot assets” of the Company, and will otherwise be capital gain (long-term capital gain if the membership interest was held for more than one year before the sale). “Hot assets” includes inventory, unrealized receivables, and depreciation and depletion recapture.

On the request of a Member, the Company will make an election under Code Section 754 to adjust the basis of its assets with respect to a Member who has purchased a membership interest from another Member. Under this election, which is generally binding for all future years, a buyer of a membership interest would receive a basis step up (or step down) in the Company’s assets to reflect the purchaser’s price for the membership interest.

Taxation of Ordinary Income and Capital Gains

Long-term capital gains generally are subject to federal income taxation as a maximum marginal rate of 15% (20% after December 31, 2008). By contrast, ordinary income and short-term capital gains of individuals are taxable at a maximum marginal rate of 35%. The deductibility of net capital loss is subject to limitation.

Alternative Minimum Tax

A Member may be subject to alternative minimum tax (“AMT”) as a result of owning a membership interest in the Company. Generally, AMT equals 26% to 28% of a taxpayer’s “alternative minimum taxable income” (“AMTI”) in excess of a certain “exemption amount.” AMT is payable if and to the extent that it exceeds a taxpayer’s regular tax for a taxable year. AMTI is determined by adding back certain “preference items” to regular taxable income, and by making certain other adjustments to regular taxable income. A Member’s pass-through items from the Company may result in items of preference or adjustment for purposes of calculating AMTI.

Audits

The IRS could audit the Company, and not individual investors, as to any items of income, deduction, gain or loss of the Company. The tax matters member of the Company would conduct such an audit. Members have certain defined rights to participate in such an audit or to appeal determinations of the IRS reached in the audit. Any adjustments made in the audit of the Company would result in corresponding adjustments to the personal income tax returns of Members. An audit of the Company could result in a Member being audited.

State Income Taxes

A Member may be subject to tax on the Member’s allocable share of income from the Company in the Member’s state of residence as well as in the states in which the Company operates. Reciprocal state tax credits may or may not be available, depending on applicable state law.

ADDITIONAL INFORMATION

Should any potential investor or his purchaser representative desire any

additional information regarding the Company's services or wish to review any of the underlying documents referred to herein, they may do so by requesting such material from Mr. Ashif Dhanani, President of the Company, who can be reached by telephone at 720-221-8628. All such requests will be accommodated during normal business hours.

SUBSCRIPTION DOCUMENTS

Each prospective investor herein will be required to execute a Subscription Agreement, and the Operating Agreement which describe the terms of this offering and the rights, duties and responsibilities of the Company and the Units holders.

EXHIBIT A FINANCIALS

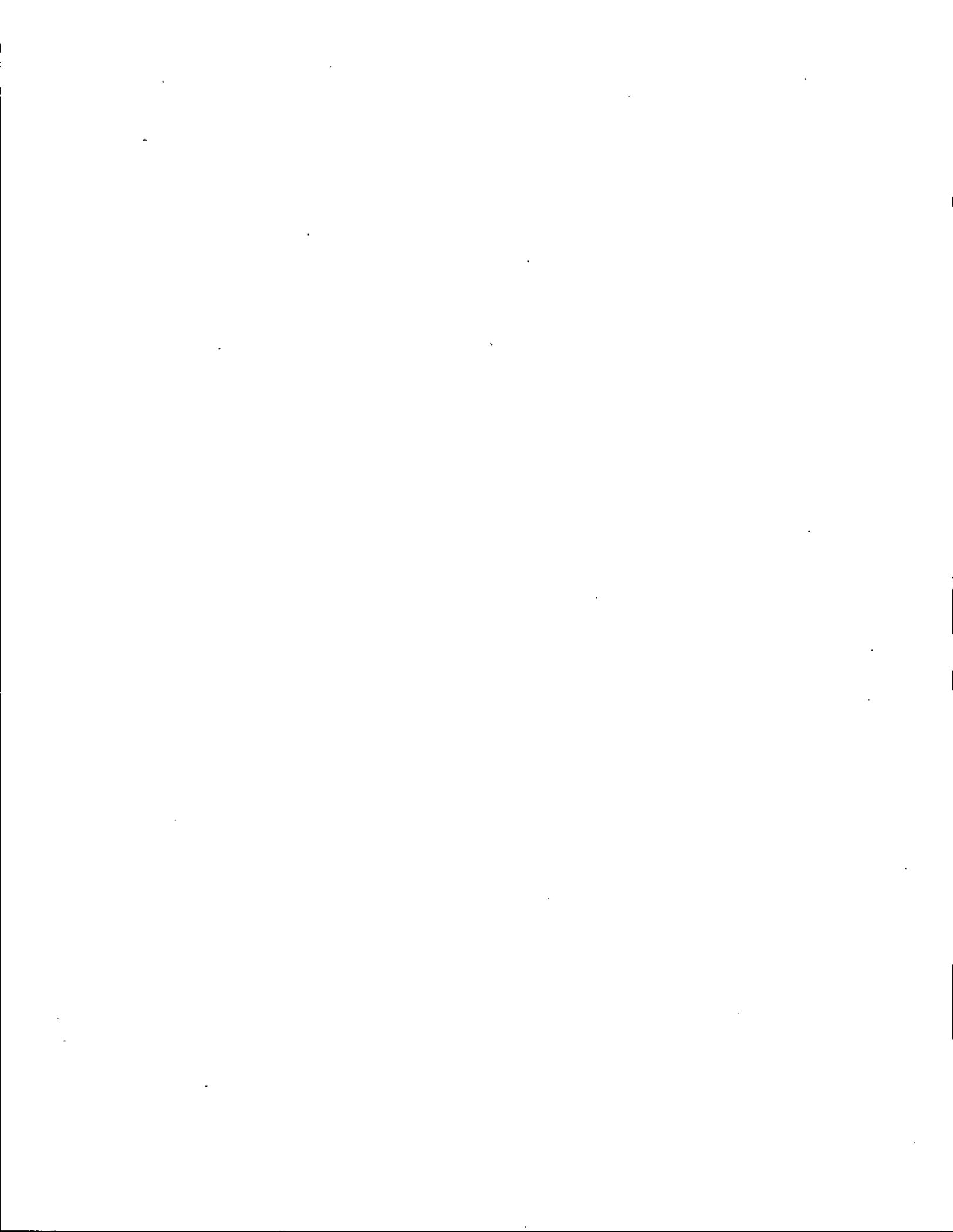


EXHIBIT B REFERENCE



Chaperon, LLC
Confidential Offering Memorandum

©2006

EXHIBIT B
REFERENCE MATERIAL

Outsource Firm Sues In India / Alleged Code Theft Highlights Foreign Risk

David Farber

8/28/04

<http://www.interesting-people.org/archives/interesting-people/200408/msg00324.html>

FAA Worker Gets A Year In Code Theft

Matt O'Connor

7/1/01

<http://www.mail-archive.com/cybercrime-alerts@topica.com/msg00478.html>

SCO Backs Up Claims of Linux IP Theft

Paul Thurrott

6/10/03

<http://www.windowsitpro.com/Article/ArticleID/39258/39258.html>

US Charges Engineer with Theft of Trade Secret at White Plains

U.S. Attorney's Office

February 26, 2002

<http://www.usdoj.gov/criminal/cybercrime/kissaneArrest.htm>

Half-Life 2 source theft details emerge

Rob Fahey

7/19/04

<http://www.gamesindustry.biz/news.php?aid=3810>

Cisco Confirms Source Code Theft - Security -

Jennifer Hagendorf Follett, CRN

5/21/04

<http://www.itnews.com.au/newsstory.aspx?CIID=15191>

CherryOS: Blatant Theft of Pear PC Source Code

<http://www.ht-technology.com/cherryos-pearpc/cherryos-pearpc.html>

TECTONIC: Code Theft or Liberalization?

Christiaan Erasmus

12/9/04

<http://www.tectonic.co.za/view.php?action=view&id=392&topic=Linux>

**FBI Joins Microsoft Code Hunt
Who Leaked Windows Source Code Online?**

Robert Jaques

2/16/04

<http://www.vnunet.com/vnunet/news/2124328/fbi-joins-microsoft-code-hunt>

Offshore coding work raises security concerns

Dan Verton

5/5/03

<http://www.computerworld.com/careertopics/careers/story/0,10801,80935,00.html>

**Data Security Top Risk Concern in Outsourcing
By management consultancy Booz Allen Hamilton.**

3/24/06

<http://www.finextra.com/fullstory.asp?id=15097>

Gartner Predicts Huge Increase in Offshore Outsourcing by 2015

Paul McDougall

InformationWeek

3/31/05

<http://www.informationweek.com/showArticle.jhtml;jsessionId=JY0Q0BW0NGLQYQSNDLPCKH0CJUNN2JVN?articleID=160400498&queryText=Gartner+Predicts+Huge+Increase+In+Offshore+Outsourcing+By+2015>

INTELLECTUAL PROPERTY PROTECTION

MICHAEL FITZGERALD

CIO Magazine

11/15/03

<http://www.cio.com/archive/111503/offshore.html>

Best Practices in IP Protection When Off Shoring

Jaydeep Kulkarni,

KeyTone Technologies Inc.

<http://www.noa.co.uk/features/featuresKeyToneoppc.html>

Software Outsourcing Surges in China

Shelley Solheim

<http://www.oswmag.com/news/viewArticle/ARTICLEID=1593>

REPORT

Growth Strategies in Outsourcing

High value IT outsourcing sectors and vertical markets

By Gary Eastwood

2005 Business Insights Ltd

EXHIBIT C

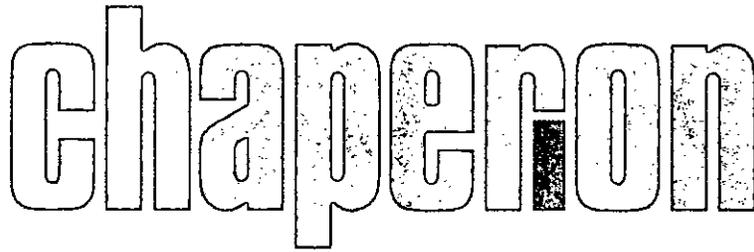
SUBSCRIPTION AGREEMENT



Chaperon, LLC
Confidential Offering Memorandum

©2006





SUBSCRIPTION DOCUMENT INSTRUCTIONS

Please follow these instructions carefully. Failure to comply fully with these instructions may result in the Subscription not being accepted.

1. You have received a package containing two copies of this Subscription Agreement, one of which you should fully complete and execute, and the second of which you may retain for your records.
2. Arrangements can be made for the wire transfer of funds. Please contact Ashif Dhanani at 720-221-8628 for banking information.
3. The completed and signed Subscription Agreement should be delivered or mailed to:

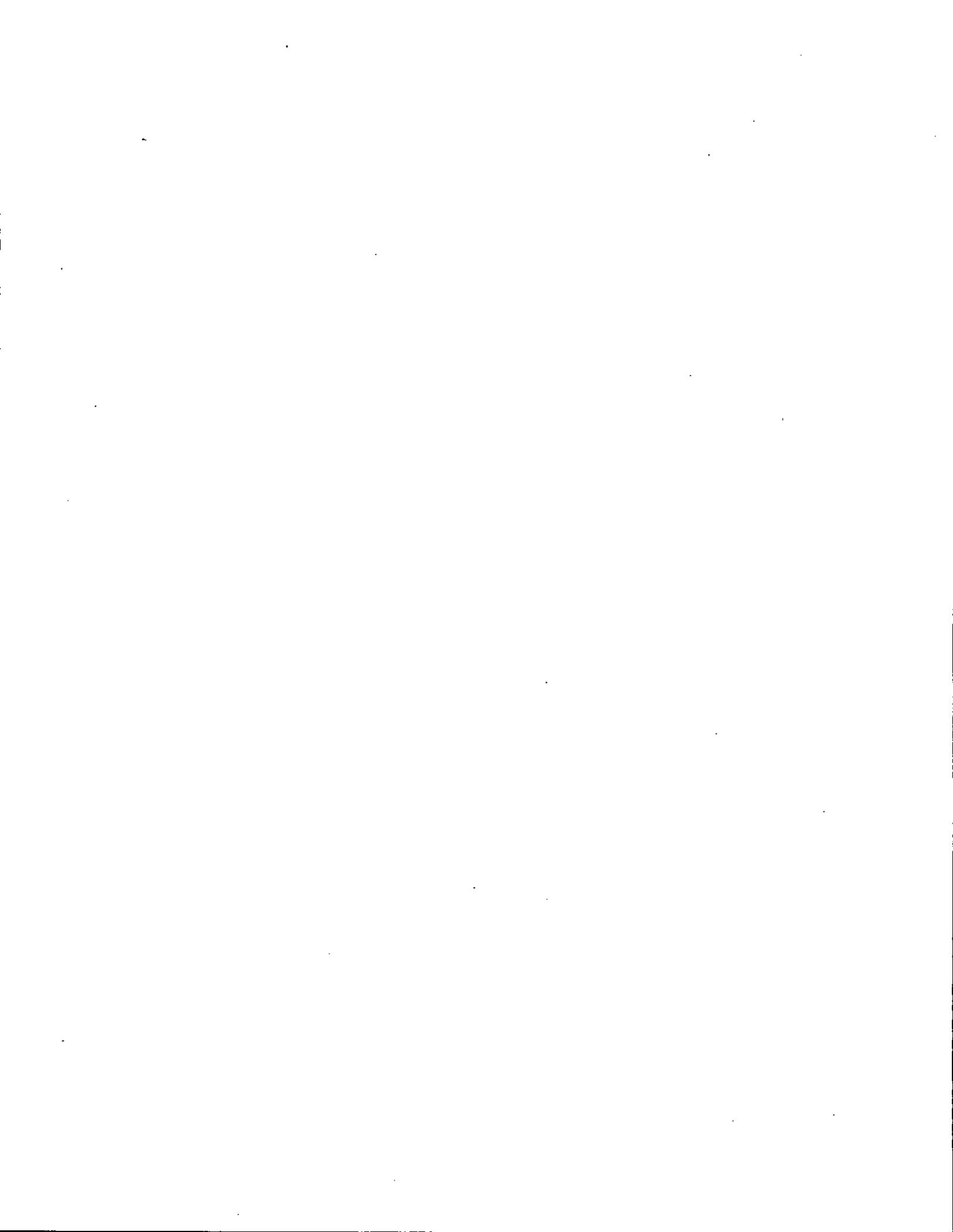
Chaperon, LLC
c/o Mr. Ashif Dhanani
853 Trail Ridge Dr.
Louisville, Colorado 80027



**SUBSCRIPTION AGREEMENT
FOR
CHAPERON, LLC**

THE UNITS OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR THE SECURITIES LAWS OF CERTAIN STATES AND ARE BEING OFFERED AND SOLD IN RELIANCE ON EXEMPTIONS FROM REGISTRATION REQUIREMENTS OF THE ACT AND SUCH LAWS. THE UNITS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION OR OTHER REGULATORY AUTHORITY, NOR HAVE 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.

HEDGING TRANSACTIONS INVOLVING THESE SECURITIES MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE ACT. ANY NON-U.S. PERSON WHO PURCHASES THE SECURITIES OFFERED HEREBY AGREES TO RESELL OR OTHERWISE TRANSFER SUCH SECURITIES ONLY IN COMPLIANCE WITH REGULATION S, PROMULGATED UNDER THE ACT, PURSUANT TO REGISTRATION UNDER THE ACT, OR PURSUANT TO AN AVAILABLE EXEMPTION FROM REGISTRATION, AND AGREES NOT TO ENGAGE IN HEDGING TRANSACTIONS WITH REGARD TO SUCH SECURITIES UNLESS IN COMPLIANCE WITH THE ACT.



Subscriber's Name _____

SUBSCRIPTION AGREEMENT

Chaperon, LLC
853 Trail Ridge Dr.
Louisville, Colorado 80027
Phone: 720-221-8628

RE: Acquisition of Units of Chaperon, LLC, a Colorado limited liability company, (the "Company").

A. SUBSCRIPTION

The undersigned hereby subscribes for the number of Units (the "Units") in the Company set forth in the signature page below at the purchase price indicated.

B. SUBSCRIBER'S REPRESENTATION AND WARRANTIES

The undersigned hereby represents and warrants as follows:

In connection with your offer of Units, I represent and warrant that I am 21 years old or older; have had an opportunity to ask questions of the principals or representative of the Company; that I, individually or together with others on whom I rely, have such knowledge and experience in financial and business affairs; that I have the capability of evaluating the merits and risks of my investment in the Company; that I am financially responsible and able to meet my obligations hereunder and acknowledge that this investment is by its nature speculative; that you have made all disclosures and documents pertaining to this investment available to me and, where requested, to my attorney, accountant and investment adviser; and that I will not sell my Units without registration under the Securities Act of 1933 or exemption therefrom.

I represent that I either have such knowledge and experience in financial and business matters, that I am capable of evaluating the merits and asks of my investment in the Company or, together with the purchaser representative, if any, named below, have such knowledge and experience in financial and business matters, that we are capable of evaluating the merits and risks of my investment in the Company; that I relied on my own legal counsel or elected not to rely on my counsel despite the Company's recommendation that I rely on my own legal counsel; and that I am able to bear the economical risk of such investment.

Initials _____

Risk

The undersigned acknowledges that an investment in the Company involves substantial risks, and the undersigned has carefully reviewed and is aware of all of the risk-factors related to the Purchase of the Units, including those set forth under the caption "Risk Factors" in the Offering Memorandum.

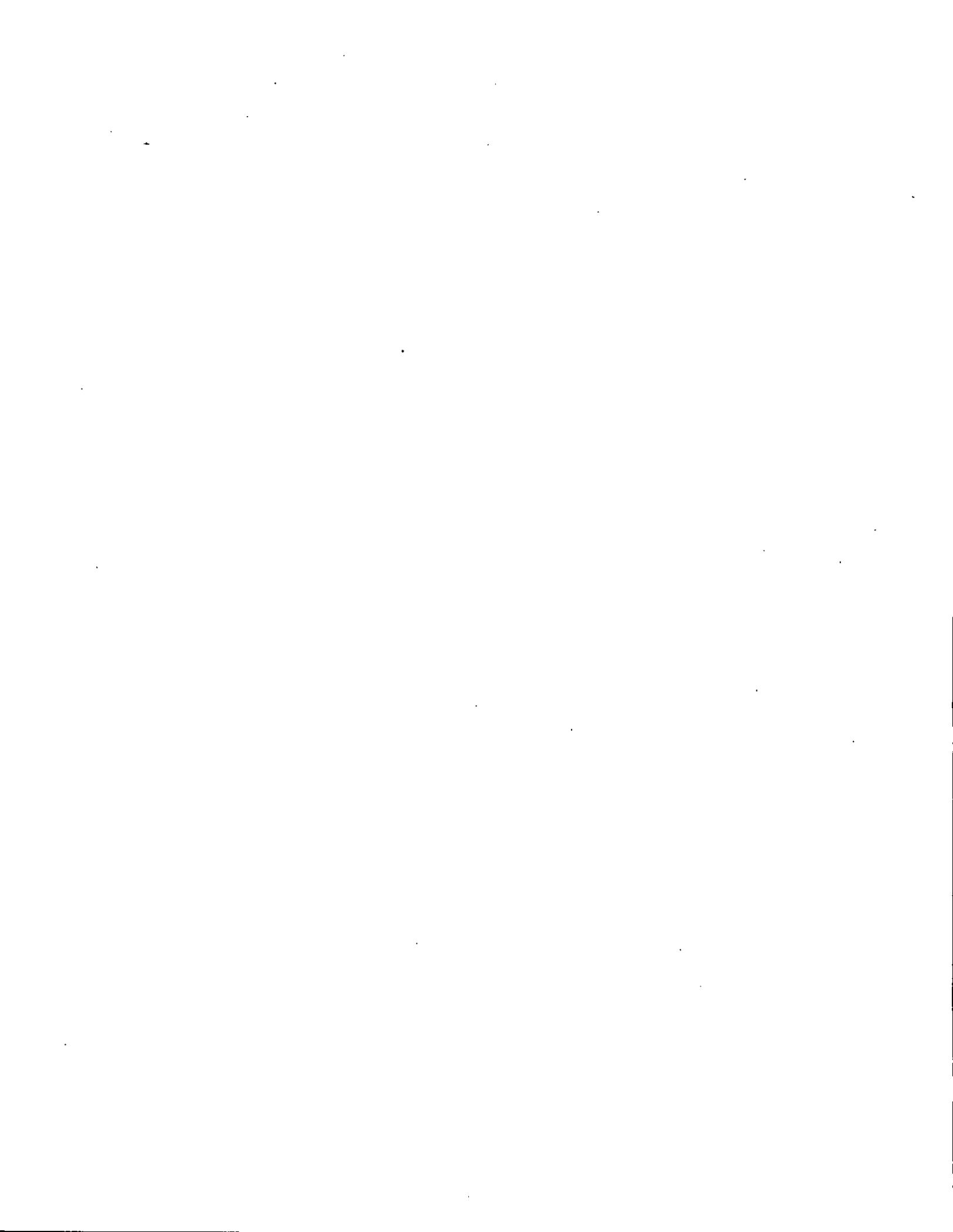
Restrictions of Transferability

The undersigned realizes that the Units have been offered only in the states where permitted and are being sold pursuant to an exemption from registration under the Securities Act of 1933, as amended and Regulation D, promulgated under such act and pursuant to the analogous state statutes. The undersigned further understands that the Units may not be registered in any state which does not recognize such exemption and any transfers to residents of such state must be made pursuant to registration or an exception from registration in the transferee's state. Further, the Subscriber(s) hereby understands that the Units purchased herein are being acquired for investment purposes only, for the purchaser's own account, and not with the intention of redistribution.

