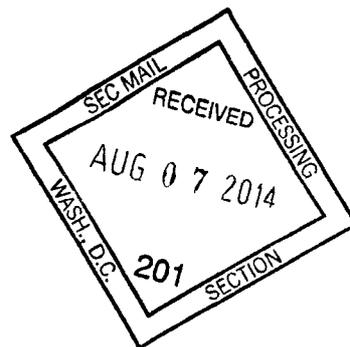




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OFFERING CIRCULAR  
UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549



# FORM 1-A/A

Amendment No. 1

REGULATION A OFFERING STATEMENT  
UNDER THE SECURITIES ACT OF 1933

# XCalibur Shoes, Inc.

Commission File Number: 0001606812

## TEXAS

UNITED STATES:

XCalibur Shoes, Inc.

C/O: Alternative Securities Markets Group

9107 Wilshire Blvd., Suite 450

Beverly Hills, California 90210

Phone: (213) 407-4386

3140 – Footwear

(Primary Standard Industrial  
Classification Code Number)

45-5261258

(I.R.S. Employer Identification Number)

THIS OFFERING STATEMENT SHALL ONLY BE QUALIFIED UPON ORDER OF THE COMMISSION, UNLESS  
A SUBSEQUENT AMENDMENT IS FILED INDICATING THE INTENTION TO BECOME QUALIFIED BY  
OPERATION OF THE TERM OF REGULATION A.

**PART I - NOTIFICATION UNDER REGULATION A**

**Item 1. Significant Parties**

**(a) (b) Directors and Officers.**

<u>Name and Address</u>	<u>Position(s) Held</u>
Mr. Vijay Freeman XCalibur Shoes, Inc., 900 South Figueroa Street, Suite 603, Los Angeles, California 90015	Founder & Chief Executive Officer
Mr. Steven J. Muehler Alternative Securities Markets Group, 9107 Wilshire Blvd., Suite 450, Beverly Hills, California 90210	Advisor

**(c) General Partners of the Issuer** N/A

**(d) (e) Recorded and Beneficial owners of 5 percent or more of any class of the issuer's equity securities.**

The following provides the names and addresses of each of the XCalibur Shoes, Inc. affiliates who own 5% or more of any class of our preferred or common stock:

Name and Address of Record Owner	Shares of Voting Stock of Record Owned	Percentage of Total Voting of Record Owned
Mr. Vijay Freeman	Preferred	0%
(1) (2)	Common	93%
Alternative Securities Markets Group	Preferred	0%
(3) (4)	Common	7%

- (1) Mr. Vijay Freeman is the Founder and Chief Executive Officer of XCalibur Shoes, Inc.
- (2) Address: XCalibur Shoes, Inc., 900 South Figueroa Street, Suite 603, Los Angeles, California 90015
- (3) Alternative Securities Markets Group is an Advisor of XCalibur Shoes, Inc.
- (4) Mailing Address is: Alternative Securities Markets Group, 9107 Wilshire Blvd., Suite 450, Beverly Hills, California 90210

**(f) Promoters of the issuer**

XCalibur Shoes, Inc.  
900 South Figueroa Street  
Suite 603  
Los Angeles, CA 90015  
Phone: (310) 562-7228  
<http://www.XCaliburShoes.com>  
Email: [XCaliburShoes@Gmail.com](mailto:XCaliburShoes@Gmail.com)

Alternative Securities Markets Group  
9107 Wilshire Blvd.  
Suite 450  
Beverly Hills, California 90210  
Phone: (213) 407-4386  
<http://www.AlternativeSecuritiesMarket.com>  
Email: [Legal@ASMMarketsGroup.com](mailto:Legal@ASMMarketsGroup.com)

**g) Affiliates of the issuer.** None

**(h) Counsel for Issuer and Underwriters.**

At this time of this filing there is no counsel for the Issuer or underwriter(s) in connection with this offering.

The Alternative Securities Market Group (ASM) maintains an online portal for investors to purchase into our offering, and performs certain services for us in connection with the offering such as but not limited to distributing ongoing reports about our company. ASM is exclusively an ancillary service provider that will be reimbursed for documented expenses. The Company will be selling these Securities directly, and no underwriter or dealer is responsible for the distribution of this offering.

Although both XCalibur Shoes, Inc. and ASM believe ASM's web portal will be sufficient to ensure success of the offering, the Company's relation with ASM is non-exclusive and the Company both has and reserves the right to enlist the aid of FINRA registered broker dealers if it is necessary to ensure success of the Offering. If so an appropriate Amendment shall be filed in a timely fashion.

To facilitate Omega Creamery, Inc.'s liquidity at the onset of this Offering, in lieu of cash for its assistance in the obtaining a CIK No. and its assistance in the preparation of the registration statement, ASM has agreed to accept SEVEN THOUSAND shares of common Stock in the Company, representing 7% (seven percent) of outstanding common stock shares upon completion of this Offering.

ASM will not receive any selling commissions; nor will it receive any fixed percentage of the Offering Proceeds as might a FINRA registered broker dealer. ASM will only receive documented expenses. Although ASM's expenses are likely to be somewhat proportional to the amount raised as they will be incurred during the duration of the raise, reimbursement of such documented expenses is **capped at an expense amount not to exceed 5% of the Offering proceeds**. Hence ASM does not qualify as an underwriter.

**(i) through (m)** None

## **Item 2. Application of Rule 262.**

**(a) (b)** None of the persons identified in response to Item 1 are subject to any of the disqualification provisions set forth in Rule 262 and, as a result, no such application for a waiver if disqualification has been applied for, accepted or denied.

## **Item 3. Affiliate Sales.**

None of the proposed offering involves the resale of securities by affiliates of the issuer. The issuer has not had a net income from operations of the character in which the issuer intends to engage for at least one of its last two fiscal years. The Company has spent expenditures in excess of revenues the past two years developing its' products and marketing plans.

## **Item 4. Jurisdictions in which Securities are to be offered.**

**(a)** The Securities to be offered in connection with this proposed offering shall not be offered by underwriters, dealers or salespersons.

**(b)** The Securities in this proposed offering shall be offered in the following jurisdictions (but not limited to), subject to qualification in each State, as necessary:

- California
- New York
- Florida

- Illinois
- Texas
- New Jersey
- Pennsylvania
- Nevada
- Arizona

Although the Company is not using a selling agent or finder in connection with this Offering, it will use a website as an online portal and information management tool in connection with the Offering. The Website is owned and operated by Alternative Securities Markets Group, a California Stock Corporation, an equity partner of the Company, can be viewed at <http://www.AlternativeSecuritiesMarket.com>.

This Offering Circular will be furnished to prospective Investors upon their request via electronic PDF format and will be available for viewing and download 24 hours per day, 7 days per week on the website.

In order to subscribe to purchase the Units, a prospective Investor must complete, sign and deliver the executed Subscription Agreement, Investor Questionnaire and Form W-9 to XCalibur Shoes, Inc. and wire or mail funds for its subscription amount in accordance with the instructions included in the Subscription Package.

The Investing Section of the Website Hosting this Offering will be coded to only allow access to invest to those prospective Investors that reside in jurisdictions where the Offering is registered and meet any State-Specific Investor Suitability Standards.

**Item 5. Unregistered Securities Issued or Sold Within One Year.**

In accordance with the Company agreement with Alternative Securities Markets Group (“ASM”), the Company shall place into escrow and issue to ASM up to 7,000 (7% of the issued and outstanding) shares of Common Stock (the “Escrowed Common Stock”) as follows:

- 20% of the Escrowed Common Stock Shares to be released to Alternative Securities Markets Group fully diluted upon the successful capitalization of the Company to 20% of this offering.
- Additional 20% (for a total of 40% of the total number of shares escrowed) of the Escrowed Common Stock Shares to be released to Alternative Securities Markets Group fully diluted upon the successful capitalization of the Company to 40% of this offering.
- Additional 20% (for a total of 60% of the total number of shares escrowed) of the Escrowed Common Stock Shares to be released to ASM fully diluted upon the successful capitalization of the Company to 60% of this offering.
- Additional 20% (for a total of 80% of the total number of shares escrowed) of the Escrowed Common Stock Shares to be released to ASM fully diluted upon the successful capitalization of the Company to 80% of this offering.
- Additional 20% (for a total of 100% of the total number of shares escrowed) of the Escrowed Common Stock Shares to be released to ASM fully diluted upon successfully diluted upon the successful capitalization of the Company to 100% of this offering.

**Item 6. Other Present or Proposed Offerings.**

The issuer is not presently offering, nor does it presently contemplate offering, any securities other than those covered by this notification.

**Item 7. Marketing Arrangements.**

There are no marketing arrangements with respects to this offering. The Offering is on a “Best Efforts” basis and is being offered directly by the Company through its Officers and Directors. There are no plans to stabilize the market for the securities to be offered. The Company will be selling these Securities directly, and no underwriter or dealer is responsible for the distribution of this offering.