Indemnification and Arbitration

The undersigned recognizes that the offer of the Units in the Company was based upon his/her representations and warranties contained above and hereby agrees to indemnify the Company and to hold it harmless against any liabilities, cost or expenses (including reasonable attorney's fees) arising by reason of, or in connection with; any misrepresentation or any breach of such warranties by the undersigned, or arising as result of the sale or distribution of the Units by the undersigned in violation of the Securities Act of 1933, as amended, or any other applicable law. Further, in the event that any dispute were to arise in connection with this Agreement or with the undersigned's investment in the Company, the undersigned agrees, prior to seeking any other relief at law or equity, to submit the matter to binding arbitration in accordance with the rules of the National Association of Securities Dealers (NASD) at a place to be designated by the Company.

Initials _____



I AM _____ or AM NOT _____ an accredited or exempted investor based on the qualifications below:

Accredited Investor

1) Any bank as defined in section 3(a)(2) of the Act, or any savings and loan association or other institution as defined in section 3(a)(5)(A) of the Act whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to section 15 of the Securities Exchange Act of 1934; any insurance company as defined in section 2(13) of the Act; any investment company registered under the Investment Company Act of 1940 or a business development company as defined in section 2(a)(48) of that Act; any Small Business Investment Company licensed by the U.S. Small Business Administration under section 301(c) or (d) of the Small Business Investment Act of 1958; any plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of \$5,000,000; any employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974 if the investment decision is made by a plan fiduciary, as defined in section 3(21) of such Act, which is either a bank, savings and loan association, insurance company, or registered adviser, or if the employee benefit plan has total assets in excess of \$5,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors;

(2) Any private business development company as defined in section 202(a)(22) of the Investment Advisers Act of 1940;

(3) Any organization described in section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of \$5,000,000;

(4) 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;

(5) Any natural person whose individual net worth, or joint net worth with that person's spouse, at the time of his purchase exceeds \$1,000,000;

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

(7) Any trust, with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in § 230.506(b)(2)(ii); and

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

Non-Accredited Investor

My present net worth (exclusive of home, furnishings, and automobiles) exceeds five (5) times my contemplated investment in the company. (_____ Yes _____ No)

During the previous tax year I had an annual taxable income in excess of \$ _____

During the present tax year I anticipate an annual taxable income in excess of \$ _____

Agency Approval.

No federal or state agency has made any determination as to the fairness of the offering for investment purposes, or any recommendation or endorsement of the Units.

Operating Agreement.

The undersigned acknowledges and agrees that if its subscription for Units is accepted by the Company, the undersigned must execute the Company's Limited Liability Company Operating Agreement as a condition to being sold and issued the Units.

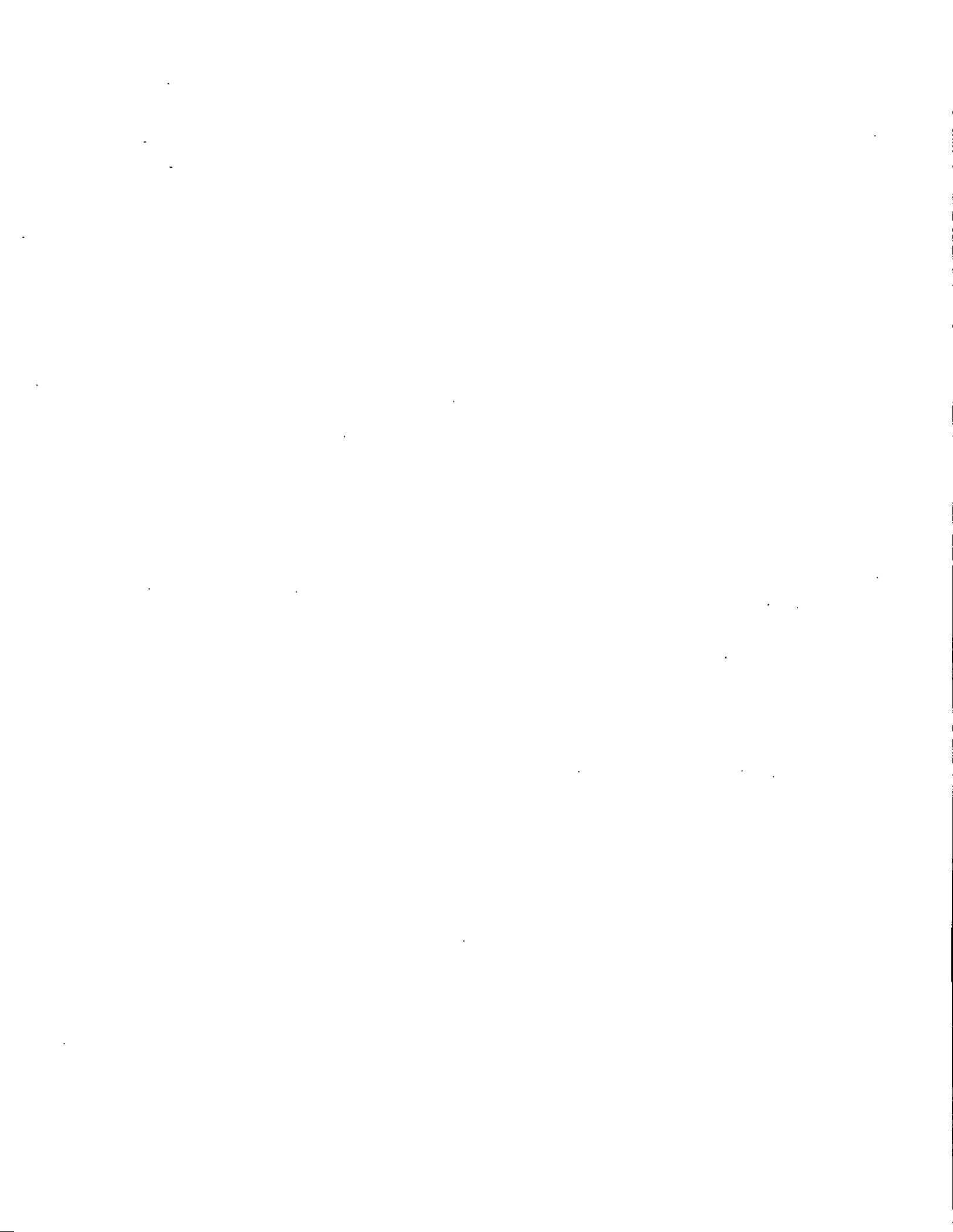
Miscellaneous

This Agreement shall be governed by and construed in accordance with the laws of the State of Colorado, without regard to the principles of conflicts of laws, which would otherwise require the application of the substantive law and other jurisdiction.

This Agreement contains the entire agreement between the parties with respect to the subject matter herein. The provisions of this Agreement may not be modified or waived except in writing.

This Subscription, upon its acceptance by the Company, shall be binding upon the heirs, personal representatives, successors, and assigns of Subscriber.

This Subscription is subject to acceptance by the Company and is binding upon the Company only upon execution by a duly authorized officer of the Company. In this event this Subscription is rejected, any funds will be returned to Subscriber, without deduction or interest.



Subscription

I hereby subscribe for _____ Units at \$1.00 per Unit for a total purchase prices of \$ _____

(Please return with your check made payable to: Chaperon, LLC.)

I ask that title of my Units be maintained on the books of the Company as designated below.

1. The Units be held by an individual, named below.
2. I ask that the Units be held in the following name:

(If 2, check one of the following boxes to show how such person or persons are to hold the Shares):

1. _____ Community Property
2. _____ Joint tenant with the right of survivorship
3. _____ Tenants in Common
4. _____ Individually
5. _____ Corporation
6. _____ Other (partnership, trust, etc). Please specify:

(NOTE: IF OWNERSHIP IS BEING TAKEN IN JOINT NAME WITH A SPOUSE OR OTHER PERSON, THEN ALL SUBSCRIPTION DOCUMENTS MUST BE EXECUTED BY ALL SUCH PERSONS. IF OWNERSHIP IS TO BE BY AN ENTITY SUCH AS A TRUST, CORPORATION OR LLC, ADDITIONAL DOCUMENTATION WILL BE REQUIRED.)

IN WITNESS WHEREOF, subject to acceptance by the Company, the undersigned has completed this Subscription Agreement to evidence his Subscription this

_____ day of _____, _____.

Subscriber:

Name _____

Address _____

Signature _____

Social Security Number _____

Spouse/Partner:

Name _____

Address _____

Signature _____

Social Security Number _____

If Subscriber is a legal entity Name of Entity and state of organization (please print)

By _____

Its _____

Address: _____

Federal Tax Identification Number _____

ACCEPTANCE OF SUBSCRIPTION

Chaperon hereby accepts this Subscription this _____ day of _____, 200__

Chaperon, LLC, a Colorado limited liability company

By: _____

Mr. Ashif Dhanani, Manager

EXHIBIT D
MARKETING MATERIALS

EXHIBIT A FINANCIALS

Chaperon

Chaperon - Confidential Offerings Memorandum

Minimum Offering : 350,000 Units

	Y1Q1	Y1Q2	Y1Q3	Y1Q4	Y2Q1	Y2Q2	Y2Q3	Y2Q4	Y3Q1	Y3Q2	Y3Q3	Y3Q4
Revenue												
Direct	\$0	\$0	\$146,250	\$271,125	\$417,254	\$477,475	\$926,825	\$1,096,350	\$1,319,690	\$1,556,050	\$1,854,250	\$2,169,450
Channel/Partner	\$0	\$0	\$0	\$0	\$52,785	\$105,188	\$170,624	\$265,083	\$566,785	\$693,735	\$849,003	\$1,068,795
Total	\$0	\$0	\$146,250	\$271,125	\$470,039	\$582,663	\$1,097,449	\$1,361,433	\$1,886,475	\$2,249,785	\$2,703,253	\$3,238,245
Variable costs / Delivery costs												
Direct	\$0	\$0	\$63,563	\$108,844	\$159,267	\$166,238	\$335,385	\$386,093	\$461,201	\$516,173	\$628,433	\$755,093
Channel/Partner	\$0	\$0	\$0	\$0	\$21,611	\$39,797	\$61,923	\$99,380	\$219,046	\$258,521	\$308,436	\$409,241
Total	\$0	\$0	\$63,563	\$108,844	\$180,878	\$206,034	\$397,308	\$485,473	\$680,247	\$774,694	\$936,869	\$1,164,334
Overhead Costs												
Salary	\$35,225	\$61,075	\$86,075	\$180,675	\$276,509	\$309,350	\$376,450	\$423,950	\$563,250	\$593,250	\$693,250	\$835,250
Benefits	\$5,296	\$5,746	\$7,436	\$15,041	\$21,970	\$25,350	\$37,180	\$40,160	\$57,460	\$59,150	\$69,150	\$83,330
Office + supplies	0	0	0	0	15,000	15,000	20,000	20,000	20,000	20,000	20,000	20,000
Capital + S/W Licenses	5,000	1,000	1,000	10,000	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Legal	5,000	7,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Marketing / Demand Creation	2,000	7,500	7,500	6,000	25,000	25,000	10,000	100,000	12,000	100,000	18,000	10,000
Travel and Expenses	5,000	10,000	12,500	12,500	12,000	12,000	30,000	30,000	30,000	30,000	30,000	30,000
Misc. + Bonuses	\$0	\$0	\$0	\$14,160	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$55,521	\$92,821	\$119,511	\$253,376	\$337,970	\$394,100	\$481,130	\$773,031	\$690,210	\$809,900	\$725,900	\$1,356,216
P/L												
Y1Q1	\$0	\$0	\$146,250	\$271,125	\$470,039	\$582,663	\$1,097,449	\$1,361,433	\$1,906,475	\$2,249,785	\$2,703,253	\$3,238,245
Y1Q2	\$0	\$0	\$63,563	\$108,844	\$180,878	\$206,034	\$397,308	\$485,473	\$680,247	\$774,694	\$936,869	\$1,164,334
Y1Q3	\$0	\$0	\$119,511	\$253,376	\$337,970	\$394,100	\$481,130	\$773,031	\$690,210	\$809,900	\$725,900	\$1,356,216
Y1Q4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Y2Q1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Y2Q2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Y2Q3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Y2Q4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Y3Q1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Y3Q2	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Y3Q3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Y3Q4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total	\$0	\$0	\$146,250	\$271,125	\$470,039	\$582,663	\$1,097,449	\$1,361,433	\$1,906,475	\$2,249,785	\$2,703,253	\$3,238,245
Total Variable Costs	\$0	\$0	\$63,563	\$108,844	\$180,878	\$206,034	\$397,308	\$485,473	\$680,247	\$774,694	\$936,869	\$1,164,334
Total Fixed Costs	\$55,521	\$92,821	\$119,511	\$253,376	\$337,970	\$394,100	\$481,130	\$773,031	\$690,210	\$809,900	\$725,900	\$1,356,216
Cash Inflow	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
P/L	(\$55,521)	(\$92,821)	(\$36,824)	(\$81,095)	(\$48,810)	(\$17,472)	\$219,061	\$103,032	\$336,018	\$665,191	\$1,040,486	\$717,695
Cash Flow	(\$55,521)	(\$148,542)	(\$185,165)	(\$276,200)	(\$325,070)	(\$342,542)	(\$123,481)	\$20,449	\$319,569	\$1,180,760	\$2,222,247	\$2,926,942
Annual												
Annual Profit/Loss												
Total	\$0	\$0	\$146,250	\$271,125	\$470,039	\$582,663	\$1,097,449	\$1,361,433	\$1,906,475	\$2,249,785	\$2,703,253	\$3,238,245



Chaperon - Confidential Offerings Memorandum

Maximum Offering : 950,000 Units

	Y1Q1	Y1Q2	Y1Q3	Y1Q4	Y2Q1	Y2Q2	Y2Q3	Y2Q4	Y3Q1	Y3Q2	Y3Q3	Y3Q4
Revenue	\$0	\$0	\$180,000	\$335,850	\$518,034	\$764,350	\$1,308,575	\$1,516,350	\$1,827,190	\$2,111,050	\$2,476,750	\$2,859,450
Channel/Partner	\$0	\$0	\$0	\$0	\$105,570	\$189,225	\$290,295	\$435,735	\$728,245	\$869,730	\$1,046,285	\$1,287,360
Total	\$0	\$0	\$180,000	\$335,850	\$623,604	\$953,575	\$1,598,870	\$1,952,085	\$2,555,435	\$3,980,780	\$3,523,035	\$4,146,810
Variable costs / Delivery costs												
Direct	\$0	\$0	\$71,438	\$120,675	\$176,330	\$261,863	\$458,198	\$514,530	\$605,931	\$677,235	\$805,808	\$948,780
Channel Partner	\$0	\$0	\$0	\$0	\$43,504	\$71,775	\$105,491	\$156,374	\$270,751	\$313,388	\$368,876	\$475,155
Total	\$0	\$0	\$71,438	\$120,675	\$219,833	\$333,638	\$563,689	\$670,904	\$876,702	\$990,623	\$1,174,684	\$1,423,935
Overhead Costs												
Salary	\$143,750	\$153,750	\$116,750	\$273,750	\$283,750	\$320,000	\$390,000	\$440,000	\$583,750	\$618,750	\$618,750	\$668,750
Benefits	\$21,563	\$22,063	\$12,613	\$41,063	\$41,563	\$46,000	\$58,500	\$66,000	\$87,563	\$92,613	\$92,613	\$130,313
Office supplies	0	12,000	9,000	10,000	15,000	15,000	20,000	20,000	20,000	20,000	20,000	20,000
Capital + S/W Licenses	10,000	7,000	1,000	5,000	2,500	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Legal	21,000	7,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Marketing / Demand Creation	5,000	20,000	25,000	16,000	10,000	25,000	10,000	100,000	12,000	100,000	16,000	10,000
Travel and Expenses	15,000	25,000	25,000	25,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000	30,000
Misc. + Bonuses	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$154,881	\$0	\$0	\$0	\$0
Total	\$219,313	\$242,313	\$191,563	\$413,610	\$399,813	\$445,500	\$516,000	\$629,381	\$740,813	\$869,063	\$785,063	\$1,453,250
P/L												
Total Revenue	\$0	\$0	\$180,000	\$335,850	\$623,604	\$953,575	\$1,598,870	\$1,942,085	\$2,555,435	\$3,980,780	\$3,523,035	\$4,146,810
Total Variable Costs	\$0	\$0	\$71,438	\$120,675	\$219,833	\$333,638	\$563,689	\$670,904	\$876,702	\$990,623	\$1,174,684	\$1,423,935
Total Fixed Costs	\$216,313	\$242,313	\$116,563	\$411,610	\$388,813	\$445,500	\$516,000	\$629,381	\$740,813	\$869,063	\$785,063	\$1,453,250
Cash Inflow	0	0	0	0	0	0	0	0	0	0	0	0
P/L	(\$216,313)	(\$242,313)	(\$209,000)	(\$196,435)	(\$14,958)	\$174,438	\$519,181	\$442,800	\$937,921	\$1,121,095	\$1,563,339	\$1,269,625
Annual	(\$216,313)	(\$458,625)	(\$666,625)	(\$863,060)	(\$848,102)	(\$673,664)	(\$154,463)	\$288,317	\$1,226,238	\$2,347,333	\$3,910,672	\$5,100,297
Annual Profit/Loss								\$5,118,134	\$1,453,250	\$1,453,250	\$1,453,250	\$1,453,250

EXHIBIT B REFERENCE



Chaperon, LLC
Confidential Offering Memorandum

©2006

EXHIBIT B
REFERENCE MATERIAL

Outsource Firm Sues In India / Alleged Code Theft Highlights Foreign Risk

David Farber

8/28/04

<http://www.interesting-people.org/archives/interesting-people/200408/msg00324.html>

FAA Worker Gets A Year In Code Theft

Matt O'Connor

7/1/01

<http://www.mail-archive.com/cybercrime-alerts@topica.com/msg00478.html>

SCO Backs Up Claims of Linux IP Theft

Paul Thurrott

6/10/03

<http://www.windowsitpro.com/Article/ArticleID/39258/39258.html>

US Charges Engineer with Theft of Trade Secret at White Plains

U.S. Attorney's Office

February 26, 2002

<http://www.usdoj.gov/criminal/cybercrime/kissaneArrest.htm>

Half-Life 2 source theft details emerge

Rob Fahey

7/19/04

<http://www.gamesindustry.biz/news.php?aid=3810>

Cisco Confirms Source Code Theft - Security -

Jennifer Hagendorf Follett, CRN

5/21/04

<http://www.itnews.com.au/newsstory.aspx?CIID=15191>

CherryOS: Blatant Theft of Pear PC Source Code

<http://www.ht-technology.com/cherryos-pearpc/cherryos-pearpc.html>

TECTONIC: Code Theft or Liberalization?

Christiaan Erasmus

12/9/04

<http://www.tectonic.co.za/view.php?action=view&id=392&topic=Linux>

**FBI Joins Microsoft Code Hunt
Who Leaked Windows Source Code Online?
Robert Jaques**

2/16/04

<http://www.vnunet.com/vnunet/news/2124328/fbi-joins-microsoft-code-hunt>

**Offshore coding work raises security concerns
Dan Verton**

5/5/03

<http://www.computerworld.com/careertopics/careers/story/0,10801,80935,00.html>

**Data Security Top Risk Concern in Outsourcing
By management consultancy Booz Allen Hamilton.**

3/24/06

<http://www.finextra.com/fullstory.asp?id=15097>

**Gartner Predicts Huge Increase in Offshore Outsourcing by 2015
Paul McDougall**

InformationWeek

3/31/05

<http://www.informationweek.com/showArticle.jhtml;jsessionid=JY0Q0BW0NGLQYQSNDLPCKH0CJUNN2JVN?articleID=160400498&queryText=Gartner+Predicts+Huge+Increase+In+Offshore+Outsourcing+By+2015>

INTELLECTUAL PROPERTY PROTECTION

MICHAEL FITZGERALD

CIO Magazine

11/15/03

<http://www.cio.com/archive/111503/offshore.html>

Best Practices in IP Protection When Off Shoring

Jaydeep Kulkarni,

KeyTone Technologies Inc.

<http://www.noa.co.uk/features/featuresKeyToneoppc.html>

Software Outsourcing Surges in China

Shelley Solheim

<http://www.oswmag.com/news/viewArticle/ARTICLEID=1593>

REPORT

Growth Strategies in Outsourcing

High value IT outsourcing sectors and vertical markets

By Gary Eastwood

2005 Business Insights Ltd

EXHIBIT C

SUBSCRIPTION AGREEMENT

chaperon

SUBSCRIPTION DOCUMENT INSTRUCTIONS

Please follow these instructions carefully. Failure to comply fully with these instructions may result in the Subscription not being accepted.

1. You have received a package containing two copies of this Subscription Agreement, one of which you should fully complete and execute, and the second of which you may retain for your records.
2. Arrangements can be made for the wire transfer of funds. Please contact Ashif Dhanani at 720-221-8628 for banking information.
3. The completed and signed Subscription Agreement should be delivered or mailed to:

Chaperon, LLC
c/o Mr. Ashif Dhanani
853 Trail Ridge Dr.
Louisville, Colorado 80027

**SUBSCRIPTION AGREEMENT
FOR
CHAPERON, LLC**

THE UNITS OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR THE SECURITIES LAWS OF CERTAIN STATES AND ARE BEING OFFERED AND SOLD IN RELIANCE ON EXEMPTIONS FROM REGISTRATION REQUIREMENTS OF THE ACT AND SUCH LAWS. THE UNITS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION OR OTHER REGULATORY AUTHORITY, NOR HAVE 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.

HEDGING TRANSACTIONS INVOLVING THESE SECURITIES MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE ACT. ANY NON-U.S. PERSON WHO PURCHASES THE SECURITIES OFFERED HEREBY AGREES TO RESELL OR OTHERWISE TRANSFER SUCH SECURITIES ONLY IN COMPLIANCE WITH REGULATION S, PROMULGATED UNDER THE ACT, PURSUANT TO REGISTRATION UNDER THE ACT, OR PURSUANT TO AN AVAILABLE EXEMPTION FROM REGISTRATION, AND AGREES NOT TO ENGAGE IN HEDGING TRANSACTIONS WITH REGARD TO SUCH SECURITIES UNLESS IN COMPLIANCE WITH THE ACT.

Subscriber's Name _____

SUBSCRIPTION AGREEMENT

Chaperon, LLC
853 Trail Ridge Dr.
Louisville, Colorado 80027
Phone: 720-221-8628

RE: Acquisition of Units of Chaperon, LLC, a Colorado limited liability company, (the "Company").

A. SUBSCRIPTION

The undersigned hereby subscribes for the number of Units (the "Units") in the Company set forth in the signature page below at the purchase price indicated.

B. SUBSCRIBER'S REPRESENTATION AND WARRANTIES

The undersigned hereby represents and warrants as follows:

In connection with your offer of Units, I represent and warrant that I am 21 years old or older; have had an opportunity to ask questions of the principals or representative of the Company; that I, individually or together with others on whom I rely, have such knowledge and experience in financial and business affairs; that I have the capability of evaluating the merits and risks of my investment in the Company; that I am financially responsible and able to meet my obligations hereunder and acknowledge that this investment is by its nature speculative; that you have made all disclosures and documents pertaining to this investment available to me and, where requested, to my attorney, accountant and investment adviser; and that I will not sell my Units without registration under the Securities Act of 1933 or exemption therefrom.

I represent that I either have such knowledge and experience in financial and business matters, that I am capable of evaluating the merits and asks of my investment in the Company or, together with the purchaser representative, if any, named below, have such knowledge and experience in financial and business matters, that we are capable of evaluating the merits and risks of my investment in the Company; that I relied on my own legal counsel or elected not to rely on my counsel despite the Company's recommendation that I rely on my own legal counsel; and that I am able to bear the economical risk of such investment.

Initials _____

Risk

The undersigned acknowledges that an investment in the Company involves substantial risks, and the undersigned has carefully reviewed and is aware of all of the risk-factors related to the Purchase of the Units, including those set forth under the caption "Risk Factors" in the Offering Memorandum.

Restrictions of Transferability

The undersigned realizes that the Units have been offered only in the states where permitted and are being sold pursuant to an exemption from registration under the Securities Act of 1933, as amended and Regulation D, promulgated under such act and pursuant to the analogous state statutes. The undersigned further understands that the Units may not be registered in any state which does not recognize such exemption and any transfers to residents of such state must be made pursuant to registration or an exception from registration in the transferee's state. Further, the Subscriber(s) hereby understands that the Units purchased herein are being acquired for investment purposes only, for the purchaser's own account, and not with the intention of redistribution.

Indemnification and Arbitration

The undersigned recognizes that the offer of the Units in the Company was based upon his/her representations and warranties contained above and hereby agrees to indemnify the Company and to hold it harmless against any liabilities, cost or expenses (including reasonable attorney's fees) arising by reason of, or in connection with; any misrepresentation or any breach of such warranties by the undersigned, or arising as result of the sale or distribution of the Units by the undersigned in violation of the Securities Act of 1933, as amended, or any other applicable law. Further, in the event that any dispute were to arise in connection with this Agreement or with the undersigned's investment in the Company, the undersigned agrees, prior to seeking any other relief at law or equity, to submit the matter to binding arbitration in accordance with the rules of the National Association of Securities Dealers (NASD) at a place to be designated by the Company.

Initials _____

I AM _____ or AM NOT _____ an accredited or exempted investor based on the qualifications below:

Accredited Investor

1) Any bank as defined in section 3(a)(2) of the Act, or any savings and loan association or other institution as defined in section 3(a)(5)(A) of the Act whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to section 15 of the Securities Exchange Act of 1934; any insurance company as defined in section 2(13) of the Act; any investment company registered under the Investment Company Act of 1940 or a business development company as defined in section 2(a)(48) of that Act; any Small Business Investment Company licensed by the U.S. Small Business Administration under section 301(c) or (d) of the Small Business Investment Act of 1958; any plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of \$5,000,000; any employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974 if the investment decision is made by a plan fiduciary, as defined in section 3(21) of such Act, which is either a bank, savings and loan association, insurance company, or registered adviser, or if the employee benefit plan has total assets in excess of \$5,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors;

(2) Any private business development company as defined in section 202(a)(22) of the Investment Advisers Act of 1940;

(3) Any organization described in section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of \$5,000,000;

(4) 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;

(5) Any natural person whose individual net worth, or joint net worth with that person's spouse, at the time of his purchase exceeds \$1,000,000;

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

(7) Any trust, with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in § 230.506(b)(2)(ii); and

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

Non-Accredited Investor

My present net worth (exclusive of home, furnishings, and automobiles) exceeds five (5) times my contemplated investment in the company. (_____ Yes _____ No)

During the previous tax year I had an annual taxable income in excess of \$ _____

During the present tax year I anticipate an annual taxable income in excess of \$ _____

Agency Approval.

No federal or state agency has made any determination as to the fairness of the offering for investment purposes, or any recommendation or endorsement of the Units.

Operating Agreement.

The undersigned acknowledges and agrees that if its subscription for Units is accepted by the Company, the undersigned must execute the Company's Limited Liability Company Operating Agreement as a condition to being sold and issued the Units.

Miscellaneous

This Agreement shall be governed by and construed in accordance with the laws of the State of Colorado, without regard to the principles of conflicts of laws, which would otherwise require the application of the substantive law and other jurisdiction.

This Agreement contains the entire agreement between the parties with respect to the subject matter herein. The provisions of this Agreement may not be modified or waived except in writing.

This Subscription, upon its acceptance by the Company, shall be binding upon the heirs, personal representatives, successors, and assigns of Subscriber.

This Subscription is subject to acceptance by the Company and is binding upon the Company only upon execution by a duly authorized officer of the Company. In this event this Subscription is rejected, any funds will be returned to Subscriber, without deduction or interest.

Subscription

I hereby subscribe for _____ Units at \$1.00 per Unit for a total purchase price of \$ _____

(Please return with your check made payable to: Chaperon, LLC.)

I ask that title of my Units be maintained on the books of the Company as designated below.

1. The Units be held by an individual, named below.
2. I ask that the Units be held in the following name:

(If 2, check one of the following boxes to show how such person or persons are to hold the Shares):

1. _____ Community Property
2. _____ Joint tenant with the right of survivorship
3. _____ Tenants in Common
4. _____ Individually
5. _____ Corporation
6. _____ Other (partnership, trust, etc). Please specify:

(NOTE: IF OWNERSHIP IS BEING TAKEN IN JOINT NAME WITH A SPOUSE OR OTHER PERSON, THEN ALL SUBSCRIPTION DOCUMENTS MUST BE EXECUTED BY ALL SUCH PERSONS. IF OWNERSHIP IS TO BE BY AN ENTITY SUCH AS A TRUST, CORPORATION OR LLC, ADDITIONAL DOCUMENTATION WILL BE REQUIRED.)

IN WITNESS WHEREOF, subject to acceptance by the Company, the undersigned has completed this Subscription Agreement to evidence his Subscription this

_____ day of _____, _____.

Subscriber:

Name _____

Address _____

Signature _____

Social Security Number _____

Spouse/Partner:

Name _____

Address _____

Signature _____

Social Security Number _____

If Subscriber is a legal entity Name of Entity and state of organization (please print)

By _____

Its _____

Address: _____

Federal Tax Identification Number _____

ACCEPTANCE OF SUBSCRIPTION

Chaperon hereby accepts this Subscription this _____ day of _____, 200__

Chaperon, LLC, a Colorado limited liability company

By: _____

Mr. Ashif Dhanani, Manager

EXHIBIT D

MARKETING MATERIALS

Chaperon

Protecting your IP Enterprise Edition



The power of collaboration

CHAPERON:
A BREAKTHROUGH SERVICE
THAT ALLOWS YOU TO PROVIDE
YOUR SOURCE CODE TO YOUR
OFFSHORE SUBSIDIARIES OR
PARTNERS IN A HIGHLY
SOPHISTICATED AND SECURE
DEVELOPMENT ENVIRONMENT
THAT MAKES IT VIRTUALLY
IMPOSSIBLE TO COPY OR PIRATE.

► **It's a no-win position:**

Risk losing your business competitiveness, or risk losing the Intellectual Property (IP) at the heart of your business.

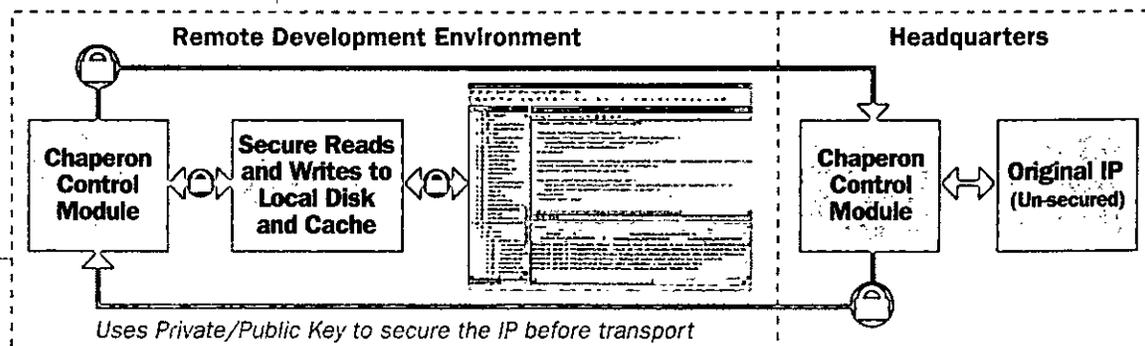
With seductively low labor rates in India and China, companies are feeling pressure to jump on the off-shoring bandwagon. This means doing business in developing countries where there is usually little copyright protection and only the loosest of piracy laws. You may be exposing your most valuable asset to your competition – and despite escalating numbers of allegations, police may not even investigate your complaint.

So, how can you enjoy the benefits of off-shoring without the risks? Welcome to Chaperon – a secure and affordable way to navigate through the hazards and reap the rewards.

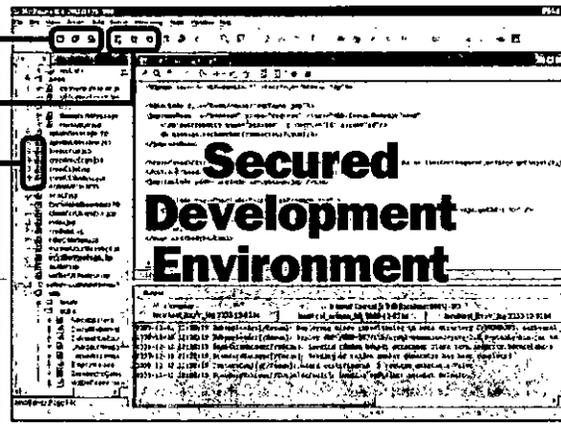
Security without Compromise

Chaperon is a breakthrough service that allows you to provide your source code to your offshore subsidiaries or partners in a highly sophisticated and secure development environment that makes it virtually impossible to copy or pirate. With multiple “safety nets” that protect your code at every juncture, Chaperon works within a secure, open source, development environment.

Your offshore partners can develop, modify, add, compile and de-bug the encrypted source – without being able to copy or pirate it. Your code is fully protected during shipment and transport, within the secure development environment, even when in the hands of the most technically savvy international workers. Only those parties authorized by you can work with your code – and they can only perform authorized operations.



Secured
Printing
Secured
Cut/Copy/Paste
Secured
File System



chaperon

CHAPERON OFFERS A FULLY SECURE ENVIRONMENT THAT IS EASY FOR YOUR PARTNERS TO WORK WITHIN, EASY FOR YOU TO UPDATE, AND EASY TO AFFORD.

Common Platform – Uncommon Protection

Your secure development environment must fit your organization – regardless of operating system, software, programming language, or geographical location in which you operate. With Chaperon’s development platform, all of your software assets can be protected.

With support for multiple programming languages and the ability to run on a variety of operating systems and hardware platforms, Chaperon gives you the flexibility you need. You can leverage your existing IT infrastructure and use a common development tool across systems and geographies, for complete corporate-wide control.

If you’d like to tailor the service to the exact processes and policies of your business, customization services are also available.

A Comprehensive but Affordable Solution

Until now, companies concerned about protecting their IP have often been forced to

expand their own corporate network facilities into other locations – a prohibitively expensive “solution”. Typically, internally-developed systems are costly, inflexible, impossible to scale, and difficult to maintain.

Today, Chaperon offers a fully secure environment that is easy for your partners to work within, easy for you to update, and easy to afford. You don’t need an army of skilled resources to keep abreast of constant security upgrades, nor do you need to manually track your authorization privileges and levels. It’s all done thoroughly and automatically – giving you unprecedented peace of mind.

Versatile and flexible, Chaperon can be configured specifically for any set of developers, projects or products – working in all network environments from private networks to large corporate Wide Area Networks (WAN).

Leapfrog Your Competition

While others are worrying about the risks associated with off-shoring – or worse, trying to untangle their legal complications – you can seize the opportunity.

If you want it all – the financial rewards of off-shoring, without the risks – it’s time to learn what Chaperon can deliver. Once you’ve seen the full range of features and benefits, we’re confident there will be no looking back.

To schedule your private Chaperon evaluation and/or demonstration, email **info@X-Inc.Biz**

FEATURE:	BENEFIT:
SECURE SHIPMENT/TRANSPORT OF SOURCE CODE	- ENSURES THAT ONLY AUTHORIZED PARTIES CAN RECEIVE YOUR SOURCE CODE AND THAT ONLY THE ORIGINAL SENDER CAN RECEIVE THE UPDATED SOURCE CODE - EASY TO TRACK INVENTORY OF SOURCE CODE
SECURE DEVELOPMENT ENVIRONMENT	- ENSURES THAT AUTHORIZED PARTIES CAN ONLY PERFORM AUTHORIZED OPERATIONS ON YOUR SOURCE CODE
SUPPORTS MULTIPLE PROGRAMMING LANGUAGES	- UNIFIED COMMON DEVELOPMENT PLATFORM AND POLICIES FOR ALL SOFTWARE ASSETS THAT NEED TO BE SECURED
RUNS ON MULTIPLE OPERATING SYSTEM AND HARDWARE PLATFORMS	- FREEDOM FOR AUTHORIZED DEVELOPERS TO PICK AND CHOOSE OS AND HW PLATFORM OF CHOICE - LEVERAGES EXISTING IT INFRASTRUCTURE
SUPPORTS FULL LIFE-CYCLE DEVELOPMENT	- ENABLES CORPORATE WIDE STANDARDIZATION OF A SINGLE DEVELOPMENT PLATFORM
INTERNATIONALIZED	- COMMON DEVELOPMENT TOOL FOR MULTIPLE GEOGRAPHIES AND LOCALES
CUSTOMIZATION SERVICES ARE AVAILABLE	- TAILOR MADE MODIFICATIONS TO FIT THE SPECIFIC BUSINESS PROCESSES AND SECURITY POLICIES OF EACH CUSTOMER



The power of collaboration

853 Trail Ridge Drive
Louisville, CO 80027
USA

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Calgary, Alberta
Canada T3E 5X2

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T: 403 668 9546

Chaperon

Protecting your IP Partner Edition

CHAPERON:
A HIGHLY SOPHISTICATED,
EASY-TO-AFFORD, BREAKTHROUGH
SERVICE THAT ALLOWS YOU TO
GAIN AN IMMEDIATE COMPETITIVE
ADVANTAGE BY OFFERING YOUR
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▷ **Leapfrog your competition.**

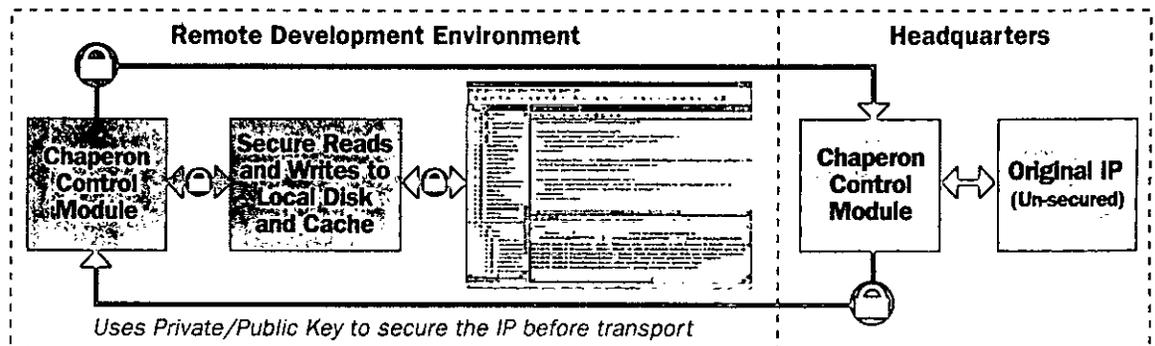
Stories of intellectual property being stolen, leaked, or pirated have spread like wildfire amongst IT departments across the globe. Companies are becoming increasingly wary of sending software development work offshore. Business decision-makers are wondering how they can enjoy the quality work and cost savings they know they will get from international workers – while keeping vital information protected.

Chaperon gives you an immediate competitive advantage by giving you the opportunity to put your customers' fears at ease.

How it works.

Chaperon is a breakthrough service that allows companies to provide their source code to offshore partners and customers in a highly sophisticated and secure development environment that makes it virtually impossible to copy or pirate. With multiple “safety nets” that protect the code at every juncture, Chaperon works within a secure, open source, development environment.

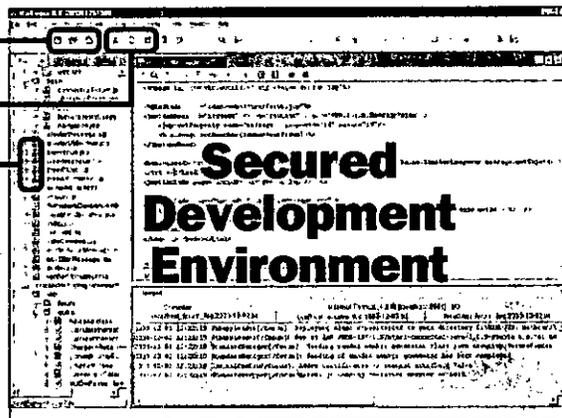
You can assure your customers that all code is fully protected during shipment and transport, within the secure development environment. And, only authorized parties can work with the code to perform authorized operations.



Secured
Printing

Secured
Cut/Copy/Paste

Secured
File System



chaperon

CHAPERON OFFERS A FULLY SECURE ENVIRONMENT THAT IS EASY FOR YOUR PARTNERS TO WORK WITHIN, EASY FOR YOU TO UPDATE, AND EASY TO AFFORD.

Affordability and flexibility built right in.

Until now, some companies concerned about protecting their IP have been forced to expand their own corporate network facilities into other locations – a prohibitively expensive solution. Typically, these internally developed systems are costly, inflexible, impossible to scale, and difficult to maintain.

Chaperon offers a fully secure environment that is easy to work with, easy to update, and easy to afford - regardless of operating system, software, programming language, or geographical location. With Chaperon's unified development platform, all software assets can be protected.