**Item 8. Relationship with Issuer of Experts Named in Offering Statement.** None.

**Item 9. Use of a Solicitation of Interest Document.**

The Company has not used a publication, whether or not authorized by Rule 254, prior to the filing of this notification

PART II – OFFERING CIRCULAR

# **XCalibur Shoes, Inc.**

**(Formerly: “VAFINV, LLC”)**

**Corporate:**

**XCalibur Shoes, Inc.**  
**900 South Figueroa Street, Suite 603**  
**Los Angeles, California 90015**  
**<http://www.XCaliburShoes.com/>**  
**Phone: (310) 562-7228**

**Offering / Investors:**

**XCalibur Shoes, Inc.**  
**C/O: Alternative Securities Markets Group**  
**9107 Wilshire Blvd., Suite 450**  
**Beverly Hills, California 90210**  
**<http://www.AlternativeSecuritiesMarket.com>**  
**Phone: (213) 407-4386**

**Best Efforts Offering of 10,000 9% Convertible Preferred Stock Units**  
**Preferred Stock Shares having a market value of up to: \$1,000,000**

**Offering Price per 9% Convertible Preferred Stock Unit: \$100.00 (USD)**

See: Details of the Offering

**Maximum Offering: 10,000 9% Convertible Preferred Stock Units**

**DATED: JULY 21<sup>ST</sup>, 2014**

Investing in the Company's 9% Convertible Preferred Stock Units involves risks, and you should not invest unless you can afford to lose your entire investment. See "Risk Factors" beginning on [page 12](#).

We are offering a maximum of 10,000 9% Convertible Preferred Stock Units (the "Securities"). **This Offering Statement shall only be qualified upon order of the Commission, unless a subsequent amendment is filed indicating the intention to become qualified by operation of the terms of Regulation A.**

All 9% Convertible Preferred Stock Units must be Converted to Company Common Stock either in the 2<sup>nd</sup>, 3<sup>rd</sup>, 4<sup>th</sup> or 5<sup>th</sup> year under the following terms and conditions at the Shareholders' Option:

- YEAR 2: (Shareholder Conversion Option)
  - At anytime during the second year of the investment, the Shareholder may choose on the First Business Day of Each Month to convert each Unit of the Company's 9% Convertible Preferred Stock for Common Stock of the Company at market price of the Company's Common Stock at time of conversion / closing. The closing price will be the weighted average price of the Common Stock Closing Price over the previous 60 days. Fractional interests will be paid to the shareholder by the Company in cash.
  - The Shareholder can sell the 9% Convertible Preferred Stock Units back to the Company at any time after two years for the full face value of the Shares plus any accrued interest, though the Company has no obligation to purchase the units.
  - Should the Company not be listed on any Regulated Stock Exchange or OTC Market ("Over-the-Counter inter-dealer quotation system"), the shares shall convert to Common Stock in the Company at the "per share value" of the Company's Common Stock as determined by an Independent Third Party Valuations Firm that is chosen by the Company's Board of Directors.
  
- YEAR 3: (Shareholder Conversion Option)
  - At anytime during the third year of the investment, the Shareholder may choose on the First Business Day of Each Month to convert each Unit of the Company's 9% Convertible Preferred Stock for Common Stock of the Company at market price *minus* 5% of the Company's Common Stock at time of conversion / closing. The closing price will be the weighted average price of the Common Stock Closing Price over the previous 60 days. Fractional interests will be paid to the shareholder by the Company in cash.
  - The Shareholder can sell the 9% Convertible Preferred Stock Units back to the Company at any time after two years for the full face value of the Shares plus any accrued interest, though the Company has no obligation to purchase the units.
  - Should the Company not be listed on any Regulated Stock Exchange or OTC Market ("Over-the-Counter inter-dealer quotation system"), the shares shall convert to Common Stock in the Company at the "per share value" of the Company's Common Stock as determined by an Independent Third Party Valuations Firm that is chosen by the Company's Board of Directors.
  
- YEAR 4: (Optional Conversion Option)
  - At anytime during the fourth year of the investment, the Shareholder may choose on the First Business Day of Each Month to convert each unit of the Company's 9% Convertible Preferred Stock for Common Stock of the Company at market price *minus* 10% of the Company's Common Stock at time of conversion / closing. The closing price will be the weighted average price of the Common Stock Closing Price over the previous 60 days. Fractional interests will be paid to the shareholder by the Company in cash.
  - The Shareholder can sell the 9% Convertible Preferred Stock Units back to the Company at any time after two years for the full face value of the Shares plus any accrued interest, though the Company has no obligation to purchase the units.

- Should the Company not be listed on any Regulated Stock Exchange or OTC Market (“Over-the-Counter inter-dealer quotation system”), the shares shall convert to Common Stock in the Company at the “per share value” (minus any discounts) of the Company’s Common Stock as determined by an Independent Third Party Valuations Firm that is chosen by the Company’s Board of Directors.
- **YEAR 5: (Optional & Mandatory Conversion Options)**
    - *Optional:* At anytime during the fourth year of the investment, the Shareholder may choose on the First Day of Each Month to convert each unit of the Company’s Convertible 9% Preferred Stock for Common Stock of the Company at market price *minus 15%* of the Company’s Common Stock at time of conversion / closing. The closing price will be the weighted average price of the Common Stock Closing Price over the previous 60 days. Fractional interests will be paid to the shareholder by the Company in cash.
    - The Shareholder can sell the 9% Convertible Preferred Stock Units back to the Company at any time after two years for the full face value of the Shares plus any accrued interest, though the Company has no obligation to purchase the units.
    - *Mandatory:* On the last business day of the 5<sup>th</sup> year of the investment, the Shareholder MUST convert each Unit of the Company’s 9% Convertible Preferred Stock for Common Stock of the Company at market price *minus 15%* of the Company’s Common Stock at time of conversion / closing. The closing price will be the weighted average price of the Common Stock Closing Price over the previous 60 days. Fractional interests will be paid to the shareholder by the Company in cash.
    - Should the Company not be listed on any Regulated Stock Exchange or OTC Market (“Over-the-Counter inter-dealer quotation system”), the shares shall convert to Common Stock in the Company at the “per share value” (minus any discounts) of the Company’s Common Stock as determined by an Independent Third Party Valuations Firm that is chosen by the Company’s Board of Directors.

This Offering Circular relates to the offering (the “Offering”) of up to 10,000 9% Convertible Stock Units in XCalibur Shoes, Inc. The Securities offered through this Offering have no voting rights until the securities are converted to Common Stock Shares of the Company per the terms and conditions detailed in this Offering. The Offering will commence promptly after the date of this Offering Circular and will close upon the earlier of (1) the sale of 10,000 9% Convertible Preferred Stock Units, (2) One Year from the date this Offering begins, or (3) a date prior to one year from the date this Offering begins that is so determined by the Company’s Management (the “Offering Period”).

This Offering is being conducted on a “best-efforts” basis, which means the Company’s Management will use all commercially reasonable efforts in an attempt to sell all Securities of this Offering. No Manager of the Company will receive any commission or any other remuneration for the sales of securities through this Offering. In offering the Securities, the Company’s Management will rely on the safe harbor from broker-dealer registration set out in Rule 3a4-1 under the Securities Exchange Act of 1934.

The Securities will be offered for sale at a fixed price of \$100.00 USD per 9% Convertible Preferred Stock Unit. If all Securities are purchased, the gross proceeds to the Company will be \$1,000,000.00 USD. Though the Offering is being conducted on a “best-efforts” basis, the Company has set an investment minimum of \$100,000 USD before the Company will have access to the Investment Proceeds, which means all investment dollars invested in the Company prior to reaching the minimum of \$100,000 will be held in an investment escrow account, and only after \$100,000 in securities has been sold to investors (One Thousand 9% Convertible Preferred Stock Units) will the Company have access to the Investment Proceeds. Accordingly, all Investment Funds after the Investment Minimum has been achieved, will become immediately available to the Company and may be used as they are accepted. Investors will not be entitled to a refund once the Investment Minimum of \$100,000 is achieved, and all investors will be subject to the terms, conditions and investment risks associated with this investment.

The Company’s Securities are not listed on any national securities exchange or on the over-the-counter inter-dealer quotation system. There is no market for the Company’s Securities, and the Company’s Securities may only be sold, traded or transferred through the Alternative Securities Markets Group’s “Alternative Securities Market’s Secondary Market”, which is a private stock exchange for the initial sale and resale of Regulation A, Regulation S and Regulation D unrestricted securities. Shares sold, traded or transferred on the Alternative Securities Market are done so without consent of the Company’s Management. Any

Company Securities sold, transferred, assigned, pledged or disposed of, in whole or in part, not through the Alternative Securities Markets Group, may not do so without prior written consent of the Company's Management. The Company is currently preparing an S-1 Filing for Listing on the OTC Markets Group's "OTCQX Market" in 2015.