Versatile and flexible, Chaperon can be configured specifically for any set of developers, projects or products – working in all network environments from private networks to large corporate wide area networks (WAN).

Peace of mind is priceless.

Seize the opportunity to gain a competitive advantage today by giving your customers the peace of mind they are looking for. Assure them that you can provide all of the rewards of offshoring, without the risks.

It's time to learn what Chaperon can deliver. Once you've seen the full range of features and benefits, we're confident there will be no looking back.

To schedule your private Chaperon evaluation and/or demonstration, email info@X-Inc.Biz

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SECURE DEVELOPMENT ENVIRONMENT	- ENSURE YOUR CUSTOMERS THAT AUTHORIZED PARTIES CAN PERFORM ONLY AUTHORIZED OPERATIONS ON THE SOURCE CODE
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TrekLogic's Sample Collateral Family: Source Smarter Offering: IT Secure Smart Sourcing



IT MANAGEMENT SERVICES

Your staff is no longer an overhead cost as it was once. It's now a key part of your competitive advantage. By outsourcing all the parts of IT management, you can reduce operational risk, improve service quality, and increase security. It's the only way to truly control your IT costs. Source Smarter is the only provider that can help you do this.

Source Smarter is the only provider that can help you do this. We have the expertise and resources to help you reduce operational risk, improve service quality, and increase security. It's the only way to truly control your IT costs. Source Smarter is the only provider that can help you do this.

IT SECURITY SOLUTIONS

With Source Smarter, you can reduce the risk of a data breach or other security incident. Our experts will help you identify and address vulnerabilities, and we'll help you implement the best security solutions for your business. This is the only way to truly control your IT costs. Source Smarter is the only provider that can help you do this.

IT SERVICE MANAGEMENT SERVICES

When you use our IT service management services, you can reduce the risk of a data breach or other security incident. Our experts will help you identify and address vulnerabilities, and we'll help you implement the best security solutions for your business. This is the only way to truly control your IT costs. Source Smarter is the only provider that can help you do this.

SOURCE

SOURCESMARTER
IT Sourcing and Sourcing Services

DATA SHEET

TREKLOGIC IT SECURE SMART SOURCING

Key Features:

- **IT Management Services:** Reduce operational risk, improve service quality, and increase security.
- **IT Security Solutions:** Reduce the risk of a data breach or other security incident.
- **IT Service Management Services:** Reduce the risk of a data breach or other security incident.

Key Benefits:

- **Cost Savings:** Reduce operational costs by outsourcing IT management.
- **Risk Reduction:** Reduce the risk of a data breach or other security incident.
- **Service Quality:** Improve service quality by outsourcing IT management.

Source Smarter Data Sheet

Key Features:

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Contact Us:

TrekLogic
10000 N. 10th Street
Seattle, WA 98108
Phone: 206.461.1000
Email: info@treklogic.com

EXHIBIT E

RESUMES

Ashif Dhanani

853 Trail Ridge DR · Louisville , Colorado 80027
Tel: 303 926 1730 · E-mail: Ashif.Dhanani@gmail.com

Summary

Skilled in working with limited resources to drive measurable results. Proficient in Marketing, Strategy Development, Business Development, Product Marketing, Product Development, Business Processes and Sales Operations. Strong working experience in Service industry including field delivery, consulting, education, hardware and software support and service sales.

Work Experience

- December 1986 – March 2006** **Sun Microsystems Inc.**
July 2003 – March 2006 **Director, Product Marketing, Utility Computing**
Leading a team to develop overall strategy and vision.
Developing and launching Sun's first set Utility based offerings
Spokesperson to Analyst and Press communities
Business Development with key partners
Responsible to develop Sun-wide metering strategy
Executive support on Utility Computing deals
- October 2002 – June 2003** **Director, Audience Marketing, Enterprise Services**
Created Audience Segmentation and communication plans
Responsible for collateral, marcom and communications strategy
Developed and deployed the creative resource system for Services
Responsible for all print and multi-media projects
Built and deployed the marketing messaging bank
- October 2001 – September 2002** **Director, Strategy and Business Intelligence, Sun Services**
Management of competitive intelligence group, strategy office and demand generation team
Management and tracking of the divisions' annual goals
Strategy and vision communications
Competitive support to executive management and product development teams
Liaison with corporate chief competitive office and the strategy office
Development and deployment of global demand generation campaigns
Developed and launch e-Campaign that increased online ticket logging from 1.2% to 24+% saving millions in costs.
- February 2001 – September 2001** **Director, Web Marketing, Enterprise Services**
Management and maintenance of all Enterprise Services web properties
Re-designed the Enterprise Services home page and Lines of Business (LOB) contents
Introduced a new holistic approach of presenting services online

Developed and deployed global e-Campaigns

July 1997 – February 2001 Director, Americas Product and Business Development

Created 3 year rolling Americas Support Services Strategy
Developed Americas business plan to grow revenues from \$400+M to \$3B in FY03
Developed and presented business reviews by business segment to the Executive Management team
Created Americas Pricing and Discounting Strategies
Facilitated the Americas Business Process and Strategy Committee (BPSC)
Drove all Americas wide customer readiness processes
Managed all Americas Multi-vendor and custom deals
Development of America's specific services and products to meet customer needs
Created and implemented America's internal communication architecture
Worked with Computer Systems, Solaris Software and Sun Microelectronic to ensure innovative service solutions for their products.
Rolled-out programs and initiatives to drive revenue, bookings and penetration
Implemented channel specific initiatives and programs to increase indirect sales

Achievements: STARS 98 & 99

April 1994 – July 1997 Marketing Manager – Sun Service Canada

Expanded the mandate from basic support services to include development of new services, aggressive campaigns to drive incremental revenue, and shorten sales cycles.
Developed and implemented customer relationship programs and French localization programs
Fostered joint product marketing with Computer Systems (Product Bundles, enhanced warranties, sales tools, joint announcements and joint product training).
Special projects: Migration Services, Java Service, and HEDC Services

Achievements: NAAFO Marketing Excellence Award 1995

March 1990 – April 1994 Regional Manager, Customer Support, Western Canada

Managed all technical functional groups (Systems Engineers, Software Support Engineers, Hardware Service Engineers, Professional Services and Education)
Geographic coverage of 4 provinces and 2 Territories
Overall responsibility for Service, Consulting, Education Profit/Loss and Customer Satisfaction.
Grew the combined service business from \$600K to \$4.8M
Built second level support team for Sun Resellers and Sun Agents

Achievements: Top revenue district (4 out of 5 years). Top Customer Satisfaction district (4 out of 5 years) and Top Customer Satisfaction in the world (1990)

March 1990 – April 1994 Regional System Engineering, Western Canada

Managed all pre-sales engineers in Western Canada
Acquisition and management of Demo/Loaner assets

Interface with both sales and service organizations

Managed the Catalyst (ISV) Porting Center

December 1986 - March 1989 Senior System Engineer, Calgary, AB

Pre-Sales technical support

CASE, DATACOMM and Graphics ambassador for Western Canada

Earth Resource support for Canada

1985 - 1986 Research Programmer / Partner, Seismic Terragraphics

Designed and implemented a seismic interpretation workstation

Responsible for all R&D and technology deployment

Provided consulting services to major oil companies

1983 - 1985 Owner, MicroComp Products

Sales of data processing equipment and mini computers

Custom consulting to Oil and Gas / Pulp and Paper Industries

Custom training development

Academic Qualifications

Management Training

University of British Columbia

Executive Management Program

1990 - 1995

B. Sc. In Computer Science

University of Calgary

Specialized in Geophysics

1981 - 1985

References:

Provide upon request

Subramanya Kumar

543 Wildrose Ct, Louisville CO 80027

(720) 890-8924 [H]

(720) 560-7369 [C]

sukumar8924@msn.com

Objective Challenging full-time Architect, Product Design or Product Management opportunities

Profile Technical leader with established track record in full software product development life cycle. Has 1 patent pending in the area of "Storage Provisioning Policies". Sun certified Java Programmer and Oracle certified Database Administrator. Capable of functionally managing small and medium sized cross geo development teams. Experienced in due diligence activities required for targeted acquisition of external companies. Successfully handled several RFP specifications as well as responses. Comfortable with several software development methodologies including CMM, PSP and Six Sigma.

Experience **02/01 – 08/06 Now Senior Staff Engineer, Sun Microsystems, Broomfield CO**

One of 3 Tech Leads involved in product definition, design and implementation of Sun N1 System Manager, a new generation bare metal provisioning, monitoring and lights out management solution for Sun's new line of volume SPARC and AMD Opteron systems. Involved in concept, planning and implementation phases of the product life cycle. Designed and developed (distributed) infrastructure services as well as application modules related to disk full and disk less OS provisioning, OS update and firmware/patch management. Also played technical marketing role which involved several pilot projects, competitive analysis, technical paper presentations and product demonstrations.

Technical lead in due diligence effort for selection of best candidate for building a strategic partnership. Responsibilities included in depth architectural reviews and analytical feature comparison models. Deliverable was a detailed technical analysis report which included recommendations to executive management for operationalizing the partnership. Architected a technology roadmap for integration of Enterprise SAN Management product with third party Enterprise Systems and Network Management products. Effort involved formulation of strategy based on customer critical to quality requirements as well as the creation of a working prototype to illustrate technical feasibility of proposed plan. Effort culminated in hand off to productization team.

Architectural Lead role in the Advanced Development group. Primarily responsible for working with marketing to define product specifications for SUN's Storage Provisioning product. Developed live prototype using RAD techniques to define IP (patent pending), reduce risk, increase mindshare and create an engineering rollout plan. Additional responsibilities included gap analysis, product/technology roadmap design and architectural simplifications especially with respect to CIM Bluefin/WBEM information models. Responsible for the development of common service components (like Notification and Alarm Service) that ships with new generation of SUN StorEdge Management application suite. The Notification Service was designed to support unidirectional 'fire-and-forget' semantics with various independently developed plugins for email, pager, SNMP and other forms of event notification. It was hosted in a proprietary container called Component Runtime Environment (CRE). Senior developer in the JIRO Technology group responsible for driving the strategies for distributed service persistence model using Java Data Objects (JDO). Other responsibilities included the creation of a "Service Pack" project which helped decouple "management service" development efforts from the JIRO runtime development efforts thus enabling the group to more effectively meet the expectations of the JIRO community.

08/97 - 02/01 Staff Engineer, Sun Microsystems, Markham, Ontario Canada

Worked on enhancements to the Topology Viewer component of Network Storage Manager (NSM) to enable the launching of Graphical User Interfaces (Customizers) of JIRO Management Facades using generic service interfaces. Management Facades for SUN A5K and T300, CrossRoads Storage Router, NetBackup Utility and Veritas Volume Manager were successfully integrated with NSM Topology View and demonstrated at the Network Storage World Conference at Orlando FL in Oct 2000.

Created a policy based Fault Management (JIRO) Service based on a re-usable JIRO Service framework. This project was submitted as an entry to the JIRO Build-a-Bean contest in Aug 2000 and was awarded a prize in the "Out of the box" category.

Responsible for creating the award winning Canadian Engineering Center's response to a global JIRO Technology RFP. This included outsourcing and development of a local (business) partner for proliferation of JIRO technology as well as the rapid development of a web site supporting the RFP response.

Played the architectural lead role in migration of an NT based Call Center Application to SUN using Java and SunRay network appliances. Created a JavaBeans centric Object Model, which included a Telephony Event Adapter component. The design was implemented on time and the resulting product successfully deployed in a production environment.

Created a JINI based object replication framework using persistent JavaSpace service to meet the requirements of a low concurrency loosely coupled (ISDN based) distributed kiosk application for the SunRise 99 conference in Singapore. Additionally, the regular expression parser and the object persistence frameworks were successfully reused to complete a project with hard deadlines, tight time frames and changing requirements.

Designed an Object Model to drive a (re) implementation of System Management Interface Tool (SMIT) on SUN Solaris in Java. Highlights included the re-use of lightweight database persistence framework created for the VARS project and the creation of a re-usable regular expression parser and evaluator based on the Interpreter design pattern. Was also responsible for (re) implementation of the Object Data Manager (ODM) commands and underlying services in Java.

Responsible for architectural design of Java based middle tier application server framework used to migrate Variable Auction and Remarketed System (VARS) from an end-of-life 4GL environment under HP-UX to SUN Solaris.

Analysis, Design and Prototyping of a Java based 4GL environment used to web enable IBM 3270 green screen applications. Created a Java prototype consisting of a Form Builder and Form Runtime environment. Highlights include usage of CRC cards to gather/analyze customer requirements and UML diagrams to model the prototype. The MVC and Builder Design Patterns were successfully used to logically partition object responsibilities and ensure lego-like seamless integration.

Responsible for design and development of 100% pure Java based UML (Unified Modeling Language) Tool as a part of a collaborative Internet based online service. Highlights included using formal Object Oriented Analysis and Design techniques like CRC Cards, UML static and dynamic models and Design Patterns like Model View Controller (MVC) to successfully manage complexity and issues arising from programming in-the-large.

08/96 - 08/97 Web Master & DBA, Northern Telecom, Brampton, Ontario Canada

Responsible for building and maintaining departmental web site. Activities included installation and configuration of CERN 3.0a HTTP Server with access control. Adobe PageMill was used to initially design the web pages. Advanced features like HTML Frames, HTML Forms and JavaScript based client side validations were added later.

Developed a web based reporting program for in-house backup and recovery system using Oracle **WebServer** 2.1 on SUN Solaris 2.5. Salient features included usage of cookies for maintaining state across HTTP sessions, dynamic generation of HTML via the PL/SQL cartridge and Oracle based user authentication.

Database Administration support for large distributed 7X24 Oracle 7.1.6 based NTC marketing application using Nortels Central Order Database (CODB) enterprise backbone. Achievements included complex cleanup of production and test instances, synchronization of Canadian and US database instances and Oracle snapshot tuning.

03/96 - 08/96 Software Engineer, TCSI Corp, San Jose, CA

Sort term assignment just prior to immigrating to Canada

Ported Oracle stored procedures and database cache class libraries (C++) for Telecom Australia CCSS7 Network Management System. Also enhanced the reporting functionality of the Network Management System.

09/94 - 03/96 Software Engineer (Contract Position), Mastech Corporation, Pittsburgh, PA

Oracle Database Administrator for Online Inventory Booking (OIB) Project. Provided all round DBA support for development team as well as Production Support groups. Tasks included installation and configuration of 4 Oracle 7.1.6.2 servers on HP 9000 (model K400) based on Oracle Flexible Architecture (OFA) standards, tuning Oracle Server and HP-UX 10.0 Operating System parameters for improved performance, design and implementation of Oracle hot backup/recovery strategy tailored to OIB and automating the construction of the entire OIB database schema using Korn Shell and SQL scripts.

Developed Oracle7 based entity/relationship modeling tools for managing large telecoms network configurations. Used PRO*C precompilers to interface with Oracle 7.0.16 server running under IBM RS 6000. Designed and developed UNIX processes (in C) that involved AIX shared memory management, cache design, process synchronization using semaphores and distributed Oracle7 database configurations involving database replication/recovery schemes based on SQL*Net(V2) over TCP/IP. Also developed Oracle hot backup/recovery procedures for 7X24 type operations.

06/94 - 09/94 Consultant, Intertec Communications Pvt Ltd, Bangalore, India

Short term consulting engagement just prior to relocating to the US

Design Review and code walk thru of a STREAMS based X.25 TPI Driver for UNIXWARE System V Rel 4.2. Responsible for checking conformance to AT&T STREAMS Design Guidelines, Transport Provider Interface (TPI) definitions and state transition rules.

06/88 - 06/94 Senior Consultant, Oman Computer Services LLC, Sultanate Of Oman

Technical SE for SUN Partner responsible for pre-sale and post-sale technical support functions. Also designed and developed OPENLOOK based Trademarks processing application using XVIEW, XLIB, Oracle 7 Server and PRO*C precompilers on SUN SPARCstation 10GX

Planning and implementation of rightsizing solutions for WANG VS legacy systems. Work involved networking SUN SPARCServers, IBM RS 6000s and desktop PCs to WANG VS Systems using TCP/IP protocols and various network topologies.

Designed and developed ASMO standard 7 bit Arabic/English workstation and printer microcodes for WANG VS in order to support bi-lingual Oracle applications on WANG VS. Also designed and developed Old Arabic standard microcodes for WANG 2110A remote terminals and PM017 remote printers.

01/84 - 06/88 Senior Systems Analyst, Datacons Pvt Ltd, Bangalore, India

Built cod boot set and packaged UNIX System V Rel 2.2 distribution for UBM Perseus (M68010 based) system. Also responsible for porting AT&T System V.3 Kernel Memory Management code to UBM Perseus (M68010/M68451) based system. Developed MMU diagnostics which were later used as a basis for the Kernel MMU driver.

Bug fixes and enhancements to WD1001, NEC 765 and ADAPTEC SCSI Unix device drivers for FOR:PRO and UNIX System V Rel 2.2. Responsible for implementing format system call and 2K File System support for above devices. Also developed a LAN based product level Source Code Control System for in house use at Fortune Systems.

Designed, developed and implemented an online Production Planning and Control (PPC) package for large multi-national machine tool manufacturer.

Education

07/79 - 12/83 M.Sc.(Tech) Instrumentation. GPA 7.48 (10 point scale). Birla Institute of Technology and Science, Rajasthan, India. Equivalent to a bachelors degree in Electrical Engineering with specialization in Instrumentation awarded by a US university with regional accreditation.

11/98 - Sun Certified Java Programmer

Oracle DBA Master

Skill Set Summary

Systems: Sun AMD Opteron, SUN SPARC, IBM RS 6000, HP 9000, FORTUNE 32:16, UBM Perseus
System Interconnect Fabric/Backplane: Infiniband, GigE and M68K/VMEBus
RDBMS: Oracle 6, 7 and 8 (including MTS and distributed Databases)
Languages: Java, C++, C, JavaScript, SQL and PL/SQL and M68K Assembly
Environments: JDK 1.4, Rational Rose, Requisite Pro, Java Workshop, JBuilder, Symantec Café.
OS Platforms: RH Linux 2.1/3.0, SOLARIS 1.x/2.x, AIX 3.2/4.0, HPUX 9.x/10.x, AT&T UNIX System V.3/V.4, UnixWare System V and WANG VS OS Rel 7
Storage/System Management Frameworks: JIRO, CIM, WBEM, SMI-S, SNMP V1/V2/V3, JMX, JDMK



SUBSCRIPTION DOCUMENT INSTRUCTIONS

Please follow these instructions carefully. Failure to comply fully with these instructions may result in the Subscription not being accepted.

1. You have received a package containing two copies of this Subscription Agreement, one of which you should fully complete and execute, and the second of which you may retain for your records.
2. Arrangements can be made for the wire transfer of funds. Please contact Ashif Dhanani at 720-221-8628 for banking information.
3. The completed and signed Subscription Agreement should be delivered or mailed to:

Chaperon, LLC
c/o Mr. Ashif Dhanani
853 Trail Ridge Dr.
Louisville, Colorado 80027

**SUBSCRIPTION AGREEMENT
FOR
CHAPERON, LLC**

THE UNITS OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR THE SECURITIES LAWS OF CERTAIN STATES AND ARE BEING OFFERED AND SOLD IN RELIANCE ON EXEMPTIONS FROM REGISTRATION REQUIREMENTS OF THE ACT AND SUCH LAWS. THE UNITS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION OR OTHER REGULATORY AUTHORITY, NOR HAVE 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.

HEDGING TRANSACTIONS INVOLVING THESE SECURITIES MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE ACT. ANY NON-U.S. PERSON WHO PURCHASES THE SECURITIES OFFERED HEREBY AGREES TO RESELL OR OTHERWISE TRANSFER SUCH SECURITIES ONLY IN COMPLIANCE WITH REGULATION S, PROMULGATED UNDER THE ACT, PURSUANT TO REGISTRATION UNDER THE ACT, OR PURSUANT TO AN AVAILABLE EXEMPTION FROM REGISTRATION, AND AGREES NOT TO ENGAGE IN HEDGING TRANSACTIONS WITH REGARD TO SUCH SECURITIES UNLESS IN COMPLIANCE WITH THE ACT.

Subscriber's Name _____

SUBSCRIPTION AGREEMENT

Chaperon, LLC
853 Trail Ridge Dr.
Louisville, Colorado 80027
Phone: 720-221-8628

RE: Acquisition of Units of Chaperon, LLC, a Colorado limited liability company, (the "Company").

A. SUBSCRIPTION

The undersigned hereby subscribes for the number of Units (the "Units") in the Company set forth in the signature page below at the purchase price indicated.

B. SUBSCRIBER'S REPRESENTATION AND WARRANTIES

The undersigned hereby represents and warrants as follows:

In connection with your offer of Units, I represent and warrant that I am 21 years old or older; have had an opportunity to ask questions of the principals or representative of the Company; that I, individually or together with others on whom I rely, have such knowledge and experience in financial and business affairs; that I have the capability of evaluating the merits and risks of my investment in the Company; that I am financially responsible and able to meet my obligations hereunder and acknowledge that this investment is by its nature speculative; that you have made all disclosures and documents pertaining to this investment available to me and, where requested, to my attorney, accountant and investment adviser; and that I will not sell my Units without registration under the Securities Act of 1933 or exemption therefrom.

I represent that I either have such knowledge and experience in financial and business matters, that I am capable of evaluating the merits and asks of my investment in the Company or, together with the purchaser representative, if any, named below, have such knowledge and experience in financial and business matters, that we are capable of evaluating the merits and risks of my investment in the Company; that I relied on my own legal counsel or elected not to rely on my counsel despite the Company's recommendation that I rely on my own legal counsel; and that I am able to bear the economical risk of such investment.

Initials _____

Risk

The undersigned acknowledges that an investment in the Company involves substantial risks, and the undersigned has carefully reviewed and is aware of all of the risk-factors related to the Purchase of the Units, including those set forth under the caption "Risk Factors" in the Offering Memorandum.

Restrictions of Transferability

The undersigned realizes that the Units have been offered only in the states where permitted and are being sold pursuant to an exemption from registration under the Securities Act of 1933, as amended and Regulation D, promulgated under such act and pursuant to the analogous state statutes. The undersigned further understands that the Units may not be registered in any state which does not recognize such exemption and any transfers to residents of such state must be made pursuant to registration or an exception from registration in the transferee's state. Further, the Subscriber(s) hereby understands that the Units purchased herein are being acquired for investment purposes only, for the purchaser's own account, and not with the intention of redistribution.

Indemnification and Arbitration

The undersigned recognizes that the offer of the Units in the Company was based upon his/her representations and warranties contained above and hereby agrees to indemnify the Company and to hold it harmless against any liabilities, cost or expenses (including reasonable attorney's fees) arising by reason of, or in connection with; any misrepresentation or any breach of such warranties by the undersigned, or arising as result of the sale or distribution of the Units by the undersigned in violation of the Securities Act of 1933, as amended, or any other applicable law. Further, in the event that any dispute were to arise in connection with this Agreement or with the undersigned's investment in the Company, the undersigned agrees, prior to seeking any other relief at law or equity, to submit the matter to binding arbitration in accordance with the rules of the National Association of Securities Dealers (NASD) at a place to be designated by the Company.

Initials _____

I AM _____ or AM NOT _____ an accredited or exempted investor based on the qualifications below:

Accredited Investor

1) Any bank as defined in section 3(a)(2) of the Act, or any savings and loan association or other institution as defined in section 3(a)(5)(A) of the Act whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to section 15 of the Securities Exchange Act of 1934; any insurance company as defined in section 2(13) of the Act; any investment company registered under the Investment Company Act of 1940 or a business development company as defined in section 2(a)(48) of that Act; any Small Business Investment Company licensed by the U.S. Small Business Administration under section 301(c) or (d) of the Small Business Investment Act of 1958; any plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of \$5,000,000; any employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974 if the investment decision is made by a plan fiduciary, as defined in section 3(21) of such Act, which is either a bank, savings and loan association, insurance company, or registered adviser, or if the employee benefit plan has total assets in excess of \$5,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors;

(2) Any private business development company as defined in section 202(a)(22) of the Investment Advisers Act of 1940;

(3) Any organization described in section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of \$5,000,000;

(4) 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;

(5) Any natural person whose individual net worth, or joint net worth with that person's spouse, at the time of his purchase exceeds \$1,000,000;

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

(7) Any trust, with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in § 230.506(b)(2)(ii); and

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

Non-Accredited Investor

My present net worth (exclusive of home, furnishings, and automobiles) exceeds five (5) times my contemplated investment in the company. (_____ Yes _____ No)

During the previous tax year I had an annual taxable income in excess of \$ _____

During the present tax year I anticipate an annual taxable income in excess of \$ _____

Agency Approval.

No federal or state agency has made any determination as to the fairness of the offering for investment purposes, or any recommendation or endorsement of the Units.

Operating Agreement.

The undersigned acknowledges and agrees that if its subscription for Units is accepted by the Company, the undersigned must execute the Company's Limited Liability Company Operating Agreement as a condition to being sold and issued the Units.

Miscellaneous

This Agreement shall be governed by and construed in accordance with the laws of the State of Colorado, without regard to the principles of conflicts of laws, which would otherwise require the application of the substantive law and other jurisdiction.

This Agreement contains the entire agreement between the parties with respect to the subject matter herein. The provisions of this Agreement may not be modified or waived except in writing.

This Subscription, upon its acceptance by the Company, shall be binding upon the heirs, personal representatives, successors, and assigns of Subscriber.

This Subscription is subject to acceptance by the Company and is binding upon the Company only upon execution by a duly authorized officer of the Company. In this event this Subscription is rejected, any funds will be returned to Subscriber, without deduction or interest.

Subscription

I hereby subscribe for _____ Units at \$1.00 per Unit for a total purchase prices of \$ _____

(Please return with your check made payable to: Chaperon, LLC.)

I ask that title of my Units be maintained on the books of the Company as designated below.

1. The Units be held by an individual, named below.
2. I ask that the Units be held in the following name:

(If 2, check one of the following boxes to show how such person or persons are to hold the Shares):

1. _____ Community Property
2. _____ Joint tenant with the right of survivorship
3. _____ Tenants in Common
4. _____ Individually
5. _____ Corporation
6. _____ Other (partnership, trust, etc). Please specify:

(NOTE: IF OWNERSHIP IS BEING TAKEN IN JOINT NAME WITH A SPOUSE OR OTHER PERSON, THEN ALL SUBSCRIPTION DOCUMENTS MUST BE EXECUTED BY ALL SUCH PERSONS. IF OWNERSHIP IS TO BE BY AN ENTITY SUCH AS A TRUST, CORPORATION OR LLC, ADDITIONAL DOCUMENTATION WILL BE REQUIRED.)

IN WITNESS WHEREOF, subject to acceptance by the Company, the undersigned has completed this Subscription Agreement to evidence his Subscription this

_____ day of _____, _____.

Subscriber:

Name _____

Address _____

Signature _____

Social Security Number _____

Spouse/Partner:

Name _____

Address _____

Signature _____

Social Security Number _____

If Subscriber is a legal entity Name of Entity and state of organization (please print)

By _____

Its _____

Address: _____

Federal Tax Identification Number _____

ACCEPTANCE OF SUBSCRIPTION

Chaperon hereby accepts this Subscription this _____ day of _____, 200__

Chaperon, LLC, a Colorado limited liability company

By: _____

Mr. Ashif Dhanani, Manager

Chaperon, LLC Operating Agreement Signature Page

IN WITNESS WHEREOF, the undersigned, desiring to become a Member of Chaperon, LLC, a Colorado limited liability company (the “**Company**”), hereby adopts and agrees to be bound by all of the terms and provisions of the Limited Liability Company Operating Agreement of the Company.

Dated: _____, 200_____
 Units Acquired: _____
 Capital Contribution: \$ _____

<p>INDIVIDUAL MEMBER (this column should also be used by joint tenants and tenants in common)</p> <p>_____</p> <p>(Print Full First Name, Last Name and Middle Initial)</p> <p>_____</p> <p>(Signature)</p> <p>_____</p> <p>_____</p> <p>(Residence Address Street, City, State and Zip Code)</p> <p>_____</p> <p>Fax Number: _____</p>	<p>ENTITY MEMBER</p> <p>_____</p> <p>(Print Full Legal Name of Member)</p> <p>By: _____</p> <p>Print Name: _____</p> <p>Title: _____</p> <p>_____</p> <p>_____</p> <p>(Address of Member Street, City, State and Zip Code)</p> <p>_____</p> <p>Fax Number: _____</p>
---	---

*Please sign and return with completed Subscription Agreement

EXHIBIT F
Articles of Organization
Operating Agreement



CERTIFICATE OF ACKNOWLEDGMENT

FOR

CHAPERON L.L.C.,

A LIMITED LIABILITY COMPANY (LLC)

THIS CERTIFICATE OF ACKNOWLEDGMENT is made and entered into by the undersigned as of the date written below with reference to the following facts:

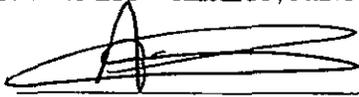
On or about 07/12/2006, the undersigned acted as the SOLE ORGANIZER of Chaperon L.L.C., a Colorado limited liability company (the "Company"), by filing Articles of Organization for such Company with the state office.

In performing the foregoing acts, the undersigned was acting for, and at the direction of the members of the Limited Liability Company as listed below. The individuals and/or entities listed below are **hereby acknowledged as the sole members** of the Company with full and exclusive power and authority to act on its behalf in accordance with the foregoing Articles of Organization.

X Inc.

I hereby assign all my rights, responsibilities, and duties as organizer of Chaperon L.L.C. to the above-named members. After execution of this Certificate, the Organizer named herein shall have no rights, responsibilities, or duties in regards to this Limited Liability Company.

IN WITNESS WHEREOF, I have hereunto set my hand as of the day and year written below.



X Inc.. Organizer
Chaperon L.L.C.

7/14/2006
Date

CERTIFICATION OF AUTHORITY

OF

CHAPERON L.L.C.,

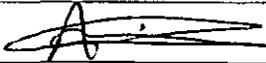
A LIMITED LIABILITY COMPANY (LLC)

This LLC is managed by its members. The names and addresses of each of its current members as of 07/12/2006 are listed below. Each of these persons has managerial authority of the LLC and is empowered to transact business on its behalf.

L.L.C. Member	Address
X Inc.	853 Trail Ridge Dr. Louisville, Colorado 80027

Further, each of the following members is specifically authorized to transact the following business on behalf of the LLC:

<describe the specific business transaction>



Ashif Dhanani, President
Chaperon L.L.C.

7/14/06

Date

LIMITED LIABILITY COMPANY OPERATING AGREEMENT

OF

CHAPERON, LLC

A COLORADO LIMITED LIABILITY COMPANY

DATED AS OF OCTOBER 1, 2006

chaperon

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**LIMITED LIABILITY COMPANY OPERATING AGREEMENT
OF
CHAPERON, LLC**

THIS LIMITED LIABILITY COMPANY OPERATING AGREEMENT (this “**Agreement**”) of Chaperon, LLC, a Colorado limited liability company (the “**Company**”), is entered into effective as of October 1, 2006, by and among those Persons executing a signature page attached hereto and listed on attached **Schedule A** (collectively, the “**Members**”).

WHEREAS, the Members desire to operate the Company as a limited liability company under the Act for the purposes set forth herein; and

WHEREAS, the Members are entering into this Agreement to govern the Company.

NOW THEREFORE, in consideration of the agreements and obligations set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Members hereby agree as follows:

**ARTICLE 1.
DEFINED TERMS**

Section 1.1 Definitions.

Unless the context otherwise requires, the terms defined in this Article 1, for the purposes of this Agreement, shall have the meanings herein specified.

“**Act**” means the Colorado Limited Liability Company Act, as amended from time to time.

“**Additional Member**” shall have the meaning set forth in Section 5.4(a).

“**Adjusted Capital Account Deficit**” means the Member has a deficit balance in its “Capital Account” after giving effect to any amounts the Member is obligated to contribute or restore to the Company pursuant to the penultimate sentences of Treasury Regulations Sections 1.704-2(g)(1) and 1.704-2(i)(5).

“**Affiliate**” means with respect to a Person, any other Person that, directly or indirectly, controls, is controlled by, or is under common control with, the specified Person. As used in this definition, the term “control” means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of an entity, whether through ownership

of voting securities, by contract or otherwise. Ownership of more than fifty percent (50%) of the beneficial interests of an entity shall be conclusive evidence that control exists. For purposes of this definition, “**Affiliate**” shall include, with respect to any natural Person, the spouse, parents, siblings and children of such Person.

“**Agreement**” means this Limited Liability Company Operating Agreement, as amended, modified, supplemented or restated from time to time.

“**Assignment Notice**” shall have the meaning set forth in Section 7.5(a).

“**Board of Directors**” shall have the meaning set forth in Section 6.1.

“**Business**” shall have the meaning set forth in Section 3.1.

“**Capital Account**” means, with respect to any Member, the capital account maintained for such Member in accordance with the provisions of Article 4.

“**Capital Contribution**” means, with respect to any Member, the aggregate amount of money and the initial Gross Asset Value of any property (other than money) contributed to the Company pursuant to Article 4 with respect to such Member’s Units.

“**Certificate**” means the Articles of Organization of the Company and any and all amendments thereto and restatements thereof filed on behalf of the Company with the office of the Secretary of State of the State of Colorado pursuant to the Act.

“**Code**” means the Internal Revenue Code of 1986, as amended from time to time, or any corresponding federal tax statute enacted after the date of this Agreement.

“**Company Minimum Gain**” shall have the meaning set forth in Treasury Regulations Sections 1.704-2(b)(2) and 1.704-2(d).

“**Company Nonrecourse Liability**” shall have the meaning set forth in Treasury Regulations Section 1.704-2(b)(3)

“**Confidential Information**” means data and information relating to the Company and which has material value to the Company and is not generally known to its competitors, including, without limitation, Trade Secrets. Confidential Information does not include any data or information that has been voluntarily disclosed to the public by the Company or that has been

independently developed and disclosed by others, or that otherwise enters the public domain through lawful means.

“Covered Person” means a Member; any Affiliate of a Member; a Director or any member thereof; any manager, officers, directors, shareholders, partners, employees, independent contractors, representatives or agents of a Director or any Member, any Affiliate of a member of a Director; any employee or agent of the Company or its Affiliates; any Tax Matters Representative of the Company; or an officer of the Company that is not an employee.

“Current Operating Expenditures” means the expenditures of the Company for each Fiscal Year, or part thereof, arising from the ordinary course of the Company’s business, including, but not limited to, the following:

- (a) general operating expenses including, but not limited to, management, legal, accounting and other professional fees, wages, salaries and other compensation in connection with its business operations, amounts paid to suppliers, monies expended to comply with and perform contractual and other obligations, and any other expenses expended on behalf of the Company in relation to its general administrative and management needs;
- (b) payments of principal and interest upon any indebtedness of the Company (whether third-party indebtedness or loans made by Members to the Company pursuant to this Agreement);
- (c) any other cash expended by the Company for business operations; and
- (d) the establishment of appropriate reserves for debt service, to provide working capital or any other contingency of the Company.

“Depreciation” means, for each Fiscal Year or other period, an amount equal to the depreciation, amortization or other cost recovery deduction allowable with respect to an asset for such Fiscal Year or other period; provided, however, that if the Gross Asset Value of an asset differs from its adjusted basis for federal income tax purposes at the beginning of such Fiscal Year or other period, Depreciation shall be an amount that bears the same ratio to such beginning Gross Asset Value as the federal income tax depreciation, amortization or other cost recovery deduction with respect to such asset for such Fiscal Year or other period bears to such beginning adjusted tax basis; and provided further, that if the federal income tax depreciation, amortization or other cost recovery deduction for such Fiscal Year or other period is zero,

Depreciation shall be determined with reference to such beginning Gross Asset Value using any reasonable method selected by the Board of Directors.

“**Director**” means one of the Directors. “**Directors**” means the elected managing Director and any other Person that: (i) succeeds such Director or another Director in that capacity; or (ii) that is elected or appointed as an additional Director; in either case, in accordance with this Agreement. If there is only one Director, the term “Director” shall mean such Person. References to the Director in the singular or as him, her, it, itself or other like references, where the context so requires, shall also be deemed to include the plural or the masculine or feminine reference, as the case may be.

“**Fiscal Year**” means (a) the period commencing upon the formation of the Company and ending on December 31, 2006 and (b) any subsequent twelve (12) month period commencing on January 1 and ending on December 31.

“**Gross Asset Value**” means, with respect to any asset, such asset’s adjusted basis for federal income tax purposes, except as follows:

- (a) the initial Gross Asset Value of any asset contributed by a Member to the Company shall be the gross fair market value of such asset, as agreed to by the contributing Member and the Board of Directors;
- (b) the Gross Asset Value of all Company assets shall be adjusted to equal their respective gross fair market values, as determined by the Board of Directors, as of the following times: (i) the acquisition of an additional interest in the Company by any new or existing Member in exchange for more than a de minimis Capital Contribution; (ii) the distribution by the Company to a Member of more than a de minimis amount of Company assets as consideration for an interest in the Company; and (iii) the liquidation of the Company within the meaning of Treasury Regulations Section 1.704-1(b)(2)(ii)(g); provided, however, that adjustments pursuant to Clause (i) and Clause (ii) of this sentence shall be made only if the Board of Directors reasonably determine that such adjustments are necessary or appropriate to reflect the relative economic interests of the Members in the Company; and
- (c) the Gross Asset Value of any Company asset distributed to any Member shall be the gross fair market value of such asset on the date of distribution, as determined by the Board of Directors.

(d) The Gross Asset Values of Company assets shall be adjusted to reflect any adjustments to the adjusted basis of such assets pursuant to Code Section 734(b) or Code Section 743(b), but only to the extent that such adjustments are taken into account in determining Capital Accounts pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m).

If the Gross Asset Value of an asset has been determined or adjusted pursuant to Paragraph (a) or Paragraph (b) above, such Gross Asset Value shall thereafter be adjusted by the Depreciation taken into account with respect to such asset for purposes of computing Profits and Losses.

“**Gross Revenue**” means the gross revenue of the Company for each Fiscal Year, or part thereof, arising from the ordinary course of the Company’s business. Gross revenue shall not include Capital Contributions or, unless otherwise agreed by the Board of Directors, any loan proceeds received by the Company.

“**Liquidating Trustee**” shall have the meaning set forth in Section 13.4(a).

“**Majority Action**” shall have the meaning set forth in Section 5.3(b).

“**Manager**” shall have the meaning set forth in section 6.6

“**Member**” means any Person executing this Agreement and any Person admitted as an Additional Member or a Substitute Member pursuant to the provisions of this Agreement, in such Person’s capacity as a Member of the Company, and “**Members**” means two (2) or more of such Persons when acting in their capacities as Members of the Company.

“**Member Nonrecourse Debt**” shall have the meaning set forth in Treasury Regulations Section 1.704-2(b)(4).

“**Member Nonrecourse Debt Minimum Gain**” shall have the meaning set forth in Treasury Regulation Section 1.704-2(i)(3).

“**Minimum Distributions**” shall have the meaning set forth in Section 8.1(b).

“**Net Cash Flow**” means, for each calendar month, Fiscal Year or other period of the Company for which it must be determined, the Gross Revenue of the Company from all sources other than Capital Contributions, less Current Operating Expenditures.

“Percentage Interest” means a Member’s Percentage Interest as described in **Schedule A**, as amended from time to time. A Member’s Percentage Interest shall equal the number of Units held by such Member divided by the number of Units outstanding.

“Person” includes any individual, corporation, association, partnership (general or limited), joint venture, trust, estate, limited liability company or other legal entity or organization.

“Profits” or **“Losses”** means, for each Fiscal Year, an amount equal to the Company’s taxable income or loss for such Fiscal Year, determined in accordance with Section 703(a) of the Code (but including in taxable income or loss, for this purpose, all items of income, gain, loss or deduction required to be stated separately pursuant to Section 703(a)(1) of the Code), with the following adjustments:

- (a) any income of the Company exempt from federal income tax and not otherwise taken into account in computing Profits or Losses pursuant to this definition shall be added to such taxable income or loss;
- (b) any expenditures of the Company described in Section 705(a)(2)(B) of the Code (or treated as expenditures described in Section 705(a)(2)(B) of the Code pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(i)) and not otherwise taken into account in computing Profits or Losses pursuant to this definition shall be subtracted from such taxable income or loss;
- (c) in the event the Gross Asset Value of any Company asset is adjusted in accordance with Paragraph (b) or Paragraph (c) of the definition of **“Gross Asset Value”** above, the amount of such adjustment shall be taken into account as gain or loss from the disposition of such asset for purposes of computing Profits or Losses;
- (d) gain or loss resulting from any disposition of any asset of the Company with respect to which gain or loss is recognized for federal income tax purposes shall be computed by reference to the Gross Asset Value of the asset disposed of, notwithstanding that the adjusted tax basis of such asset differs from its Gross Asset Value;
- (e) in lieu of the depreciation, amortization and other cost recovery deductions taken into account in computing such taxable income or loss, there shall be taken into account Depreciation for such Fiscal Year or other period, computed in accordance with the definition of **“Depreciation”** above; and

(d) notwithstanding any other provisions of this definition, any items which are specially allocated pursuant to Section 9.2 below shall not be taken into account in computing Profits or Losses.

“Property” means all of the assets and property now owned or hereafter acquired by the Company.

“Substitute Member” means a Person who is admitted to the Company as a Member pursuant to Section 7.1 below, and then is named as a “Member” on an amended **Schedule A** to this Agreement.

“Tax Matters Representative” shall have the meaning set forth in Article 11 hereof.