**THEREIS, AT THIS TIME, NO PUBLIC MARKET FOR THE SECURITIES.**

**THESE SECURITIES ARE OFFERED PURSUANT TO AN EXEMPTION FROM REGISTRATION WITH THE SECURITIES AND EXCHANGE COMMISSION; HOWEVER, THE COMMISSION HAS NOT MADE AN INDEPENDENT DETERMINATION THAT THE SECURITIES BEING OFFERED ARE EXEMPT FROM REGISTRATION. THE SECURITIES AND EXCHANGE COMMISSION DOES NOT PASS UPON THE MERITS OF OR GIVE ITS APPROVAL TO ANY SECURITIES OFFERED OR THE TERMS OF THE OFFERING, NOR DOES IT PASS UPON THE ACCURACY OR COMPLETENESS OF ANY OFFERING CIRCULAR OR OTHER SELLING LITERATURE.**

**THE SECURITIES OFFERED HEREBY ARE HIGHLY SPECULATIVE, AND AN INVESTMENT IN SECURITIES INVOLVES A HIGH DEGREE OF RISK AND IMMEDIATE AND SUBSTANTIAL DILUTION FROM THE OFFERING PRICE. SEE "RISK FACTORS" AND "DILUTION."**

**THE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR APPLICABLE STATE SECURITIES LAWS, AND ARE BEING OFFERED AND SOLD IN RELIANCE ON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THESE LAWS. THE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE REGULATORY AUTHORITY NOR HAS THE COMMISSION OR ANY STATE REGULATORY AUTHORITY PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OR THE ACCURACY OR ADEQUACY OF THIS OFFERING CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.**

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**ITEM 2: DISTRIBUTION SPREAD**

	<b>Number of Securities Offered (1)</b>	<b>Offering Price</b>	<b>Selling Commissions (2)</b>	<b>Proceeds to Company</b>
<b>Per Security</b>	—	<b>\$100.00</b>	<b>\$0.00</b>	<b>\$100.00</b>
<b>Total Minimum</b>	<b>001</b>	<b>\$100.00</b>	<b>\$0.00</b>	<b>\$100.00</b>
<b>Total Maximum</b>	<b>10,000</b>	<b>\$1,000,000.00</b>	<b>\$0.00</b>	<b>\$1,000,000</b>

1) We are offering a maximum of 10,000 9% Convertible Preferred Stock Units at the price indicated. See "Terms of the Offering."

(2) We do not intend to use a placement agent or broker for this Offering.

**THIS OFFERING CIRCULAR CONTAINS ALL OF THE REPRESENTATIONS BY THE COMPANY CONCERNING THIS OFFERING, AND NO PERSON SHALL MAKE DIFFERENT OR BROADER STATEMENTS THAN THOSE CONTAINED HEREIN. INVESTORS ARE CAUTIONED NOT TO RELY UPON ANY INFORMATION NOT EXPRESSLY SET FORTH IN THIS OFFERING CIRCULAR.**

**THIS OFFERING CIRCULAR CONTAINS ALL OF THE REPRESENTATIONS BY THE COMPANY CONCERNING THIS OFFERING, AND NO PERSON SHALL MAKE DIFFERENT OR BROADER STATEMENTS THAN THOSE CONTAINED HEREIN. INVESTORS ARE CAUTIONED NOT TO RELY UPON ANY INFORMATION NOT EXPRESSLY SET FORTH IN THIS OFFERING CIRCULAR.**

**THE U.S. SECURITIES AND EXCHANGE COMMISSION DOES NOT PASS UPON THE MERITS OF ANY SECURITIES OFFERED OR THE TERMS OF THE OFFERING, NOR DOES IT PASS UPON THE ACCURACY OR COMPLETENESS OF ANY OFFERING CIRCULAR OR SELLING LITERATURE. THESE SECURITIES ARE OFFERED UNDER AN EXEMPTION FROM REGISTRATION; HOWEVER, THE COMMISSION HAS NOT MADE AN INDEPENDENT DETERMINATION THAT THESE SECURITIES ARE EXEMPT FROM REGISTRATION.**

**INVESTMENT IN SMALL BUSINESSES INVOLVES A HIGH DEGREE OF RISK, AND INVESTORS SHOULD NOT INVEST ANY FUNDS IN THIS OFFERING UNLESS THEY CAN AFFORD TO LOOSE THEIR ENTIRE INVESTMENT. IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSURER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED.**

**NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS IN CONNECTION WITH THE OFFER MADE BY THIS OFFERING CIRCULAR, NOR HAS ANY PERSON BEEN AUTHORIZED TO GIVE ANY INFORMATION OR MAKE ANY REPRESENTATION OTHER THAN THOSE CONTAINED IN THIS OFFERING CIRCULAR, AND IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON. THIS OFFERING CIRCULAR DOES NOT CONSTITUTE AN OFFER TO SELL OR SOLICITATION OF AN OFFER TO BUY IN ANY JURISDICTION IN WHICH SUCH OFFER OR SOLICITATION WOULD BE UNLAWFUL OR ANY PERSON TO WHO IT IS UNLAWFUL TO MAKE SUCH OFFER OR SOLICITATION. NEITHER THE DELIVERY OF THIS OFFERING CIRCULAR NOR ANY SALE MADE HEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, CREATE AN IMPLICATION THAT THERE AS HAS BEEN NO CHANGE IN THE AFFAIRS OF OUR COMPANY SINCE THE DATE HEREOF.**

**THIS OFFERING CIRCULAR MAY NOT BE REPRODUCED IN WHOLE OR IN PART. THE USE OF THIS OFFERING CIRCULAR FOR ANY PURPOSE OHER THAN AN INVESTMENT IN SECURITIES DESCRIBED HEREIN IS NOT AUTHORIZED AND IS PROHIBITED.**

**THIS OFFERING IS SUBJECT TO WITHDRAWAL, CANCELLATION, OR MODIFICATION BY THE COMPANY AT ANY TIME AND WITHOUT NOTICE. THE COMPANY RESERVES THE RIGHT IN ITS SOLE DISCRETION TO REJECT ANY SUBSCRIPTION IN WHOLE OR IN PART NOTWITHSTANDING TENDER OF PAYMENT OR**

**TO ALLOT TO ANY PROSPECTIVE INVESTOR LESS THAN THE NUMBER OF SECURITIES SUBSCRIBED FOR BY SUCH INVESTOR.**

**THE OFFERING PRICE OF THE SECURITIES IN WHICH THIS OFFERING CIRCULAR RELATES HAS BEEN DETERMINED BY THE COMPANY AND DOES NOT NECESSARILY BEAR ANY SPECIFIC RELATION TO THE ASSETS, BOOK VALUE OR POTENTIAL EARNINGS OF THE COMPANY OR ANY OTHER RECOGNIZED CRITERIA OF VALUE.**

**NASAA UNIFORM LEGEND:**

**IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY THE FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. INVESTORS SHOULD BE AWARE THAT THEY WILL BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.**

**FOR ALL RESIDENTS OF ALL STATES:**

**THE UNITS OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES LAWS OF CERTAIN STATES AND ARE BEING OFFERED AND SOLD IN RELIANCE ON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF SAID ACT AND SUCH LAWS. THE INTERESTS ARE SUBJECT IN VARIOUS STATES TO RESTRICTION ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER SAID ACT AND SUCH LAWS PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. THE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION OR OTHER REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THIS OFFERING OR THE ACCURACY OR ADEQUACY OF THE OFFERING CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.**

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### ITEM 3. SUMMARY INFORMATION, RISK FACTORS AND DILUTION

*Investing in the Company's Securities is very risky. You should be able to bear a complete loss of your investment. You should carefully consider the following factors, including those listed in this Securities Offering.*

#### ***Footwear Design and Manufacturing Industry Risks***

Footwear Design and Manufacturing Industry investments are subject to varying degrees of risk. The yields available from equity investments in Footwear Design and Manufacturing Industry Companies depends on the amount of income earned and capital appreciation generated by the company as well as the expenses incurred in connection therewith. If any of the Company's products or assets does not generate income sufficient to meet operating expenses, the Company's Common Stock value could adversely be affected. Income from, and the value of, the Company's Products and Assets may be adversely affected by the general economic climate, the Fashion & Footwears Market Conditions such as oversupply of related products or a reduction in demand for Footwear products in the areas in which the Company's Products and Assets are located, competition from other Footwear Design and Manufacturing Companies, and the Company's ability to provide adequate Footwear Products. Revenues from the Company's Products and Assets are also affected by such factors such as the costs of product development, product production and the local market conditions.

Because Footwear Design and Manufacturing Industry investments are relatively illiquid, the Company's ability to vary its asset portfolio promptly in response to economic or other conditions is limited. The relative illiquidity of its holdings could impede the Company's ability to respond to adverse changes in the performance of its Products and Assets. No assurance can be given that the fair market value of the Products Produced or Assets Acquired by, or produced by the Company will not decrease in the future. Investors have no right to withdrawal their equity commitment or require the Company to repurchase their respective Common Stock interests and the transferability of the Common Stock Units is limited. Accordingly, investors should be prepared to hold their investment interest until the Company is dissolved and its assets are liquidated.

#### ***Our Ability to Succeed Depends on our Ability to Grow our Business and Achieve Profitability***

The introduction of new footwear products, and expansion of our footwear distribution and retail sales channels will contribute significantly to our operational results, and we will continue to develop new and innovative ways to manufacture our products and expand our distribution in order to maintain our growth and achieve profitability. Our future operational success and profitability will depend on a number of factors, including, but not limited to:

- Our ability to manage costs;
- The increasing level of competition in the Footwear Industry;
- Our ability to continuously offer new and improved Footwear products;
- Our ability to maintain sufficient production capacity for our Footwear products;
- Our ability to maintain efficient, timely and cost-effective Footwear production and delivery of our products;
- The efficiency and effectiveness of our sales and marketing efforts in building product and brand awareness;
- Our ability to identify and respond successfully to emerging trends in the Footwear Industry;
- The level of consumer acceptance of our Footwear products;
- General economic conditions and consumer confidence.

We may not be successful in executing our growth strategy, and even if we achieve targeted growth, we may not be able to sustain profitability. Failure to successfully execute any material part of our growth strategy would significantly impair our future growth and our ability to attract and sustain investments in our business.