“Trade Secrets” means information relating to the Company, without regard to form, including, but not limited to, technical or nontechnical data, formulas, patterns, compilations, programs, source code and programmers’ notes, products, devices, methods, techniques, drawings, blueprints, processes, financial data, financial plans, product plans or lists of actual or potential customers or suppliers which is not commonly known by or available to the public and which (a) derives economic value, actual or potential, from not being known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use; and (b) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.

“Transfer” means any transfer, assignment, sale, conveyance, hypothecation, license, lease, partition, pledge or grant of a security interest in a Member’s Units in the Company, and includes any “involuntary transfer” such as a sale of any part of the Units therein in connection with any bankruptcy or similar insolvency proceedings, or a divorce or other marital settlement involving any Member, or any other disposition or encumbrance of a Member’s Units. For purposes of this Agreement, any transfer, exchange or series of transfers (or exchanges), directly or indirectly, of the stock, partnership, member or other ownership interests of any Member that is a business organization or an entity (or any combination of such transfers or exchanges, whether direct or in connection with a merger, acquisition, sale, or similar reorganization or transaction, including issues of new stock or other ownership interests, or the exercise of options, warrants, debentures or other convertible instruments, or a redemption of other interests in the Member, and any similar transactions involving the stock or other ownership interests of such Member), the effect of which is that the Persons who owned at least fifty-one percent (51%) of the outstanding stock or other ownership interests in such Member at the time

this Agreement is signed, no longer own at least fifty-one percent (51%) of such stock or other ownership interests, then a Transfer shall also be deemed to have occurred with regard to the Units owned by such Member.

“**Treasury Regulations**” means the income tax regulations, including temporary regulations, promulgated under the Code, as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).

“**Unit**” means a unit of membership interest into which the equity ownership of the Company, including capital and profits interests, is divided.

ARTICLE 2. FORMATION AND TERM

Section 2.1 Formation.

(a) The Members hereby agree the Company has been formed as a limited liability company pursuant to the provisions of the Act, and agree that the rights, duties and liabilities of the Members shall be as provided in the Act, except as otherwise provided herein. An authorized person has previously filed the Certificate.

(b) The name and mailing address of each Member, the total amount contributed to the capital of the Company through the date of this Agreement and the Units issued to such Member are listed on Schedule A attached hereto. The Board of Directors shall update Schedule A, from time to time, as may be necessary to accurately reflect the information therein, including the issuance of additional Units and admission of additional Members. Any amendment or revision to Schedule A made in accordance with this Agreement shall not be deemed an amendment to this Agreement. Any reference in this Agreement to Schedule A shall be deemed to be a reference to Schedule A, as amended and in effect from time to time.

Section 2.2 Name.

The business and affairs of the Company shall be conducted under the name “**Chaperon, LLC**” and such name shall be used at all times in connection with the Company’s business and affairs, except to the extent the Board of Directors agree to the use by the Company of assumed names or other trade names or fictitious names. The Company’s officers shall execute such assumed or fictitious name certificates as may be desirable or required by law to be filed in connection with

the formation of the Company and shall cause such certificates to be filed in all appropriate public records.

Section 2.3 Term.

The term of the Company commenced on the date the Certificate was filed and shall continue perpetually, unless the Company is dissolved in accordance with the provisions of this Agreement.

Section 2.4 Registered Agent and Office.

The address of the registered office of the Company in Colorado is 853 Trail Ridge Dr., Louisville, Colorado 80027.

Section 2.5 Principal Place of Business.

The principal place of business of the Company shall be 853 Trail Ridge Dr., Louisville, Colorado 80027. At any time, the Board of Directors may change the location of the Company's principal place of business.

Section 2.6 Qualification in Other Jurisdictions.

The Board of Directors shall cause the Company to be qualified or registered under assumed or fictitious name statutes or similar laws in any jurisdiction in which the Company transacts business. The officers of the Company shall execute, deliver and file any certificates (and any amendments and/or restatements thereof) necessary for the Company to qualify to do business in a jurisdiction in which the Company may wish to conduct business.

**ARTICLE 3.
PURPOSE AND POWERS OF THE COMPANY**

Section 3.1 Purpose.

- (a) The business of the Company (the "**Business**") shall be:
 - (i) To engage in any lawful business subject to any provisions of law governing or regulating such business;

(ii) To exercise all other powers necessary to reasonably be connected with the Company's business which may legally be exercised by limited liability companies under the Act; and

(iii) To engage in all activities necessary, customary, convenient, or incident to any of the foregoing.

(b) In no event shall this Agreement be held or construed to imply the existence of a general partnership or joint venture among the Members with regard to matters, trades or businesses or enterprises outside the scope of this Company, and no Member shall have any power or authority under this Agreement to act as the agent or representative of the Company or any other Member with regard to any matter beyond the scope of this Company.

Section 3.2 Powers of the Company.

The Company shall have the power and authority to take any and all actions necessary, appropriate, proper, advisable, incidental or convenient to or for the furtherance of the purpose set forth in Section 3.1, including, but not limited to, the power:

(a) to conduct the business of the Company, carry on its operations and have and exercise the powers granted to a limited liability company by the Act in any state, territory, district or possession of the United States, or in any foreign country that may be necessary, convenient or incidental to the accomplishment of the purpose of the Company;

(b) to acquire by purchase, lease, contribution of property or otherwise, own, hold, operate, maintain, finance, improve, lease, sell, convey, pledge, mortgage, transfer, demolish or dispose of any real or personal property (including the Property) that may be necessary, convenient or incidental to the accomplishment of the purpose of the Company;

(c) to enter into, perform and carry out contracts of any kind, including contracts with any Member or Affiliate thereof, necessary to the accomplishment of the purpose of the Company;

(d) to sue and be sued, make claims and defend, and participate in administrative or other proceedings, in its name;

- (e) to appoint employees and agents of the Company, and define their duties and fix their compensation;
- (f) subject to the provisions of Article 12, to indemnify certain Persons in accordance with the Act and to obtain any and all types of insurance;
- (g) to borrow money and issue evidences of indebtedness, including loans from any Member or Affiliate thereof, and to secure any of the same by a mortgage, pledge or other lien on the assets of the Company;
- (h) to pay, collect, compromise, litigate, arbitrate or otherwise adjust or settle any and all other claims or demands of or against the Company or to hold such proceeds against the payment of contingent liabilities;
- (i) to form and operate one or more subsidiaries to conduct the business of the Company; and
- (j) to make, execute, acknowledge and file any and all documents or instruments necessary, convenient or incidental to the accomplishment of the purpose of the Company.

Section 3.3 Title to Company Property.

Except as otherwise set forth herein, legal title to the Property and all other Company property and assets shall be taken and at all times held in the name of the Company.

ARTICLE 4.

**CAPITAL CONTRIBUTIONS, MEMBER INTERESTS,
CAPITAL ACCOUNTS AND FUTURE CAPITAL REQUIREMENTS**

Section 4.1 Capital Contributions.

The initial Members have made the respective initial Capital Contributions to the Company in the amounts set forth on Schedule A. Each Member shall initially have the Percentage Interest and the number of Units set forth on Schedule A hereto. In the event that the Board of Directors admits Additional Members, such Additional Members shall make Capital Contributions or other contributions of value and shall receive Common Units as determined by the Board of Directors, in their sole discretion, subject to Section 5.4.

Section 4.2 Member's Units.

A Member's Units for all purposes shall be personal property. A Member has no interest in specific Company property, unless and until distributed to such Member.

Section 4.3 Status of Capital Contributions.

(a) Except as otherwise provided in this Agreement, no Member, or the successor or assign of a Member, may demand a return of his Capital Contributions, in whole or in part.

(b) No Member or Affiliate thereof shall receive any interest, return, compensation or drawing with respect to its Capital Contributions or its Capital Account or for services rendered or resources provided on behalf of the Company, except as otherwise specifically provided in this Agreement or except as otherwise determined by the Members or the Board of Directors in the case of compensation or reimbursements for services performed for the Company.

(c) Except as otherwise provided in this Agreement, no Member shall be required to lend any funds or make Capital Contributions to the Company to make any additional Capital Contributions to the Company. No Member shall have any personal liability for the repayment of any other Member's Capital Contribution.

Section 4.4 Capital Accounts.

(a) A separate Capital Account shall be established and maintained for each Member. The original Capital Account established for any Member who acquires Units by virtue of an assignment in accordance with the terms of this Agreement shall be in the same amount as and shall replace the Capital Account of the assignor of such Units, and, for purposes of this Agreement, such Member shall be deemed to have made the Capital Contributions made by the assignor of such Units (or made by such assignor's predecessor in interest). To the extent such Member acquires less than all of the Units of the assignor of the Units so acquired by such Member, the original Capital Account of such Member and its Capital Contributions shall be in proportion to the Units it acquires, and the Capital Account of the assignor who retains Units, and the amount of its Capital Contributions, shall be reduced in proportion to the Units it retains.

(b) The Capital Account of each Member shall be maintained in accordance with the following provisions:

(i) to such Member's Capital Account there shall be credited such Member's Capital Contributions, such Member's allocation of Profits pursuant to Article 9 below, special allocations of income and gain, and the net amount of any Company liabilities that are assumed by such Member or that are secured by any Company assets distributed to such Member;

(ii) to such Member's Capital Account there shall be debited the amount of cash and the Gross Asset Value of any Company assets distributed to such Member pursuant to any provision of this Agreement, such Member's allocation of Losses pursuant to Article 9 below, special allocations of loss and deduction, and the net amount of any liabilities of such Member that are assumed by the Company or that are secured by any property contributed by such Member to the Company; and

(iii) in determining the amount of any liability for purposes of this Section 4.4(b), there shall be taken into account Section 752(c) of the Code and any other applicable provisions of the Code and the Treasury Regulations.

Section 4.5 Capital Accounts Generally.

(a) Except as otherwise provided in this Agreement, whenever it is necessary to determine the Capital Account of any Member for any purpose hereunder, the Capital Account of such Member shall be determined after giving effect to all adjustments provided for in Section 4.4 for the current Fiscal Year in respect of transactions effected prior to the date such determination is to be made.

(b) No Member shall be entitled to withdraw any part of its Capital Account, or to receive any distribution from the Company except as specifically provided in this Agreement.

(c) In the event the Gross Asset Values of Company assets are adjusted in accordance with the definition of Gross Asset Value, the Capital Accounts shall be adjusted by allocating the increases or decreases in Gross Asset Value in accordance with Article 9.

ARTICLE 5.
MEMBERS, MEETINGS AND AMENDMENTS

Section 5.1 Powers of Members.

The Members shall have the power to exercise any and all rights or powers granted to the Members pursuant to the express terms of this Agreement.

Section 5.2 Resignation.

Except as expressly provided in this Agreement, a Member may not withdraw from the Company prior to the dissolution and winding up of the Company. If a Member withdraws in violation of the foregoing prohibition, such Member shall not be entitled to receive any compensation or distributions and shall not otherwise be entitled to receive the fair market value of its Units except as otherwise expressly provided for in this Agreement.

Section 5.3 Meetings or Other Approvals of the Members.

(a) Meetings of the Members may be called at any time by the Board of Directors. Any Member may, in writing, authorize an individual to represent and act for it by proxy on all matters in which a Member is entitled to participate, including waiving notice of any meeting, voting or otherwise participating at a meeting, and to provide such consents, approvals or agreements of a Member as required in this Agreement. Every such proxy shall be signed by all of the Persons having any ownership rights or interest in the Units of the Member.

(b) Each meeting of Members shall be conducted by such officer named by the Board of Directors, and such a meeting shall be called with at least five (5) days but not more than thirty (30) days written notice, specifying the agenda for the meeting. Such notice may be waived by any of the Members at any time, and will be deemed to have been waived if the Member participates in the meeting and has been provided with a written agenda for the meeting. Meetings may also be held telephonically whereby each of the Members can hear each of the other Members. The Board of Directors, in its sole discretion, shall establish all other provisions relating to meetings of Members, including the time, place or purpose of any meeting at which any matter is to be voted on by any Members, voting in person or by proxy or any other matter with respect to the exercise of any such right to vote. Except as expressly provided in this Agreement, decisions of the Members shall be made upon the vote of Members holding a majority of the Units

("Majority Action"). Action by the Members may also be taken and represented by a written consent of the Members having a majority of the Units. The Company's Secretary or such other officer designated by the Board of Directors shall be responsible for taking minutes of the Member meetings and safekeeping them on behalf of the Company, if requested to do so, by the Board of Directors.

(c) Majority Action shall be required for the following actions: (i) admission of a new holder of Units after September 30, 2007; (ii) approval of a plan of merger or consolidation of the Company or the sale of all or substantially all of its assets; or (iii) termination or dissolution of the Company.

Section 5.4 Additional Members.

(a) The Board is authorized to admit Additional Members to the Company and issue Units to such Additional Members until the aggregate amount of 6,950,000 Units are issued and outstanding. After 6,950,000 Units are issued and outstanding, Additional Members may be admitted to the Company and receive Units only by majority action of the Board that would consist of consent of more than one Board Member. Any such Additional Members shall execute any document(s) deemed advisable by the Board, including a Subscription Agreement and Operating Agreement. The Board of Directors may authorize and issue additional Units to new or Additional Members in exchange for cash, property or services or any combination thereof, at the sole discretion of the Board of Directors and without the approval of the Members.. Authorized Units may be issued by the Board of Directors to employees, contractors, vendors, members of the Board of Directors, members of the Board of Advisors or others providing services to the Company, in the discretion of the Board of Directors.

(b) Additional Members shall not be entitled to any retroactive allocation of the Company's income, gains, losses, deductions, credits or other items; provided that, subject to the restrictions of Section 706(d) of the Code, Additional Members shall be entitled to their respective share of the Company's income, gains, losses, deductions, credits and other items arising under contracts entered into before the effective date of the admission of any Additional Members to the extent that such income, gains, losses, deductions, credits and other items arise after such effective date. To the extent consistent with Section 706(d) of the Code and Treasury Regulations promulgated thereunder, the Company's books may be closed at the time Additional Members are admitted (as though the Company's tax year had ended) or the Company may credit to

the Additional Members pro rata allocations of the Company's income, gains, losses, deductions, credits and items for that portion of the Company's Fiscal Year after the effective date of the admission of the Additional Members.

Section 5.5 Amendments.

Any amendment to this Agreement or the Certificate shall be adopted and be effective as an amendment thereto only if it receives the approval of the Board of Directors and Majority Action, except that (a) no amendment may affect the allocations or distributions of a Member without the written approval of such Member except as otherwise provided for in this Agreement, and (b) the Board of Directors may amend this Agreement in order to create an additional class or classes of Units and to admit Additional Members, as contemplated by and in accordance with Section 5.4(a).

Section 5.6 Confidentiality Obligations of Members.

Each Member expressly covenants and agrees that neither such Member nor any of its Affiliates (to the extent any such Affiliate has received Confidential Information or Trade Secrets) will disclose, divulge, furnish or make accessible to anyone (other than the Company or any of its Affiliates or representatives who are themselves subject to confidentiality obligations) any Confidential Information or Trade Secrets, or in any way use any Confidential Information or Trade Secrets in the conduct of any business; provided, however, that nothing in this Section 5.6 will prohibit the disclosure of any Confidential Information or Trade Secrets (a) which is required to be disclosed by the Member or any such Affiliate in connection with any court action or any proceeding before any Authority; (b) in connection with the enforcement of any of the rights of the Member hereunder; or (c) in connection with the defense by the Member of any claim asserted against it hereunder; provided, however, that in the case of a disclosure contemplated by Clause (a), to the extent reasonably practicable no disclosure shall be made until the Member shall give notice to the Company of the intention to disclose such Confidential Information or Trade Secrets so that the Company may contest the need for disclosure, and the Member will cooperate (and will cause its Affiliates and their respective representatives to cooperate) with the Company in connection with any such proceeding.

ARTICLE 6.
MANAGEMENT

Section 6.1 Management of the Company.

(a) The Company shall be managed by or under the direction of the Board of Directors, elected or appointed as set forth in Section 6.2 below. Except as otherwise specifically provided in this Agreement, the Board of Directors, acting in accordance with this Article 6, shall have full, exclusive and complete discretion, right, power, and authority to manage, control and make all decisions affecting the business and affairs of the Company and to do or cause to be done any and all acts, at the expense of the Company on the terms provided herein, deemed by the Board of Directors to be necessary or appropriate to effectuate the business of the Company or the purposes and objectives of the Company as set forth in this Agreement. Notwithstanding the foregoing, the Director(s), in their capacity as Director(s) of the Company, or their successors, shall have the power and authority described in this Section 6.1(a), including signing contracts and obligations on behalf of the Company and otherwise conducting the day-to-day business and operations of the Company, provided that any actions for which the approval of the Board of Directors is expressly required by this Agreement shall be approved in accordance with subsection (b) below.

(b) The consent of a majority of the Directors is required for all actions taken by the Board of Directors pursuant to this Agreement. If there are only one or two Directors then in office, the consent of Ashif Dhanani or his successor shall be so required. No Director acting alone, other than Ashif Dhanani or his successor, has the authority to bind the Company.

(c) The Board of Directors may appoint individuals with such other titles as it may select, including the titles of Chairman, President, Vice President, Treasurer and Secretary, to act on behalf of the Company, with such power and authority as the Board of Directors may delegate to any such Person.

(d) Except as described in this Agreement or as authorized by further action of the Board of Directors, no Persons other than the Board of Directors in their capacity as Director(s) and the duly appointed officers of the Company and its authorized employees and agents shall take part in the management, or the operation or control of the business and affairs of the Company. Except as expressly delegated by the Board of Directors or

their successors or as required by the Act, no Persons other than the Board of Directors and the duly appointed officers or other authorized agents of the Company shall be an agent of the Company or have any right, power or authority to transact any business in the name of the Company or to act for or on behalf of or to bind the Company.

(e) Except as expressly set forth in this Agreement or required by law, no Director shall be personally liable for any debt, obligation or liability of the Company, whether arising in tort, contract or otherwise, solely by reason of being a Director of the Company.

Section 6.2 Number and Election of Directors.

The number of Directors of the Company comprising the Board of Directors shall initially be One (1), and such Director initially shall be Ashif Dhanani. Additional Directors may be added as determined by the existing Board of Directors including members that may be elected to the Board. The number of Directors may be changed from time to time by the Board of Directors, with Majority Action, but in no instance shall there be less than one (1) Director. Each Director shall hold office until removed pursuant to Section 6.3 below or until such Director's successor shall have been appointed or elected. Successor Directors shall be appointed or elected in the same manner as the Director to be succeeded. In the event of the death or disability or removal of a Director for cause in accordance with Section 6.3, the successor to the Director appointed in accordance with clause (iii) of the first sentence of this Section 6.2 shall be by the affirmative vote of the Majority.

Section 6.3 Withdrawal, Resignation and Removal.

If a Director withdraws or resigns, any vacancy may be filled by the Board of Directors. At a special meeting called expressly for that purpose or by written consent, all or any lesser number of Directors may be removed by the Members at any time, for cause, by Majority Action. For purposes of this Section 6.3 and Section 6.2, the term "cause" shall mean a Director (i) shall have been convicted of a felony, (ii) shall have engaged in willful or reckless misconduct or fraud relating to the Partnership, in each case as determined by the final, non-appealable judgment of a court of competent jurisdiction, or (iii) acted or omitted to act in a manner that constitutes cause under applicable law.

Section 6.4 Limited Duty to Company.

No Director or Manager shall be required to manage the Company as his sole and exclusive occupation and each Director may have other business interests and may engage in other investments, occupations and activities in addition to those relating to the Company. Neither the Company nor any Member shall have any right, by virtue of this Agreement, to share or participate in such other investments or activities of any Director or to the income or proceeds derived therefrom. No Director shall incur any liability to the Company or to any of the Members as a result of engaging in any other business venture in which he is currently engaged.

Section 6.5 Reimbursement of Expenses; Fees.

The Company shall reimburse the Directors for all out-of-pocket expenses incurred by them in managing the Company, in accordance with such Company policies as may be adopted by the Board of Directors. In addition, Ashif Dhanani may receive a salary and other benefits as may be approved by the Board of Directors.

Section 6.6 Manager.

The Board may appoint one or more managers (each, a “Manager”) to manage the day-to-day business and affairs of the Company, subject to the direction, policies and control of the Board. The Manager may be any person or entity permitted under the Act and may be given an officer title and have the roles and responsibilities customary of such officer title. The initial Managers of the Company shall be set forth on Exhibit B. Any Manager shall serve until such time as such Manager shall resign as Manager or is removed by the Board. The Manager shall report to and shall be ultimately responsible to the Board. In the event the Board does not appoint one or more Managers, the Board shall be deemed the “Manager” for purposes of the Act and this Agreement.

Section 6.7 Powers of the Manager.