#### ***Changing Fashion Trends***

The Company believes that its success depends largely on its ability to identify and interpret fashion trends as well as on its ability to anticipate and react to changing consumer tastes and preferences in a timely manner. There is no assurance that the Company will be successful in these regards. There can be no assurance that the Company will be able to continue to develop successful styles in the future or that a chosen style will result in sales of the Company's footwear. The Company attempts to

reduce the risks of changing fashion trends and product acceptance through market research and development and testing of a broad range of styles. If the Company misjudges the market for its product lines, the Company could experience poor sell-through of the Company's products at the wholesale and retail levels, resulting in customer requests for allowances from the Company. Disposal of unsold inventories of unfavorable prices or excessive allowances could have a material adverse effect on the Company's financial condition or results of operations.

#### ***Impact of Foreign Operations***

The Company does not own or operate any manufacturing facilities. Substantially all of the Company's products are currently manufactured by independent contractors, many of whom are not located in the United States. As a result, the Company's import operations are subject to compliance with all relevant laws and regulations enforced by the United States Customs Service, as well as customary risks of doing business abroad, including fluctuations in the value of currencies, increases in customs duties and related fees resulting from position changes by the United States Customs Service, import controls and trade barriers (including the unilateral imposition of import quotas), restrictions on the transfer of funds, work stoppages and, in certain parts of the world, political instability causing disruption of trade from the countries in which the Company's suppliers are located.

Historically, instability in the political and economic environments of the countries in which the Company obtains its products has not had a material adverse effect on the Company's operations. The Company cannot predict, however, the effect that future changes in economic or political conditions in such countries could have on its relationships with its manufacturers. Although the Company believes that it could find alternative manufacturing sources, establishment of new manufacturing relationships would involve various uncertainties and the loss of a substantial portion of its manufacturing capacity could have a material adverse effect on the Company's financial condition or results of operations. The Company continually explores the availability and feasibility or alternative locations around the world to manufacture its products.

#### ***If We Fail to Promote and Maintain our Brand in the Market, our Business, Operating Results, Financial Condition, and our Ability to Attract Customers will be Materially Adversely Affected***

Our success depends on our ability to create and maintain brand awareness for our Footwear Product. This may require a significant amount of capital to allow us to market our Footwear Products and establish brand recognition and customer loyalty. Many of our competitors in this market are larger than us and have substantially greater financial resources. Additionally, many of the companies offering similar Footwear Products have already established their brand identity within the marketplace. We can offer no assurances that we will be successful in establishing awareness of our brand allowing us to compete in this market. The importance of brand recognition will continue to increase because of low barriers of entry to the industries in which we operate may result in an increased number of direct competitors. To promote our brands, we may be required to continue to increase our financial commitment to creating and maintaining brand awareness. We may not generate a corresponding increase in revenue to justify these costs.

#### ***The Company's Industry is Highly Competitive***

The markets for the Company's Footwear Products are highly competitive. The Company seeks to distinguish itself from other suppliers of Footwear Products, and to sustain its profitability through a business strategy focused on increasing sales through existing wholesale and retail channels, selectively expanding its Footwear Products portfolio, increasing sales through newly formed wholesale and retail partnerships, and driving operational excellence by reducing costs and increasing customer service levels. The Company believes that competition in the industry is based on price, product and service quality, customer service and product features. Sustained increases in competitive pressures could have an adverse effect on results of operations and negatively impact sales and margins.

#### ***Development Stage Business***

The Company was originally formed as "VAFINV, LLC" in January of 2008 in the State of Texas. The Company converted to a Texas Stock Corporation and changed its name to "XCalibur Shoes, Inc" in July of 2014. Accordingly, the Company has only a limited history upon which an evaluation of its prospects and future performance can be made. The Company's proposed operations are subject to all business risks associated with new enterprises. The likelihood of the Company's success must be considered in light of the problems, expenses, difficulties, complications, and delays frequently encountered in connection with the expansion of a business, operation in a competitive industry, and the continued development of advertising, promotions and a corresponding customer base. There is a possibility that the Company could sustain losses in the future. There can be no assurances that XCalibur Shoes, Inc. will operate profitably.

### ***Inadequacy of Funds***

Gross offering proceeds of a maximum of \$1,000,000 may be realized. Management believes that such proceeds will capitalize and sustain the Company sufficiently to allow for the implementation of the Company's Business Plans. If only a fraction of this Offering is sold, or if certain assumptions contained in Management's business plans prove to be incorrect, the Company may have inadequate funds to fully develop its business.

### ***Competition***

Competition exists for Footwear Products in most markets, including all sectors in which the Company intends to operate. The Company may be competing for assets with entities that have substantial greater economic and personnel resources than the Company or better relationships with services suppliers. These entities may also generally be able to accept more risk than the Company can manage. Competition from other Companies in the Footwear Products Industry may reduce the number of suitable prospective wholesale, retail and/or direct to consumer sales opportunities.

### ***Dependence on Management***

In the early stages of development the Company's business will be significantly dependent on the Company's management team. The Company's success will be particularly dependent upon the services of Mr. Vijay Freeman, the Company's Chief Executive Officer..

### ***Risks of Borrowing***

Although the Company does not intend to incur any additional debt from the investment commitments provided in this offering, should the company obtain secure bank debt in the future, possible risks could arise. If the Company incurs additional indebtedness, a portion of the Company's cash flow will have to be dedicated to the payment of principal and interest on such new indebtedness. Typical loan agreements also might contain restrictive covenants, which may impair the Company's operating flexibility. Such loan agreements would also provide for default under certain circumstances, such as failure to meet certain financial covenants. A default under a loan agreement could result in the loan becoming immediately due and payable and, if unpaid, a judgment in favor of such lender which would be senior to the rights of members of the Company. A judgment creditor would have the right to foreclose on any of the Company's assets resulting in a material adverse effect on the Company's business, operating results or financial condition.

### ***Unanticipated Obstacles to Execution of the Business Plan***

The Company's business plans may change significantly. Many of the Company's potential business endeavors are capital intensive and may be subject to statutory or regulatory requirements. Management believes that the Company's chosen activities and strategies are achievable in light of current economic and legal conditions with the skills, background, and knowledge of the Company's principals and advisors. Management reserves the right to make significant modifications to the Company's stated strategies depending on future events.

### ***Management Discretion as to Use of Proceeds***

The net proceeds from this Offering will be used for the purposes described under "Use of Proceeds." The Company reserves the right to use the funds obtained from this Offering for other similar purposes not presently contemplated which it deems to be in the best interests of the Company and its Investors in order to address changed circumstances or opportunities. As a result of the foregoing, the success of the Company will be substantially dependent upon the discretion and judgment of Management with respect to application and allocation of the net proceeds of this Offering. Investors for the Units offered hereby will be entrusting their funds to the Company's Management, upon whose judgment and discretion the investors must depend.

### ***Minimum Amount of Capital to be Raised***

The minimum amount of Securities that need to be sold in this offering for the Company to access the investment funds is \$100,000. After the Minimum Amount of Capital required to be reached, all Investor funds will be transferred from the Company's Investment Holding Account to the Company. The Company cannot assure you that subscriptions for the entire Offering will be obtained. The Company has the right to terminate this offering of Securities at any time, regardless of the

number of Securities that have sold. If the Offering terminates before the offering minimum is achieved, or if any prospective Investor's subscription is rejected, all funds received from such Investors will be returned without interest or deduction. The Company's ability to meet financial obligations, cash needs, and to achieve objectives, could be adversely affected if the entire offering of Securities is not fully subscribed.

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#### ***Control by Management***

As of July 1st, 2014 the Company's Managers owned approximately 93.0% of the Company's outstanding Common Stock Units and 0% of the Company's Preferred Stock Units. Upon completion of this Offering, The Company's Management will own approximately 93.0% of the outstanding Common Stock Units of the Company and 0% of the outstanding Preferred Stock Units of the Company. Investors will have the ability to control either a vote of the Company's Managers or any appointed officers. See "COMPANY MANAGERS" section.

#### ***Return of Profits***

The Company has never declared or paid any cash dividends on its Common Stock. The Company currently intends to retain future earnings, if any, to finance the expansion of the Company's Operations and Holdings. As a result, the Company does not anticipate paying any cash dividends to its Common Stock Holders for the foreseeable future.

#### ***No Assurances of Protection for Proprietary Rights; Reliance on Trade Secrets***

In certain cases, the Company may rely on trade secrets to protect intellectual property, proprietary technology and processes, which the Company has acquired, developed or may develop in the future. There can be no assurances that secrecy obligations will be honored or that others will not independently develop similar or superior products or technology. The protection of intellectual property and/or proprietary technology through claims of trade secret status has been the subject of increasing claims and litigation by various companies both in order to protect proprietary rights as well as for competitive reasons even where proprietary claims are unsubstantiated. The prosecution of proprietary claims or the defense of such claims is costly and uncertain given the uncertainty and rapid development of the principles of law pertaining to this area. The Company, in common with other investment funds, may also be subject to claims by other parties with regard to the use of intellectual property, technology information and data, which may be deemed proprietary to others.

#### ***The Company's Continuing as a Going Concern Depends Upon Financing***

If the Company does not raise sufficient working capital and continues to experience pre-operating losses, there will most likely be substantial doubt as to its ability to continue as a going concern. Because the Company has generated no revenue, all expenditures during the development stage have been recorded as pre-operating losses. Revenue operations have not commenced because the Company has not raised the necessary capital.

### ***Broker - Dealer Sales of Units***

The Company's Common Stock Units are not included for trading on any exchange, and there can be no assurances that the Company will ultimately be registered on any exchange. The NASDAQ Stock Market, Inc. has recently enacted certain changes to the entry and maintenance criteria for listing eligibility on the NASDAQ SmallCap Market. The entry standards require at least \$4 million in net tangible assets or \$750,000 net income in two of the last three years. The proposed entry standards would also require a public float of at least 1 million shares, \$5 million value of public float, a minimum bid price of \$2.00 per share, at least three market makers, and at least 300 shareholders. The maintenance standards (as opposed to entry standards) require at least \$2 million in net tangible assets or \$500,000 in net income in two of the last three years, a public float of at least 500,000 shares, a \$1 million market value of public float, a minimum bid price of \$1.00 per share, at least two market makers, and at least 300 shareholders.

No assurance can be given that the Common Stock Units of the Company will ever qualify for inclusion on the NASDAQ System or any other trading market until such time as the Managing Members deem it necessary. As a result, the Company's Common Stock Units are covered by a Securities and Exchange Commission rule that opposes additional sales practice requirements on broker-dealers who sell such securities to persons other than established customers and qualified investors. For transactions covered by the rule, the broker-dealer must make a special suitability determination for the purchaser and receive the purchaser's written agreement to the transaction prior to the sale. Consequently, the rule may affect the ability of broker-dealers to sell the Company's securities and will also affect the ability of members to sell their units in the secondary market.

### ***Secondary Market***

No application is currently being prepared for the Company's Securities to be admitted to the Official Listing and trading on any regulated market. No application is being prepared to include the Securities to trading on an "Over-the-Counter" or "Open Market", though the Company intends to submit an S-1 or Form 10 Filing within TWELVE MONTHS of the close of this securities offering. There can be no assurance that a liquid market for the Securities will develop or, if it does develop, that it will continue. If a market does develop, it may not be liquid. Therefore, investors may not be able to sell their Securities easily or at prices that will provide them with yield comparable to similar investments that have a developed secondary market. Illiquidity may have a severely adverse effect on the market value of the Securities and investors wishing to sell the Securities might therefore suffer losses.

### ***Compliance with Securities Laws***

The Company's Securities are being offered for sale in reliance upon certain exemptions from the registration requirements of the Securities Act, applicable Texas Securities Laws, and other applicable state securities laws. If the sale of Securities were to fail to qualify for these exemptions, purchasers may seek rescission of their purchases of Securities. If a number of purchasers were to obtain rescission, we would face significant financial demands, which could adversely affect the Company as a whole, as well as any non-rescinding purchasers.

### ***Offering Price***

The price of the Securities offered has been arbitrarily established by our current Managers, considering such matters as the state of the Company's business development and the general condition of the industry in which it operates. The Offering price bears little relationship to the assets, net worth, or any other objective criteria.

### ***Lack of Firm Underwriter***

The Securities are offered on a "best efforts" basis by the Company Managers, without compensation and on a "best efforts" basis through certain FINRA registered broker-dealers, which enter into Participating Broker-Dealer Agreements with the Company. Accordingly, there is no assurance that the Company, or any FINRA broker-dealer, will sell the maximum Securities offered or any lesser amount.

### ***Projections: Forward Looking Information***

Management has prepared projections regarding anticipated financial performance. The Company's projections are hypothetical and based upon a presumed financial performance of the Company, the addition of a sophisticated and well funded marketing plan, and other factors influencing the business. The projections are based on Management's best estimate of the probable results of operations of the Company and the investments made by management, based on present circumstances, and have not been reviewed by independent accountants and/or auditing counsel. These projections are based on several assumptions, set forth

therein, which Management believes are reasonable. Some assumptions, upon which the projections are based, however, invariably will not materialize due the inevitable occurrence of unanticipated events and circumstances beyond Management's control. Therefore, actual results of operations will vary from the projections, and such variances may be material. Assumptions regarding future changes in sales and revenues are necessarily speculative in nature. In addition, projections do not and cannot take into account such factors as general economic conditions, unforeseen regulatory changes, the entry into a market of additional competitors, the terms and conditions of future capitalization, and other risks inherent to the Company's business. While Management believes that the projections accurately reflect possible future results of operations, those results cannot be guaranteed.

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#### ITEM 4. PLAN OF DISTRIBUTION

A maximum of 10,000 9% Convertible Preferred Stock Units are being offered to the public at \$100 per 9% Convertible Preferred Stock Unit. A minimum of \$100,000 must be invested prior to the Company having access to the Investment Proceeds. A maximum of \$1,000,000 will be received from the offering. No Securities are being offered by any selling shareholders. The Company will receive all proceeds from the sale of Securities after the minimum of \$100,000 has been reached.

The Offering is on a "Best Efforts" basis and is being offered directly by the Company and its Management. There are no plans to stabilize the market for the Securities to be offered. Investors can purchase Securities directly from the Company by completing a Subscription Agreement Online at [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com). Securities can be purchased by check, money order, or bank wire transfer. Investors should call the Company for bank wire transfer instructions should they choose that method of payment for Securities.

If an underwriter is selected to assist in this offering, the Company will be required to amend the Form 1-A to include the disclosures required regarding engaging an underwriter to assist in the offering.

Although the Company is not using a selling agent or finder in connection with this Offering, it will use a website as an online portal and information management tool in connection with the Offering. The Website is owned and operated by Alternative Securities Markets Group, an equity partner of the Company, can be viewed at <http://www.AlternativeSecuritiesMarket.com>.

This Offering Circular will be furnished to prospective Investors upon their request via electronic PDF format and will be available for viewing and download 24 hours per day, 7 days per week on the website.

In order to subscribe to purchase the Securities, a prospective Investor must complete, sign and deliver the executed Subscription Agreement, Investor Questionnaire and Form W-9 to XCalibur Shoes, Inc. and either mail or wire funds for its subscription amount in accordance with the instructions included in the Subscription Package.

The Investing Section of the Website Hosting this Offering will be coded to only allow access to invest to those prospective Investors that reside in jurisdictions where the Offering is registered and meet any state-specific Investor suitability standards.

The Company reserves the right to reject any Investor's subscription in whole or in part for any reason. If the Offering terminates or if any prospective Investor's subscription is rejected, all funds received from such Investors will be returned without interest or deduction.

In addition to this Offering Circular, subject to limitations imposed by applicable securities laws, we expect to use additional advertising, sales and other promotional materials in connection with this Offering. These materials may include public advertisements and audio-visual materials, in each case only as authorized by the Company. Although these materials will not contain information in conflict with the information provided by this Offering and will be prepared with a view to presenting a balanced discussion of risk and reward with respect to the Securities, these materials will not give a complete understanding of this Offering, the Company or the Securities and are not to be considered part of this Offering Circular. This Offering is made only by means of this Offering Circular and prospective Investors must read and rely on the information provided in this Offering Circular in connection with their decision to invest in the Securities.

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## ITEM 5. USE OF PROCEEDS TO ISSUER

The Company seeks to raise maximum gross proceeds of \$1,000,000 from the sale of Securities in this Offering. The Company intends to apply these proceeds substantially as set forth herein, subject only to reallocation by Company Management in the best interests of the Company.

### A. Sale of Company Common Stock Units

Category	Maximum Proceeds	Percentage of Total Proceeds	Minimum Proceeds	Percentage of Proceeds
Proceeds from Sale of Securities	\$1,000,000	100%	\$100,000	10%

### B. Offering Expenses

Category	Maximum Proceeds	Percentage of Total Proceeds	Minimum Proceeds	Percentage of Proceeds
Offering Expenses (1) (2) (3).	\$50,000	5%	\$5,000	5%

#### Footnotes:

(1) Includes estimated memorandum preparation, filing, printing, legal, accounting and other fees and expenses related to the Offering.

(2) This Offering is being sold by the Managing Members and Directors of the Company. No compensatory sales fees or related commissions will be paid to such Managing Members.

(3) Units Sold by Approved "Broker Dealers" will receive a commission of 5-10%, and this amount will be added to the "Company's Offering Expense".

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## FY14 Capital Budget

<u>ITEM:</u>	<u>BUDGET:</u> <u>AMOUNT</u>
PR & Offline Marketing	\$25,000
Celebrity Endorsement	\$50,000
Online Marketing & SEO for Website	\$15,000
Website Upgrade & Development	\$10,000
Lookbook & Press Kit	\$5,000
Trade Show - Project Sole - New York	\$7,500
Trade Show - MRket Mens - Las Vegas	\$7,500
Trade Show - GDS - Dusseldorf, German	\$18,000
Collection Launch Event - New York	\$20,000
Travel	\$10,000
Samples Production	\$25,000
Inventory Production	\$100,000
Purchase Order Fulfillment	\$200,000
Third Party Logistics & Distribution	\$50,000
Sales Showroom - New York	\$30,000
PR Showroom / Office - Los Angeles	\$42,000
Office Supplies & Equipment	\$10,000
Staffing: Executive Officer	\$125,000
Staffing: Managing Director / Design	\$50,000
Contractor: National Sales Rep	\$50,000
Insurance	\$25,000
Legal	\$20,000
Year-End Audit Services	\$25,000
IRS Filing - CPA	\$5,000
Research & Development	\$75,000
<b>TOTAL</b>	<b><u>\$1,000,000</u></b>

## **ITEM 6. DESCRIPTION OF BUSINESS**

### **A. Company**

XCalibur Shoes, Inc. is the premium handmade shoe, accessory and apparel brand encompassing several authentic styles tailored for modern professionals and hipsters who demand quality, comfort and innovative design.