The Manager shall, subject to the control of the Board, run the day to day operations of the Company and shall have power and authority, on behalf of the Company to (a) open bank accounts, otherwise invest the funds of the Company, dispose of any investments and generally provide cash management services to the Company, (b) purchase insurance on the business and assets of the Company, (c) commence lawsuits and other proceedings, (d) enter into any agreement, instrument or other writing, provided that prior Board approval is received when required, (e) retain accountants, attorneys or other agents, (f) maintain the books and records of

the Company, including all financial records, (g) make distributions to Members in accordance with the provisions of this Agreement; (h) hire and fire employees and consultants and enter into employment agreements and consulting agreements on behalf of the Company, and (i) take any other lawful action that the Manager considers necessary, convenient or advisable in connection with any business of the Company or to otherwise exercise any powers of the Company set forth in this Agreement.

Section 6.8 Manager as Agent.

The Manager, to the extent of its powers set forth in this Agreement, is an agent of the Company for the purpose of the Company's business, and the actions of the Manager taken in accordance with such powers shall bind the Company.

ARTICLE 7. ASSIGNABILITY OF MEMBER INTERESTS

Section 7.1 Assignability of Units.

Except as otherwise provided in this Article 7, no Member may Transfer the whole or any part of its Units or any fractional or beneficial interest therein. If a Member Transfers Units in accordance with this Article 7, such Transfer shall, nevertheless, not entitle the assignee to become a Substitute Member or to be entitled to exercise or receive any of the rights, powers or benefits of a Member other than the economic interests to which the assigning Member would be entitled, unless the assigning Member designates, in a written instrument delivered to the other Members, its assignee to become a Substitute Member and the Board of Directors consents to the admission of such assignee as a Member; and provided further, that such assignee shall not become a Substitute Member without having first executed an instrument reasonably satisfactory to those Members that approved the Transfer which shall at a minimum include an acceptance and agreement by the Substitute Member to abide by all the terms and conditions of this Agreement. The Transfer shall be conditioned upon the Company being fully reimbursed from such assignee or the assigning Member sufficient to cover all reasonable expenses of the Company in connection with such assignee's admission as a Substitute Member.

Section 7.2 Permitted Transfers.

- (a) Notwithstanding the foregoing, a Member shall be permitted to assign, at any time and from time to time, all or any part of his Units to a Permitted Assignee. For this

purpose “**Permitted Assignee**” means with respect to a particular Member, a Person that is (i) a natural or adoptive lineal ancestor or descendant of such Member; (ii) a trust, estate, guardianship or custodianship, including those established under any of the Uniform Gifts to Minors Act of any state (or similar statute), established for such Member or one or more Permitted Assignees of such Member; and (iii) entities under the control of such Member and one or more other Permitted Assignees of such Member. The subsequent Transfer of any Units by a Permitted Assignee shall be subject to the same restrictions of this Article 7 in the same manner as if the Units to be Transferred were still owned by the Member from whom such Permitted Assignee acquired such Units; and for this purpose references herein to a Transfer by a Member (or a specific Member), shall include any Transfer by the Permitted Assignee(s) that acquired such Member’s Units, and references to a specific Member by name shall include his Permitted Assignees.

(b) If a Member Transfers all or a portion of his Units in the Company and the Permitted Assignee or other assignee thereof, as the case may be, is entitled to become a Substitute Member, such assignee shall be admitted to the Company effective immediately prior to the effective date of the assignment (as set forth in Section 7.3), and, immediately following such admission, the assigning Member shall cease to be a Member of the Company to the extent of the portion of the Units assigned hereunder.

Section 7.3 Recognition of Assignment by Company or Other Members.

No Transfer of Units that is in violation of this Article 7 shall be valid or effective, and neither the Company, the Board of Directors, nor any Member shall recognize the same for any purpose of this Agreement, including the purpose of making distributions of Net Cash Flow pursuant to this Agreement with respect to such Units or part thereof. Neither the Company nor the Board of Directors shall incur any liability as a result of refusing to make any such distributions to the assignee of any such invalid assignment.

Section 7.4 Effective Date of Assignment.

Any valid Transfer of a Member’s Units, or part thereof, pursuant to the provisions of this Article 7 shall be effective as of the close of business on the day preceding the closing of the transaction evidencing the Transfer. The Company, from the effective date of such Transfer, shall thereafter pay all further distributions on account of the Units (or part thereof), so assigned, to the assignee of such Units, or part thereof. As between any Member and its assignee, Profits

and Losses for the Fiscal Year of the Company in which such assignment occurs shall be apportioned for federal income tax purposes in accordance with any convention permitted under Section 706(d) of the Code and selected by the Board of Directors.

Section 7.5 Right of First Refusal; Transfers of Units; Admission of Substitute Members.

(a) In the event that any Member (hereinafter referred to as "Offering Member") desires to sell all or any part of his or her Units ("Offered Units") to a third-party from whom it receives a bona fide written offer to purchase all of the Offered Units for cash and/or a promise to make deferred payments of cash (the "Offer"), the Offering Member shall promptly give written notice (the "Notice") to all Members whose Units are not subject to said offer (the "Non-Offering Members"). The Notice shall state the identity of the third-party offeror, the purchase price (the "Offer Price") and the other terms and conditions of the Offer. Each Non-Offering Member shall then have an option ("Member Option") to purchase from the Offering Member its proportionate share ("Proportionate Share") of the Offered Units. For purposes of this Agreement, the term Proportionate Share shall mean a percentage obtained by dividing the number of Units owned by each Non-Offering Member by the total number of Units owned by all Non-Offering Members. In the event a Non-Offering Member elects to exercise his or her Member Option, said Non-Offering Member must provide written notice to the Offering Member, the Company and all other Non-Offering Members within thirty (30) days after his or her receipt of the Notice from the Offering Member. If any one or more Non-Offering Members fail to exercise their option to purchase their Proportionate Share, all of those Non-Offering Members that have exercised their option to purchase their Proportionate Share shall have an option to purchase their Proportionate Share (determined by excluding the Units of the Non-Offering Member failing to exercise) of the Units allocated to the non-purchasing, Non-Offering Members. This option may be exercised in the manner provided above within ten (10) days following the lapse of the options of the non-purchasing, Non-Offering Members. This process shall continue indefinitely until all of the Offered Units have been purchased or offered for purchase and declined by each of the Non-Offering Members. The purchase price to be paid by each Non-Offering Member shall be his, her or its Proportionate Share of the Offer Price and shall be paid in full in accordance with the terms of the Offer at the time of purchase, which shall be mutually agreed upon and shall occur within thirty (30) days of the date the last notice period expires.

(b) Failure to Exercise Option. Notwithstanding the foregoing provisions in Section 4.6(a), if the Non-Offering Members fail to exercise their options above to purchase all of the Offered Units, then the Offering Member shall have thirty (30) days from the date the Member Option expires to consummate the sale of all of the Offered Units to the third-party offeror pursuant to the terms of the Offer, and none of the sales referred to in Section 4.6(a) shall take place. If the Offering Member does not complete the sale to the third-party offeror within said thirty (30) day period, then all of the Offered Units shall once again become subject to the terms of this Agreement and the Right of First Refusal set forth herein. If the sale to the third-party offeror is completed within said thirty (30) day period, then the purchaser shall take all of the Offered Units subject to all terms of this Agreement.

(c) Additional Requirements. As a condition to recognizing the effectiveness and binding nature of any transfer of any Unit, the transferring Member and the proposed transferee shall execute, acknowledge and deliver to the Company such instruments of transfer, assignment and assumption and such other certificates, representations and documents, and perform all such other acts that the Manager deems necessary or desirable to (1) constitute such transferee as such; (2) confirm that the transferee desiring to acquire Units has accepted, assumed and agreed to be subject to and bound by all the terms, obligations and conditions of the Agreement, as the same may have been further amended; (3) preserve the Company after the completion of such transfer under the laws of each jurisdiction in which the Company is qualified, organized or does business; (4) maintain the status of the Company as an organization not taxable as a corporation under the then applicable provisions of the Code; (5) not cause, either alone or when combined with other transactions, a termination of the Company within the meaning of Code Section 708 (unless otherwise determined by the Manager); and (6) assure compliance with the applicable securities acts and regulations. At the request of a Member, the Manager shall provide consultation and information concerning the circumstances in which a transfer of an interest in the Company would result in a termination of the Company within the meaning of Code Section 708.

Section 7.6 Drag-Along Right.

(a) If any Member or Members holding not less than a majority of the Units (the "Selling Members") proposes to sell all of their Units to a person who is not a Member (a "Drag-Along Sale"), at their sole option, the Selling Members shall have the right to

require the other Members (the "Drag-Along Member") to sell in such Drag-Along Sale the Units held by them.

(b) The Selling Members shall provide the Drag-Along Member notice of the terms and conditions of such proposed Disposition (the "Drag-Along Notice") not later than 15 business days prior to the closing of the proposed Drag-Along Sale. The Drag-Along Notice shall identify the consideration for which the Disposition is proposed to be made, and all other material terms and conditions of the Drag-Along Sale, including the form of the proposed agreement, if any. The Drag-Along Members shall be required to participate in the Drag-Along Sale on the terms and conditions set forth in the Drag-Along Notice.

(c) If, at the end of a 90-day period after the date on which the Selling Members give the Drag-Along Notice (which 90-day period shall be extended if any of the transactions contemplated by the Drag-Along Sale are subject to regulatory approval until the expiration of five business days after all such approvals have been received, but in no event later than 120 days following the receipt of the Drag-Along Notice), the Drag-Along Sale has not been completed on substantially the same terms and conditions set forth in the Drag-Along Notice, the Drag-Along Member shall no longer be obligated to sell their Units pursuant to such Drag-Along Notice and the Selling Members shall return to the Drag-Along Members any documents in the possession of the Selling Members executed by the Drag-Along Member in connection with the proposed Drag-Along Sale.

(d) Notwithstanding anything contained in this Section 7.6, there shall be no liability on the part of the Selling Members to the Drag-Along Member if the transfer of the Units pursuant to this Section 7.6 is not consummated for whatever reason. In addition, notwithstanding anything contained in this Section 7.6, the obligations of the Drag-Along Member to participate in a Drag-Along Sale are subject to the following conditions:

(i) subject to the allocation provisions set forth in this Agreement, upon the consummation of such Drag-Along Sale, all of the Members participating therein will receive the same form and amount of consideration per percentage of Unit and shall be subject to all other terms and conditions of such sale in a manner proportionate to their Units being sold; and

(ii) no Member participating therein shall be obligated to pay any expenses incurred in connection with any unconsummated Drag-Along Sale, and each

Member shall be obligated to pay only its *pro rata* share (based on the amount of Units disposed of) of expenses incurred in connection with a consummated Drag-Along Sale to the extent such expenses are incurred for the benefit of all Members and are not otherwise paid by the Company or another person.

Section 7.7 Tag-Along Right.

(a) If any Member or Members holding a Majority of the Units (the "Tag-Along Seller") proposes to sell all of its Units to a person who is not a Member (such proposed transfer, a "Tag-Along Sale"), and the (i) the Tag-Along Seller shall provide each other Member notice of the terms and conditions of such proposed transfer (the "Tag-Along Notice") and offer each other Member the opportunity to participate in such transfer in accordance with this Section 7.7 and (ii) each other Member may elect, at its option, to participate in the proposed transfer in accordance with this Section 7.7 (each such electing Member, a "Tagging Member"). The Tag-Along Notice shall identify the consideration for which the transfer is proposed to be made, and all other material terms and conditions of the Tag-Along Sale, including the form of the proposed agreement, if any.

(b) From the date of its receipt of the Tag-Along Notice, each Tagging Member shall have the right, exercisable by notice delivered to the Tag-Along Seller within ten business days after its receipt of the Tag-Along Notice, to request that the Tag-Along Seller include in the proposed transfer the Units held by such Tagging Member.

(c) If, at the end of a 90-day period after delivery of the notice from the Tagging Member (which 90-day period shall be extended if any of the transactions contemplated by the Tag-Along Sale are subject to regulatory approval until the expiration of five Business Days after all such approvals have been received, but in no event later than 120 days following receipt by the Tag-Along Seller of the Tagging Member's notice), the Tag-Along Seller has not completed the transfer of their Units on substantially the same terms and conditions set forth in the Tag-Along Notice, the Tag-Along Seller shall not conduct any transfer of their Units without again complying with this Section 7.8.

(d) If within ten days of receipt of the Tag-Along Notice any Member shall not have elected to participate in the Tag-Along Sale, such Member shall be deemed to have waived its rights under this Section 7.7 with respect to the transfer of its Units pursuant to such Tag-Along Sale.

(e) Notwithstanding anything contained in this Section 7.7, there shall be no liability on the part of the Tag-Along Seller to the Tagging Members if the transfer of the Units pursuant to this Section 7.7 is not consummated for whatever reason. Whether to effect a transfer of Units by the Tag-Along Seller is in the sole and absolute discretion of the Tag-Along Seller. In addition, notwithstanding anything contained in this Section 7.7, the rights and obligations of the other Members to participate in a Tag-Along Sale are subject to the following conditions:

(i) subject to the allocation provisions set forth in this Agreement, upon the consummation of such Tag-Along Sale, all of the Members participating therein will receive the same form and amount of consideration per percentage of Unit and shall be subject to all other terms and conditions of such sale in a manner proportionate to their Units being sold; and

(ii) no Member participating therein shall be obligated to pay any expenses incurred in connection with any unconsummated Tag-Along Sale, and each such Member shall be obligated to pay only its *pro rata* share (based on the amount of Units transferred) of expenses incurred in connection with a consummated Tag-Along Sale to the extent such expenses are incurred for the benefit of all such Members and are not otherwise paid by the Company or another person.

Section 7.8 Limitations on Transfer.

No Transfer of Units may be effectuated unless in the opinion of counsel satisfactory to the Board of Directors, the Transfer (a) would not result in the close of the Company's tax year or the termination of the Company within the meaning of Section 708(b) of the Code; (b) would comply with the Securities Act of 1933 and applicable securities laws of any other jurisdiction; and (c) would not violate any other applicable laws, provided that the provisions of this Section 7.8 may be waived by the Board of Directors.

ARTICLE 8.

DISTRIBUTIONS TO MEMBERS

Section 8.1 Net Cash Flow.

(a) The Board of Directors shall distribute the Net Cash Flow to the Members, at such times as determined by the Board of Directors, pro rata in accordance with their Percentage Interests.

(b) Notwithstanding the foregoing, to the extent Net Cash Flow is available, the total distributions (“**Minimum Distributions**”) to a Member for each Fiscal Year (and the ninety (90) day period following such Fiscal Year) shall not be less than an amount equal to the product of: (x) the Company’s net taxable income allocated to such Member for such Fiscal Year and all prior Fiscal Years for federal income tax purposes; multiplied by (y) the highest marginal federal tax rate for an individual set forth in Section 1 of the Code plus the rate of tax for residents of Colorado, after taking into account the federal income tax deduction for such taxes, reduced by all prior distributions pursuant to this Section 8.1, regardless of the actual federal tax rates applicable to the Members. To the extent that such Minimum Distributions requirement increases the amount of distributed Net Cash Flow beyond the amount to which a Member would be entitled in the absence thereof, the excess portion shall be considered a prepayment of future distributions of Net Cash Flow allocable to such Member; provided that adjustments to any such future distributions to that Member shall not decrease his aggregate Net Cash Flow distributions below an amount necessary to meet the Minimum Distribution requirement for such Member for subsequent Fiscal Years. If upon termination of a Member’s interest in the Company, such Member shall have received distributions pursuant to this Section 8.1(b) in excess of the Member’s net tax liability as computed herein, such Member shall contribute such excess to the Company within ten (10) days of termination of his interest.

Section 8.2 Withholding.

All amounts withheld pursuant to the Code or any provision of any foreign, state or local tax law or treaty with respect to any payment, distribution or allocation to the Company or the Members shall be treated as amounts distributed to the Members pursuant to this Article 8 for all purposes of this Agreement. The Board of Directors are authorized to withhold from distributions, or with respect to allocations, to the Members and to pay over to any federal, foreign, state or local government any amounts required to be so withheld pursuant to the Code or any provision of any other federal, foreign, state or local law or treaty and shall allocate such amounts to those Members with respect to which such amounts were withheld.

Section 8.3 Limitations on Distribution.

Except as provided in this Agreement, no Member shall be entitled to any distribution of cash or other property from the Company. Notwithstanding any provision to the contrary contained in this Agreement, the Company shall not make a distribution to any Member on account of its Units in the Company if such distribution would violate the Act or other applicable law.

ARTICLE 9. ALLOCATIONS

Section 9.1 Profits and Losses.

All Profits and Losses from operations for each Fiscal Year (or part thereof), as determined by the Company's accountants, shall be allocated as follows:

- (a) Profits. After giving effect to the special allocations set forth in this Article 9, Profits for each Fiscal Year shall be allocated to the Members prorata in accordance with their Percentage Interests.
- (b) Losses. After giving effect to the special allocations set forth in this Article 9, Losses for each Fiscal Year shall be allocated to the Members, prorata in accordance with their Percentage Interests.

Section 9.2 Special Allocations.

The following special allocations shall be made in the following order:

- (a) Company Minimum Gain Chargeback. If there is a net decrease in Company Minimum Gain during a Company fiscal year so that an allocation is required by Treasury Regulations Section 1.704-2(f), then each Member shall be specially allocated items of income and gain for such year (and, if necessary, subsequent fiscal years) equal to such Member's share of the net decrease in Company Minimum Gain as determined by Treasury Regulations Section 1.704-2(g). Such allocations shall be made in a manner and at a time which will satisfy the minimum gain chargeback requirements of Treasury Regulations Section 1.704-2(f) and this Section 9.2(a) shall be interpreted consistently therewith.
- (b) Member Nonrecourse Minimum Gain Chargeback. If there is a net decrease in the Member Nonrecourse Debt Minimum Gain during any Company fiscal year, any Member who has a share of such Member Nonrecourse Debt Minimum Gain (as determined in the same manner as partner nonrecourse debt minimum gain under

Treasury Regulations Section 1.704-2(i)(5)) shall be specially allocated items of income or gain for such year (and, if necessary, subsequent fiscal years) equal to such Member's share of the net decrease in the Member Nonrecourse Debt Minimum Gain in the manner and to the extent required by Treasury Regulations Section 1.704-2(i)(4). This Section 9.2(b) shall be interpreted in a manner consistent with such Treasury Regulations.

(c) Qualified Income Offset. If a Member unexpectedly receives an adjustment, allocation, or distribution described in Treasury Regulations Sections 1.704-1(b)(2)(ii)(d)(4), (5) or (6), any of which causes or increases an Adjusted Capital Account Deficit in such Member's Capital Account, then such Member will be specially allocated items of income and gain in an amount and manner sufficient to eliminate such deficit balance created or increased by such adjustment, allocation, or distribution as quickly as possible; provided, however, an allocation pursuant to this Section 9.2(c) will be made if and only to the extent that such Member would have an Adjusted Capital Account Deficit after all other allocations provided for in this Article 9 have been tentatively made as if this Section 9.2(c) were not in the Agreement. For this purpose "**Adjusted Capital Account Deficit**" means the Member has a deficit balance in its "**Capital Account**" after giving effect to any amounts the Member is obligated to contribute or restore to the Company pursuant to the penultimate sentences of Treasury Regulations Sections 1.704-2(g)(1) and 1.704-2(i)(5).

(d) Allocation of Nonrecourse Liability Deductions. Deductions attributable to any Company Nonrecourse Liability, as defined in accordance with Section 1.704-2(b)(3) of the Treasury Regulations shall be allocated among the Members in proportion to their respective Percentage Interests.

(e) Member Nonrecourse Debt Deductions. Deductions attributable to any Member Nonrecourse Debt shall be allocated to the Member who bears the economic risk of loss with respect to the Member Nonrecourse Debt to which such deductions are attributable in accordance with Treasury Regulations Section 1.704-2(i)(1).

(f) Advice of Accountants. Allocations made by the Board of Directors under this Section 9.2 in reliance upon the advice of the Company's accountants shall be deemed to be made pursuant to any fiduciary obligation to the Company and the Members.

(g) Section 754 Election. To the extent an adjustment to the adjusted tax basis of any Company asset pursuant to Code Section 734(b) or Code Section 743(b) is required,

pursuant to Treasury Regulations Section 1.704-1(b)(2)(iv)(m), to be taken into account in determining Capital Accounts, the amount of such adjustment to the Capital Accounts shall be treated as an item of gain (if such gain or loss increases the basis of the asset) or loss (if the adjustment decreases such basis) and such gain or loss shall be specially allocated to the Members in a manner consistent with the manner in which their Capital Accounts are required to be adjusted pursuant to such Section of the Treasury Regulations.

(h) Imputed Interest. If any Member makes a loan to the Company, or the Company makes a loan to any Member, and interest in excess of the amount actually payable is imputed under Code Sections 7872, 483, or 1271 through 1288 or corresponding provisions of subsequent Federal income tax law, then any item of income or expense attributable to any such imputed interest shall be allocated solely to the Member who made or received the loan and shall be credited or charged to its Capital Account, as appropriate.