Handmade quality and authentic designs are fundamental in the brand's ability to position itself as a differentiated leader. Great emphasis is placed on perfecting designs and demanding the most rigorous quality standards. In effort to maintain the brand's exclusivity and premium quality, products are handmade specifically for each customer and not mass produced in large quantities.

The brand's tireless pursuit of impeccable distinction allows the consumer to truly Shop Quality within the XCalibur Shoes, Inc. product line. When designing a fine yet comfortable product for men and women, satisfying many styles and objectives, the brand has been able to successfully blend handmade casual comfort and formal dress for distinguished clientele who desire an exclusive label. Genuine Italian cottons, Vero Cuoio including top grade upper materials and exotic leathers, ranging from calfskin to ostrich and crocodile, serve as the foundation of quality for each style of our brand.

Inspired by perfection, men's shoe styles ranging from drivers to formal lace-ups and our men-inspired women's wingtip lace-ups are sure to catch the attention and immediate interest of the most sophisticated footwear collectors. Buckle and medallion bands are the authentic trademark for our loafers and drivers, while our extended tongue overlaps mesh formal style with traditional lace-up accouterments. Select pairs come equipped with a convenient wooden case, protective shoe covers and certificate of authenticity with the embossed seal. In addition to footwear, we offer a complete assortment of high-quality accessories and apparel. No matter which style category you choose, we stand by our authentic designs by offering a guarantee of outstanding quality and comfort. Our products can be purchased online and in select luxury retail locations.

XCalibur Shoes, Inc.'s shoes combine handmade quality with the prestigious Lav. Blak stitching, making it both the desired men's and men-inspired woman's footwear brand. Each shoe is handmade for the customer and meticulously designed under the direction of our experienced Design Team.

XCalibur Shoes, Inc. specializes in developing diversified collections of accessories, apparel and footwear ranging from sneakers and loafers to formal laceups under specific direction of an experienced design team. This organically creative team concept has proven most effective as the brand collaborates with the most sought-after taste makers and fashion forward celebrities within the industry. Designers begin their research and technical discovery by scouting leather skin materials, trims and metals from Italy and Leon to develop product for consumers who demand the premium quality within XCALIBUR SHOES, INC.'s prestigious handmade process. The design team embraces creativity to produce an authentic handmade product.

Since inception the founder owner of XCalibur Shoes, Inc. has spent approximately \$20,000 on product development, production and marketing. The company currently has two employees who will begin working full-time once the offering has been fully subscribed.

The special characteristics that have a material impact on the company's future financial performance are described as follows: Pending trademark, exclusive endorsements and manufacturing relationships. The company trademark is placed on each shoe and promotional accessory. This gives our product authenticity and signifies premium quality. Our celebrity endorsement provides product awareness and exposure within the target demographic and customer base. The relationship with our manufactures enables the company to design and develop the authentic high quality product that exceeds competition.

The plan of operation over the next twelve months following the commencement of this offering will be to secure showroom space to offer product for and secure both retail and wholesale customers. In addition, the company's sales rep will be hired to travel to major fashion trade shows to sell to major retail stores. The distribution and warehousing has been outsourced to offer express delivery of all product to online retail customers and wholesale customers with proper labeling and coding. The marketing and public relations will be handled by our celebrity endorsers and our future contracted PR firm that puts our brand out in the public masses.

## INTRODUCTION



*Authentic Handmade*

XCALIBUR Shoes is the premium handmade shoe brand encompassing several authentic styles tailored for modern professionals and hipsters who demand quality, comfort and innovative design.

In addition to footwear, XCALIBUR Shoes has branched into accessories such as outerwear, tees and hats. The brand has been able to establish a strong following and increasing demand for its outerwear and man-inspired women's shoes.



[xcshoes.com](http://xcshoes.com)  
THE PREMIUM QUALITY BRAND WITH SPECIAL IMPACT

PRESS & MEDIA

# DETAILS / NETWORK



*Authentic Handmade*



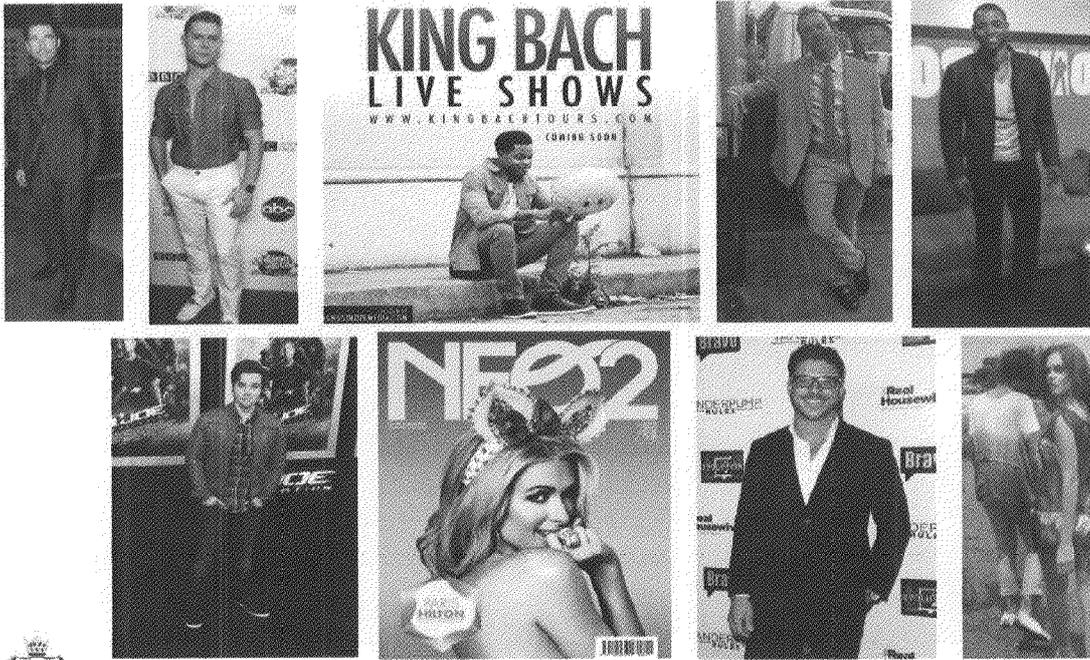
[xcaliburshoes.com](http://xcaliburshoes.com)  
The definitive go-to site for all things XCALIBUR SHOES

XCALIBUR Shoes has experienced significant press coverage in pertinent periodicals and websites. XCALIBUR Shoes was featured in the 2013 Neo2 Magazine and 2013 Stardust Magazine. The brand has also been covered by many fashion blogs. Also, the sneakers were worn and shown on a 2014 taping of the Arsenio Hall Show and also worn in the major motion film, Flock of Dudes, to be released Summer 2014.

XCALIBUR Shoes maintains close relationships with major celebrity stylists and continues to promote the brand through product placement in photo-shoots, red carpet events and music videos and movies.

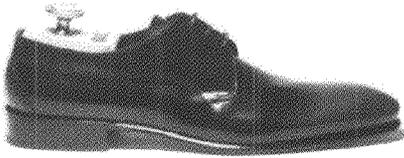
The brand understands the importance of press coverage in today's market and are committed to creating innovative ways of reaching our target audience. We are very consistent with blogging and utilizing our website, Twitter, Facebook, and a multitude of other online and social network forums.

PRESS & MEDIA



www.kingbachtours.com  
THE PREMIUM QUALITY EXPERIENCE WITH SOCIAL IMPACT

## THE BRAND



*Authentic Handmade*



xcaliburshoes.com

THE PREMIUM LUXURY BRAND WITH GLOBAL AFFINITY

XCALIBUR Shoes is the premium handmade shoe brand encompassing several authentic styles tailored for modern professionals and hipsters who demand quality, comfort and innovative design.

Handmade quality and authentic designs are fundamental in the brand's ability to position itself as a differentiated leader. Great emphasis is placed on perfecting designs and demanding the most rigorous quality standards. In effort to maintain the brand's exclusivity and premium quality, products are handmade specifically for each customer and not mass produced in large quantities.

The brand's tireless pursuit of impeccable distinction allows the consumer to truly Shop Quality within the XCALIBUR Shoes product line. When designing a fine yet comfortable shoe for men and women, satisfying many styles and objectives, the brand has been able to successfully blend handmade casual comfort and formal dress for distinguished clientele who desire an exclusive label. Genuine Italian Vero Cuoio including top grade upper materials and exotic leathers, ranging from calfskin to ostrich and crocodile, serve as the foundation of quality for each style of our brand.

Inspired by perfection, men's styles ranging from drivers to formal lace-ups and our men-inspired women's wingtip lace-ups are sure to catch the attention and immediate interest of the most sophisticated footwear collectors. Buckle and medallion bands are the authentic trademark for our loafers and drivers, while our extended tongue overlaps mesh formal style with traditional lace-up accouterments. Select pairs come equipped with a convenient wooden case, protective shoe covers and certificate of authenticity with the embossed seal. In addition to footwear, we offer a complete assortment of high-quality accessories. No matter which style category you choose, we stand by our authentic designs by offering a guarantee of outstanding quality and comfort. Our products can be purchased online and in select luxury retail locations.

## COLLABORATIONS



XCALIBUR Shoes has teamed up with many celebrities and is now in collaboration with Jax Taylor in producing his famous sweater and shoe line.

The brand is having a launch event in 2014 at a major retail outlet where fans and customers can meet Jax and purchase their favorite products from his collection.

In addition, we have many artists that are featured on the bottom of the shoe sole. Emmerik Konrad's paintings have been featured on many of our dress shoes.