(i) Contributed Property. Income, gain, loss or deduction with respect to any property contributed by a Member shall, solely for tax purposes, be allocated among the Members, to the extent required by Code Section 704(c) and the related Treasury Regulations under Code Sections 704(b) and 704(c), to take account of the variation between the adjusted tax basis of such property and its Gross Asset Value at the time of its contribution to the Company. If the Gross Asset Value of any Company property is adjusted, as provided in Treasury Regulations Section 1.704-1(b)(2)(iv), then subsequent allocations of income, gain, loss and deduction shall be as provided in Code Section 704(c) and the related Treasury Regulations. If Code Section 704(c) and the Treasury Regulations thereunder allow alternative methods of making such acquired allocations, Board of Directors shall determine which alternative method to use. Allocations under this Section 9.2(i) are solely for purposes of federal, state and local taxes and shall not affect, or in any way be taken into account in computing, any Member's Capital Account or share of Profits, Losses, or other items or distributions under any provision of this Agreement.

(j) Share of Excess Nonrecourse Liabilities. For purposes of calculating a Member's share of "excess nonrecourse liabilities" of the Company (within the meaning of Treasury Regulation Section 1.752-3(a)(3)), the Members intend that they be considered as sharing profits of the Company in proportion to their respective Percentage Interests.

(k) Curative Allocations. The allocations set forth in this Section 9.2 (collectively the “**Regulatory Allocations**”) are intended to comply with certain requirements of Treasury Regulations Section 1.704-1 and Section 1.704-2. Notwithstanding any other provisions of this Article 9 (other than the Regulatory Allocations), the Board of Directors, with the advice and assistance of the Company’s tax accountants, shall take the Regulatory Allocations into account in allocating other Profits, Losses, and items of income, gain, loss, deduction and Code Section 705(a)(2)(B) expenditures among the Members so that, to the extent possible, the net amount of such allocations of other Profits, Losses, and other items and the Regulatory Allocations to each Member shall be equal to the net amount that would have been allocated to each such Member if the Regulatory Allocations had not occurred.

Section 9.3 Allocation and Other Rules.

(a) In the event Members are admitted to the Company pursuant to this Agreement on different dates, the Profits (or Losses) allocated to the Members for each Fiscal Year during which Members are so admitted shall be allocated among the Members in proportion to their Percentage Interests during such Fiscal Year in accordance with Section 706 of the Code, using any convention permitted by law and selected by the Board of Directors.

(b) For purposes of determining the Profits, Losses or any other items allocable to any period, Profits, Losses and any such other items shall be determined on a daily, monthly or other basis, as determined by the Board of Directors using any method that is permissible under Section 706 of the Code and the Treasury Regulations thereunder.

(c) Except as otherwise provided in this Agreement, all items of Company income, gain, loss, deduction and any other allocations not otherwise provided for shall be divided among the Members in the same proportions as they share Profits and Losses for the Fiscal Year in question.

(d) The Members are aware of the income tax consequences of the allocations made by this Article 9 and hereby agree to be bound by the provisions of this Article 9 in reporting their shares of Company income and loss for income tax purposes.

ARTICLE 10.
BOOKS AND RECORDS

Section 10.1 Inspection Rights Pursuant to Law.

The Company shall have obligations to the Members as set forth in this Article 10 respecting books, records and financial statements of the Company.

Section 10.2 Books and Records.

At all times during the continuance of the Company, the Company shall maintain at its registered office and principal place of business all records and materials the Company is required to maintain at such location under the Act.

Section 10.3 Annual Financial Statements.

Unless all of the Members otherwise elect, within one hundred twenty (120) days after the end of each Fiscal Year, the Company shall cause to be delivered to each Member a financial statement of the Company for the prior Fiscal Year, prepared at the expense of the Company, which financial statement shall set forth, as of the end of and for such Fiscal Year, the following:

- (a) a profit and loss statement and a balance sheet of the Company;
- (b) the balance in each Member's Capital Account; and
- (c) such other information as reasonably shall be necessary for the Members to be advised of the financial status and results of operations of the Company.

Section 10.4 Accounting Method.

For both financial and tax reporting purposes and for purposes of determining Profits and Losses, the books and records of the Company shall be kept on such method of accounting as determined by the Board of Directors and shall reflect all Company transactions and be appropriate and adequate for the Company's business.

ARTICLE 11.
TAX MATTERS

Section 11.1 Taxation as Company.

The Company shall be treated as a partnership for U.S. federal income tax purposes.

Section 11.2 Federal Tax Returns.

The Company shall cause the Company's independent public accountants to prepare, at the expense of the Company, for each Fiscal Year (or part thereof), Federal tax returns in compliance with the provisions of the Code and any required state and local tax returns.

Section 11.3 Member Tax Return Information.

The Company, at its expense, shall cause to be delivered to each Member such information as shall be necessary (including a statement for that year of each Member's share of net income, net losses and other items of the Company) for the preparation by the Members of their Federal, state and local income and other tax returns.

Section 11.4 Tax Matters Representative.

(a) The "Tax Matters Member" of the Company for purposes of Section 6231(a)(7) of the Code shall be Ashif Dhanani and shall have the power to manage and control, on behalf of the Company, any administrative proceeding at the Company level with the Internal Revenue Service relating to the determination of any item of Company income, gain, loss, deduction or credit for federal income tax purposes.

(b) The Tax Matters Member shall, within five (5) business days of the receipt of any notice from the Internal Revenue Service in any administrative proceeding at the Company level relating to the determination of any Company item of income, gain, loss, deduction or credit, mail a copy of such notice to each Member.

Section 11.5 Right to Make Section 754 Election.

The Board of Directors, in their sole discretion, may make or revoke, on behalf of the Company, an election in accordance with Section 754 of the Code, so as to adjust the basis of Company property in the case of a distribution of property within the meaning of Section 734 of the Code, and in the case of a transfer of a Company Units within the meaning of Section 743 of the Code.

ARTICLE 12.
LIABILITY, EXCULPATION AND INDEMNIFICATION

Section 12.1 Liability.

(a) Except as otherwise provided by the Act, the debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Company, and no Covered Person shall be obligated personally for any such debt, obligation or liability of the Company solely by reason of being a Covered Person.

(b) Except as otherwise expressly required by law, a Member, in its capacity as Member, shall have no liability in excess of: (i) the amount of its Capital Contributions; (ii) its share of any assets and undistributed profits of the Company; (iii) its obligation to make other payments expressly provided for in this Agreement; and (iv) the amount of any distributions wrongfully distributed to such Member.

Section 12.2 Exculpation.

(a) No Covered Person shall be liable to the Company or any other Covered Person for any loss, damage or claim incurred by reason of any act or omission performed or omitted by such Covered Person in good faith on behalf of the Company and in a manner reasonably believed to be within the scope of authority conferred on such Covered Person by this Agreement, except that a Covered Person shall be liable for any such loss, damage or claim incurred by reason of such Covered Person's gross negligence or willful misconduct.

(b) A Covered Person shall be fully protected in relying in good faith upon the records of the Company and upon such information, opinions, reports or statements presented to the Company by any Person as to matters the Covered Person reasonably believes are within such other Person's professional or expert competence and who has been selected with reasonable care by or on behalf of the Company, including information, opinions, reports or statements as to the value and amount of the assets, liabilities, Profits, Losses or Net Cash Flow or any other facts pertinent to the existence and amount of assets from which distributions to Members might properly be paid.

Section 12.3 Indemnification.

To the fullest extent permitted by applicable law, a Covered Person shall be entitled to indemnification from the Company for any loss, damage or claim incurred by such Covered Person by reason of any act or omission performed or omitted by such Covered Person provided that: (a) any such action was undertaken in good faith on behalf of the Company and in a manner reasonably believed to be in, or not opposed to, the best interests of the Company; (b) any such action was reasonably believed to be within the scope of authority conferred on such Covered Person by this Agreement; and (c) with respect to any criminal action or proceeding, such Covered Person had no reasonable cause to believe his action or omission was unlawful, except that no Covered Person shall be entitled to be indemnified in respect of any loss, damage or claim incurred by such Covered Person by reason of gross negligence or willful misconduct with respect to such acts or omissions; provided, however, that any indemnity under this Section 12.3 shall be provided out of and to the extent of Company assets only (including the proceeds of any insurance policy obtained pursuant to Section 12.5), and no Covered Person shall have any personal liability on account thereof.

Section 12.4 Expenses.

To the fullest extent permitted by applicable law, expenses (including legal fees) incurred by a Covered Person in defending any claim, demand, action, suit or proceeding shall, from time to time, be advanced by the Company prior to the final disposition of such claim, demand, action, suit or proceeding upon receipt by the Company of an undertaking by or on behalf of the Covered Person to repay such amount if it shall be determined that the Covered Person is not entitled to be indemnified as authorized in Section 12.3.

Section 12.5 Insurance.

The Company may purchase and maintain insurance, to the extent and in such amounts as the Board of Directors, in their sole discretion, shall deem reasonable, on behalf of Covered Persons and such other Persons as the Board of Directors shall determine, against any liability that may be asserted against or expenses that may be incurred by any such Person in connection with the activities of the Company or such indemnities, regardless of whether the Company would have the power to indemnify such Person against such liability under the provisions of this Agreement. The Board of Directors and the Company may enter into indemnity contracts with Covered Persons and such other Persons as the Board of Directors shall determine and adopt written procedures pursuant to which arrangements are made for the advancement of expenses

and the funding of obligations under Section 12.4 and containing such other procedures regarding indemnification as are appropriate.

Section 12.6 Certain Liabilities.

Each Member agrees to be liable for the Capital Contributions required to be made by such Member, and subject to the other provisions of this Agreement, in the event a Member becomes liable for any liabilities of the Company, the Members shall bear such liability in proportion to their then existing Company Units.

Section 12.7 Acts Performed Outside the Scope of the Company.

Each Member (the “**Indemnitor**”) shall indemnify, defend, save and hold harmless the other Member (the “**Indemnitee**”) from any and all claims, liabilities, demands, actions and rights of action that shall or may arise by virtue of any act or thing done or omitted to be done by the Indemnitor (directly or through agents or employees) outside the scope of, or in breach of, the terms of this Agreement; provided, however, that the Indemnitor shall be properly notified of the existence of the claim, demand, action or right of action, and shall be given reasonable opportunity to cure any act or omission causing liability, and participate in the defense thereof. The Indemnitee’s failure to give such notice shall not affect the Indemnitor’s obligations hereunder, except to the extent of any actual prejudice arising therefrom.

Section 12.8 Liability of Members to Company.

Unless otherwise provided in this Agreement, no Member shall be liable to any other Member or to the Company by reason of such Member’s actions in connection with the Company, except in the event of a violation of any provision of this Agreement, fraud, gross negligence or willful misconduct.

Section 12.9 Attorneys’ Fees.

All of the indemnities provided in this Agreement shall include reasonable attorneys’ fees, including appellate attorneys’ fees and court costs.

Section 12.10 Subordination of Other Rights to Indemnity.

The interests of the Members in any proceeds of the Company by way of repayment of loans, return of any Capital Contributions, or any distributions from the Company, shall be subordinated to the indemnities provided by this Article 12.

Section 12.11 Survival of Indemnity Provisions.

Except as otherwise specifically provided herein, all of the indemnity provisions contained in this Agreement shall survive a Member's ceasing to be a Member hereunder.

**ARTICLE 13.
DISSOLUTION, LIQUIDATION AND TERMINATION**

Section 13.1 No Dissolution.

The Company shall not be dissolved by the admission of Additional Members or Substitute Members in accordance with the terms of this Agreement, or the withdrawal of a Member.

Section 13.2 Events Causing Dissolution.

The Company shall be dissolved and its affairs shall be wound up only upon the occurrence of any of the following events:

- (a) the determination of the Board of Directors;
- (b) at such time as there are no Members;
- (c) the entry of a decree of judicial dissolution under the Act; or
- (d) the sale or disposition of all or substantially all of the Property.

Section 13.3 Notice of Dissolution.

Upon the dissolution of the Company, the Board of Directors shall promptly notify the Members of such dissolution.

Section 13.4 Liquidation.

- (a) Upon dissolution of the Company, the Board of Directors (in such capacity, the "**Liquidating Trustees**") shall carry out the winding up of the Company and shall immediately commence to wind up the Company's affairs; provided, however, that a reasonable time shall be allowed for the orderly liquidation of the assets of the Company and the satisfaction of liabilities to creditors so as to enable the Members to minimize the normal losses attendant upon a liquidation. The proceeds of liquidation shall be distributed in the following order and priority:

(i) first, to payment of all expenses and debts of the Company and setting up of such reserves as the Board of Directors reasonably deems necessary to wind up the Company's affairs and to provide for any contingent liabilities or obligations of the Company; provided that the unpaid principal of and interest on any loans made to the Company by Members (and their Affiliates) shall be distributed pro rata to the Members (and their Affiliates) who made such loans, in proportion to the total amount of principal and interest payable on such loans, such distributions being treated first as a payment of accrued interest on such loans and next as in payment of principal on such loans; and

(ii) second, the balance to the Members in proportion to their positive Capital Account balances.

(b) Profits and Losses of the Company following the date of dissolution shall be determined in accordance with the provisions of this Agreement and shall be credited or charged to the Capital Accounts of the Members pursuant to Article 9 in the same manner as Profits and Losses of the Company would have been credited or charged if there were no termination, dissolution and liquidation. Any taxable gain or any loss upon the sale, transfer, or other disposition of Company assets following the date of dissolution shall also be allocated to the Members in accordance with the allocation of Profits and Losses set forth in Article 9 in the same manner as Profits and Losses of the Company would have been credited or charged if there were no termination, dissolution and liquidation.

Section 13.5 Termination.

The Company shall terminate when all of the assets of the Company, after payment of or due provision for all debts, liabilities and obligations of the Company, shall have been distributed to the Members in the manner provided for in this Article 13 and the Certificate shall have been canceled in the manner required by the Act.

Section 13.6 Claims of the Members or Third Parties.

The Members and former Members shall look solely to the Company's assets for the return of their Capital Contributions, and if the assets of the Company remaining after payment of or due provision for all debts, liabilities and obligations of the Company are insufficient to return such Capital Contributions, the Members and former Members shall have no recourse against the Company or any other Member; provided, however, that nothing contained herein shall be

deemed to limit the rights of a Member under applicable law. In the event any Member has a deficit balance in its Capital Account at the time of the Company's dissolution, it shall not be required to restore such account to a positive balance or otherwise make any payments to the Company or its creditors or other third parties in respect of such deficiency.

Section 13.7 Distributions In-Kind.

If any assets of the Company shall be distributed in kind, such assets shall be distributed to the Member(s) entitled thereto as tenants-in-common in the same proportions as such Member(s) would have been entitled to cash distributions if (i) such assets had been sold for cash by the Company at the fair market value of such property (taking the Gross Asset Value definition herein and Code Section 7701(g) into account) on the date of distribution; (ii) any unrealized income, gain, loss and deduction inherent in such property (that has not been reflected in the Capital Accounts previously) that would be realized by the Company from such sale were allocated among the Member(s) as Profits or Losses in accordance with this Agreement; and (iii) the cash proceeds were distributed to the Member(s) in accordance with this Article 13. The Capital Accounts of the Member(s) shall be increased by the amount of any unrealized income or gain inherent in such property or decreased by the amount of any loss or deduction inherent in such property that would be allocable to them, and shall be reduced by the fair market value of the assets distributed to them under the preceding sentence.

ARTICLE 14. MISCELLANEOUS

Section 14.1 Notices.

All notices provided for in this Agreement shall be in writing, duly signed by the party giving such notice, and shall be delivered, telecopied or mailed by registered or certified mail or by recognized overnight delivery or courier service (e.g., Federal Express), as follows:

- (a) if given to the Company, in care of Ashif Dhanani or his successor, at the principal place of business of the Company set forth in Section 2.5.
- (b) if given to any Member, at such address as such Member may hereafter designate by written notice to the Company.

Section 14.2 Failure to Pursue Remedies.

The failure of any party to seek redress for violation of, or to insist upon the strict performance of, any provision of this Agreement shall not prevent a subsequent act, which would have originally constituted a violation, from having the effect of an original violation.

Section 14.3 Cumulative Remedies.

The rights and remedies provided by this Agreement are cumulative and the use of any one right or remedy by any party shall not preclude or waive its right to use any or all other remedies. Said rights and remedies are given in addition to any other rights the parties may have by law, statute, ordinance or otherwise.

Section 14.4 Binding Effect.

This Agreement shall be binding upon and inure to the benefit of all of the parties and, to the extent permitted by this Agreement, their successors, legal representatives and assigns.

Section 14.5 Interpretation.

Throughout this Agreement, nouns, pronouns and verbs shall be construed as masculine, feminine, neuter, singular or plural, whichever shall be applicable. All references herein to "Articles," "Sections" and "Paragraphs" shall refer to corresponding provisions of this Agreement.

Section 14.6 Severability.

The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions hereof, and this Agreement shall be construed in all respects as if such invalid or unenforceable provision were omitted.

Section 14.7 Counterparts.

This Agreement may be executed in any number of counterparts with the same effect as if all parties hereto had signed the same document. All counterparts shall be construed together and shall constitute one instrument.

Section 14.8 Integration.

This Agreement constitutes the entire agreement among the parties hereto pertaining to the subject matter hereof and supersedes all prior agreements and understandings pertaining thereto.

Section 14.9 Governing Law, Submission to Jurisdiction.

This Agreement and the rights of the parties hereunder shall be interpreted in accordance with the laws of the State of Colorado and all rights and remedies shall be governed by such laws without regard to principles of conflict of laws. The parties further agree that any legal action or proceeding with respect to this Agreement or any document relating hereto may be brought only a court of competent jurisdiction in the City and County of Denver, Colorado. Each party hereby irrevocably waives any objection, including, without limitation, any objection to the laying of venue or based on the grounds of forum non-convenience, which it may now or hereafter have to the bringing of such action or proceeding in any such respective jurisdiction.

Section 14.10 Dealings in Good Faith; Best Efforts.

Except as otherwise expressly set forth herein, each party hereto agrees to act in good faith with respect to the other party in exercising its rights and discharging its obligations under this Agreement. Each party further agrees to use its best efforts to ensure that the purposes of this Agreement are realized and to take all steps as are reasonable in order to implement the operational provisions of this Agreement. Each party agrees to execute, acknowledge, if necessary, deliver and file any document or instrument necessary or advisable to realize the purposes of this Agreement.

Section 14.11 Partition of the Property.

Each Member agrees that it shall have no right to partition the Property, or any portion thereof, and each Member agrees that it shall not make application to any court or authority having jurisdiction in the matter to commence or prosecute any action or proceeding for partition of the Property, or any portion thereof. Upon the breach of this Section by any Member, the other Member, in addition to all other rights and remedies in law and equity, shall be entitled to a decree or order dismissing application, action or proceeding.

Section 14.12 Third Party Beneficiaries.

Nothing expressed or implied in this Agreement is intended or shall be construed, to confer upon or give any person, firm or corporation other than the parties hereto, any rights, remedies,

obligations or liabilities under or by reason of this Agreement, or result in their being deemed a third party beneficiary of this Agreement.

Section 14.13 Tax Disclosure Authorization.

Notwithstanding anything herein to the contrary, the Member (and each Affiliate and Person acting on behalf of any Member) agree that each Member (and each employee, representative, and other agent of such Member) may disclose to any and all Persons, without limitation of any kind, the transaction's tax treatment and tax structure (as such terms are used in Sections 6011 and 6112 of the Code and the Treasury Regulations thereunder) contemplated by this Agreement and all materials of any kind (including opinions or other tax analyses) provided to such Member or such Person relating to such tax treatment and tax structure, except to the extent necessary to comply with any applicable federal or state securities laws.

[Signature pages follow]

IN WITNESS WHEREOF, the undersigned, desiring to become a Member of Chaperon, LLC, a Colorado limited liability company (the “**Company**”), hereby adopts and agrees to be bound by all of the terms and provisions of the Limited Liability Company Operating Agreement of the Company.

Dated: _____, 200_____

Units Acquired: _____

Capital Contribution: \$ _____

INDIVIDUAL MEMBER	ENTITY MEMBER
(this column should also be used by joint tenants and tenants in common)	
_____	_____
(Print Full First Name, Last Name and Middle Initial)	(Print Full Legal Name of Member)
_____	By: _____
(Signature)	Print Name: _____
_____	Title: _____
_____	_____
_____	_____
(Residence Address Street, City, State and Zip Code)	(Address of Member Street, City, State and Zip Code)
_____	_____
_____	_____
_____	_____
Fax Number: _____	Fax Number: _____
_____	_____
_____	_____
_____	_____

SCHEDULE A

Name	Units	Current Equity
X-Inc.	2,320,000	38.67%
Ashif Dhanani	1,500,000	25%
Subramanya Kumar	1,020,000	17%
Reserved for Employee, Advisors & Board of Directors	600,000	10%
Family and Friends	180,000	3.00%
Technical Contributors	180,000	3.00%
Don Bull Creative	120,000	2.00%
Akbar Jaffer	60,000	1.00%
Janet Keeley	20,000	0.33%
Total	6,000,000	100%

END