The brand also realizes the importance of targeting many markets so it is working with many celebrities to further promote its product and design wears for esteemed celebrities in each major demographic.

The new product releases for 2014 are Jax's sweater and shoe collections, women's wing-tip shoes and other accessories.



Artisan's Handmade  
THIS BRAND IS THE ONLY BRAND WITH REAL ARTIST



AVAILABILITY

XCALIBUR Shoes and its accessories are available for purchase on [www.xcaliburshoes.com](http://www.xcaliburshoes.com) and anticipate products carried in these major stores:

**kitson**

*Neiman Marcus*



**NORDSTROM**



www.kitson.com  
VARE PARTNERULI I-LIAGATI BIRKIDU WITH SOCIAL IMPACT

## OUR STORY



*Authentic Handmade*

XCALIBUR Shoes combine handmade quality with the prestigious Lav. Blak stitching, making it both the desired men's and men-inspired woman's footwear brand.

Each shoe is handmade for the customer and meticulously designed under the direction of our experienced Design Team. Classic handmade footwear has been the brand's tradition since 1960; XCALIBUR Shoes has now been released in several celebrated, luxurious designs.



*tradition in shoes*  
THE PREMIUM QUALITY BRAND WITH SOCIAL IMPACT

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## SOCIAL IMPACT



XCALIBUR Shoes is passionate about entrepreneurial development just as it is committed to delivering authentic high-quality handmade shoes and accessories.

In order to make an effective social impact in the area of entrepreneurship, XCALIBUR Shoes has made a commitment to contribute 10% of its sales to eligible start-up projects, entrepreneurs and emerging businesses.

The Ripe Mellon Entrepreneurial Program has partnered with XCALIBUR Shoes to assist those individuals and small businesses with a legitimate cause or effort that improves the community or increases productivity within a specific industry.

Every purchase helps fund entrepreneurial efforts in a community. \$1 of every \$10 spent shopping at XCALIBUR Shoes is designated for the Ripe Mellon Entrepreneurship Program. These funds are set aside for individuals and small businesses during inception or early development stages to help ensure successful ventures led by entrepreneurs most in need with the highest probable outcome of success. The Program does not offer business consultation to its members.



[xcalistores.com](http://xcalistores.com)

THE PREMIUM QUALITY BRAND WITH SOCIAL IMPACT

## PRODUCT DESIGN



*Authentic Handmade*

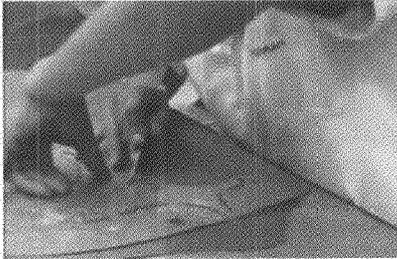
XCALIBUR Shoes specializes in developing diversified collections of footwear ranging from sneakers and loafers to formal laceups under specific direction of an experienced design team. This organically creative team concept has proven most effective as the brand collaborates with the most sought-after taste makers and fashion forward celebrities within the industry.

Designers begin their research and technical discovery by scouting leather skin materials, trims and metals from Italy and Leon to develop product for consumers who demand the premium quality within XCALIBUR Shoes' prestigious handmade process. The design team embraces creativity to produce an authentic handmade product.



[xcaliburshoes.com](http://xcaliburshoes.com)  
THE PREMIUM QUALITY BRAND WITH SOCIAL IMPACT

## QUALITY & PRODUCTION



*Authentic Handmade*



[xcaliburshoes.com](http://xcaliburshoes.com)

THE PREMIUM QUALITY BRAND WITH SOCIAL IMPACT

### Skin Selection

Each skin is selected from our associate leather factory stocked with imported premium Italian leathers. Calfskin leathers are hand selected from a batch of untreated skins for each shoe within all XCALIBUR Shoes collections. Once selected from factory, the skins are delivered to our highly skilled cobblers. Leather skins are then treated with natural dyes and stamped to accent the luxurious look and feel of our shoes. Exotic genuine leathers range from crocodile, alligator, calf-suede to ostrich.

### Pattern Making & Cutting

Based on shoe style, every pattern is designed by our team with durability and comfort as top priority. Whether it is an oxford brogue wingtip or traditional loafer, each pattern is drafted and cut to the most meticulous measures. As part of this rigorous process each piece of leather is especially prepped for hand stitching.

### Hand Stitching

The craftsmanship of hand stitching is a special attribute that we pride ourselves on and it also distinguishes us from other brands. Each shoe is hand-stitched and woven so that each pattern is properly formed to the last. After stitching, each shoe is reviewed for quality to assure customer satisfaction and durability.

### Heated and Spent in Oven

To ensure that the leather is molded to the last perfectly, each shoe is placed in pre-heated oven and then pressed for the preparation of attaching the bottom sole to the quarter and upper leather pieces.

### Burnishing and Polish

Prior to adding the bottom sole, each shoe is polished with the appropriate color and finishes. Exotic finishes for natural fades and custom colors are applied at this time. Once color and effect is applied, each shoe is shined and prepped for the stock fitting.

### Stock Fittings

All genuine leather soles are attached with stitching then assembled to upper sole for a perfect fit to size.

### Finishing

After the sole is attached each shoe is buffed as a complete shoe to affect the mirror shine that distinguishes XCALIBUR Shoes as a premium brand. The entire 183 step handmade process to complete a pair of shoes requires 3.5 to 4 hours with over 90 sets of hands touching each shoe which includes a thorough review to ensure the highest handmade quality that our customers came to expect.

## **B. Exit Strategies**

The term of the Investment detailed in this offering is expected to be at least two years, but no greater than five years, and the final exit of the Company will come through one of the four following methods:

- Become publicly listed:
  - U.S. OTCQB or OTCQX Listing - Summer / Fall 2015
  - Bermuda Stock Exchange Mezzanine Market - Spring / Summer 2015
  - Frankfurt or Berlin Stock Exchange Open Market - Spring / Summer 2015
- Move to a regulated within 24-36 months of Listing
  - U.S. NASDAQ Market - 2016 or 2017
  - Bermuda Stock Exchange Regulated Market - 2016 or 2017
  - Frankfurt Stock Exchange Regulate Market - 2016 or 2017
- Acquisition or Sale of the Company

## **C. Summary of Terms**

The following is a brief summary of certain terms of the offering described in this offering memorandum. It is not intended to be complete and is qualified by the more detailed information contained elsewhere in this memorandum and in the text of the documents referred to herein.

### **Investment Size**

- Target \$1,000,000

### **Minimum Equity Commitment**

- One Preferred Stock Unit.

### **Company Structure**

- Private early stage Footwear Design and Manufacturing Company.
- Texas Stock Corporation (Formed January of 2008).
- ONE HUNDRED MILLION Shares of Common Stock Authorized, ONE Million Shares of Preferred Stock Authorized
- ONE HUNDRED THOUSAND Shares of Common Stock Issued and Outstanding.
- NO CURRENT Shares of Preferred Stock Issued or Outstanding. TEN THOUSAND Shares of Preferred Stock will be Issued and Outstanding at the Completion of this Offering.
- Ten Thousand 9% Convertible Preferred Stock Units Offered through this Offering.
- Preferred Stock Holders have no voting rights until Shares are Converted to Common Stock.

### **Dividend Policy**

- We have never declared or paid cash dividends on our common stock or preferred equity. We currently intend to retain all available funds and future earnings for use in the operation of our business and do not anticipate paying any cash dividends in the foreseeable future. Any future determination to declare dividends will be made at the discretion of our board of directors, and will depend on our financial condition, results of operations, capital requirements, general business conditions and other factors that our Board of Directors may deem relevant.

**D. The Offering**

The Company is offering a maximum of 10,000 9% Convertible Preferred Stock Units at a price of \$100.00 per Unit, with all Units having no par value.

**E. Risk Factors**

See “RISK FACTORS” section of this Registration for certain factors that could adversely affect an investment in the Securities Offered. Those factors include, but are not limited to unanticipated obstacles to execution of the Business Plan, General Economic Factors, the Management’s Inability to Foresee Exuberant Market Downturns and other unforeseen events.

**F. Use of Proceeds**

Proceeds from the sale of Securities will be used to invest in the growth of the Company’s Footwear Design and Manufacturing Business. See “USE OF PROCEEDS” section.

**G. Minimum Offering Proceeds - Escrow of Subscription Proceeds**

The Company has set a minimum offering proceeds figure (the “minimum offering proceeds”) for this Offering of \$100,000. After the Minimum Offering Proceeds have been reached, all proceeds will be released from the investment account and utilized by the Company. If the Offering terminates before the offering minimum is achieved, or if any prospective Investor’s subscription is rejected, all funds received from such Investors will be returned without interest or deduction. All proceeds from the sale of Units after the Minimum Offering Proceeds has been achieved will be delivered directly to the Company. See “PLAN OF PLACEMENT ” section.

**H. Preferred & Common Stock Units**

Upon the sale of the maximum number of 9% Convertible Preferred Stock Units from this Offering, the number of issued and outstanding Preferred Stock Units of the Company’s Preferred stock will be held as follows:

- o Company Founders& Current Shareholders 0%
- o New Shareholders 100%

Upon the sale of the maximum number of 9% Convertible Preferred Stock Units from this Offering, the number of issued and outstanding Common Stock Units of the Company’s Common Stock will be held as follows:

- o Company Founders& Current Shareholders 100%
- o New Shareholders 0%

**I. Company Dividend Policy**

The Company has never declared or paid any cash dividends on its common stock. The Company currently intends to retain future earnings, if any, to finance the expansion of the Company. As a result, the Company does not anticipate paying any cash dividends in the foreseeable future to Common Stock Holders.

**J. Company Share Purchase Warrants**

The Company has no outstanding warrants for the purchase of shares of the Company’s Common Stock. Additionally, the Company has no outstanding warrants for the purchase of the Company’s Stock.

**K. Company Stock Options**

The Company has not issued any stock options to current and/or past employees or consultants.

#### L. Company Convertible Securities

The Company, at the completion of this Offering will have 10,000 9% Convertible Preferred Stock Shares Issued.

- **Terms of Conversion or Repurchase by the Company:**

- All 9% Convertible Preferred Stock Units must be Converted to Company Common Stock either in the 2<sup>nd</sup>, 3<sup>rd</sup>, 4<sup>th</sup> or 5<sup>th</sup> year under the following terms and conditions at the Shareholders' Option:
  - **YEAR 2: (Shareholder Conversion Option)**
    - At anytime during the second year of the investment, the Shareholder may choose on the First Business Day of Each Month to convert each Unit of the Company's 9% Convertible Preferred Stock for Common Stock of the Company at market price of the Company's Common Stock at time of conversion / closing. The closing price will be the weighted average price of the Common Stock Closing Price over the previous 60 days. Fractional interests will be paid to the shareholder by the Company in cash.
    - The Shareholder can sell the 9% Convertible Preferred Stock Units back to the Company at any time after two years for the full face value of the Shares plus any accrued interest, though the Company has no obligation to purchase the units.
    - Should the Company not be listed on any Regulated Stock Exchange or OTC Market ("Over-the-Counter inter-dealer quotation system"), the shares shall convert to Common Stock in the Company at the "per share value" of the Company's Common Stock as determined by an Independent Third Party Valuations Firm that is chosen by the Company's Board of Directors.
  - **YEAR 3: (Shareholder Conversion Option)**
    - At anytime during the third year of the investment, the Shareholder may choose on the First Business Day of Each Month to convert each Unit of the Company's 9% Convertible Preferred Stock for Common Stock of the Company at market price *minus* 5% of the Company's Common Stock at time of conversion / closing. The closing price will be the weighted average price of the Common Stock Closing Price over the previous 60 days. Fractional interests will be paid to the shareholder by the Company in cash.
    - The Shareholder can sell the 9% Convertible Preferred Stock Units back to the Company at any time after two years for the full face value of the Shares plus any accrued interest, though the Company has no obligation to purchase the units.
    - Should the Company not be listed on any Regulated Stock Exchange or OTC Market ("Over-the-Counter inter-dealer quotation system"), the shares shall convert to Common Stock in the Company at the "per share value" of the Company's Common Stock as determined by an Independent Third Party Valuations Firm that is chosen by the Company's Board of Directors.
  - **YEAR 4: (Optional Conversion Option)**
    - At anytime during the fourth year of the investment, the Shareholder may choose on the First Business Day of Each Month to convert each unit of the Company's 9% Convertible Preferred Stock for Common Stock of the Company at market price *minus* 10% of the Company's Common Stock at time of conversion / closing. The closing price will be the weighted average price of the Common Stock Closing Price over the previous 60 days. Fractional interests will be paid to the shareholder by the Company in cash.
    - The Shareholder can sell the 9% Convertible Preferred Stock Units back to the Company at any time after two years for the full face value of the Shares plus any accrued interest, though the Company has no obligation to purchase the units.

- Should the Company not be listed on any Regulated Stock Exchange or OTC Market (“Over-the-Counter inter-dealer quotation system”), the shares shall convert to Common Stock in the Company at the “per share value” (minus any discounts) of the Company’s Common Stock as determined by an Independent Third Party Valuations Firm that is chosen by the Company’s Board of Directors.
- **YEAR 5: (Optional & Mandatory Conversion Options)**
    - *Optional:* At anytime during the fourth year of the investment, the Shareholder may choose on the First Day of Each Month to convert each unit of the Company’s Convertible 9% Preferred Stock for Common Stock of the Company at market price *minus 15%* of the Company’s Common Stock at time of conversion / closing. The closing price will be the weighted average price of the Common Stock Closing Price over the previous 60 days. Fractional interests will be paid to the shareholder by the Company in cash.
    - The Shareholder can sell the 9% Convertible Preferred Stock Units back to the Company at any time after two years for the full face value of the Shares plus any accrued interest, though the Company has no obligation to purchase the units.
    - *Mandatory:* On the last business day of the 5<sup>th</sup> year of the investment, the Shareholder MUST convert each Unit of the Company’s 9% Convertible Preferred Stock for Common Stock of the Company at market price *minus 15%* of the Company’s Common Stock at time of conversion / closing. The closing price will be the weighted average price of the Common Stock Closing Price over the previous 60 days. Fractional interests will be paid to the shareholder by the Company in cash.
    - Should the Company not be listed on any Regulated Stock Exchange or OTC Market (“Over-the-Counter inter-dealer quotation system”), the shares shall convert to Common Stock in the Company at the “per share value” (minus any discounts) of the Company’s Common Stock as determined by an Independent Third Party Valuations Firm that is chosen by the Company’s Board of Directors.

The Company has not issued any additional Convertible Securities other than those listed and detailed above.

#### **M. Stock Option Plan**

The Board has not adopted a stock option plan. If a plan is adopted in the future, the plan will administered by the Board of Directors or a committee appointed by the board (the “committee”). The committee will have the authority to modify, extend or renew outstanding options and to authorize the grant of new options in substitution therefore, provided that any such action may not, without the written consent of the optionee, impair any rights under any option previously granted.

#### **N. Reporting**

The Company will be required to furnish you with quarterly un-audited financial reports and an annual audited financial report through a public listing at [www.AlternativeSecuritiesmarket.com](http://www.AlternativeSecuritiesmarket.com). Further, the Company will also voluntarily send you both quarterly un-audited financial reports and an annual audited financial report via electronic mail. After the Filing of SEC Form 10 or an SEC S-1 Registration Statement with the United States Securities and Exchange Commission (“SEC”), the Company will be required to file reports with the SEC under 15(d) of the Securities Act. The reports will be filed electronically. The reports required are forms 10-K, 10-Q and 8-K. You may read copies of any materials the Company files with the SEC at [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com), or at the SEC’s Public Reference Room at 100 F Street, N.E., Washington, DC 20549. You may obtain information on the operation of the Public Reference Room by calling the SEC at 1-800-SEC-0330. The SEC also maintains an Internet Site that will contain copies of the reports that the Company files electronically. The address for the Internet site is [www.sec.gov](http://www.sec.gov).

**O. Stock Transfer Agent**

The Company will serve as its own registrar and transfer agent with respect to the Offering.

For the Public Portion of this Offering, the Stock Transfer Agent is:

ComputerShare  
250 Royall Street  
Canton, MA (USA) 02021  
Phone (781) 575-2000  
<http://cis.computershare.com>

**P. Subscription Period**

The Offering will commence promptly after the date of this Offering Circular and will close (terminate) upon the earlier of (1) the sale of 10,000 9% Convertible Preferred Stock Units, (2) One Year from the date this Offering begins, or (3) a date prior to one year from the date this Offering begins that is so determined by the Company's Management (the "Offering Period"). The Company has set an investment minimum of \$100,000 USD before the Company will have access to the Investment Proceeds, which means all investment dollars invested in the Company prior to reaching the minimum of \$100,000 will be held in an investment escrow account, and only after \$100,000 in securities has been sold to investors (One Hundred 9% Convertible Preferred Stock Units) will the Company have access to the Investment Proceeds. If the Offering terminates before the offering minimum is achieved, or if any prospective Investor's subscription is rejected, all funds received from such Investors will be returned without interest or deduction.

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## B. TERMS AND CONDITIONS

The following is a summary of the certain principal terms of Stock Ownership in XCalibur Shoes, Inc.

<b>The Company</b>	XCalibur Shoes, Inc. is a Texas Stock Corporation.
<b>Investment Objectives</b>	The Company's objectives are to: <ul style="list-style-type: none"><li>(i) Growth of the Company through Improved Technology, Improved Services, additional online sales portals for direct to consumer sales, and additional Wholesale and Retail locations.</li><li>(ii) Maintain a total internal rate of returns of 20%+ per annum.</li></ul>
<b>Company Managers</b>	Biographies of all Managers can be found starting on Page <u>40</u> of this Offering.
<b>Minimum Capital Commitment</b>	Each investor will be required to make an investment of a minimum of one 9% Convertible Preferred Stock Units.
<b>The Offering</b>	The Company is seeking capital commitments of \$1,000,000 from Investors. The securities being offered hereby consists of up to 10,000 9% Convertible Preferred Stock Units of the Company, priced at \$100.00 per Unit subject to the Company's discretion to increase the size of the offering. The purchase price for the stock interests is to be paid in cash as called by the Company.
<b>Conversion Option / Mandatory Conversion</b>	<p>All 9% Convertible Preferred Stock Units must be converted to Company Common Stock, either in the second, third, fourth or fifth year under the following terms and conditions at the Shareholder's Option:</p> <p>All 9% Convertible Preferred Stock Units must be converted to Company Common Stock, either in the second, third, fourth or fifth year under the following terms and conditions at the Shareholder's Option:</p> <ul style="list-style-type: none"><li>• <b>Year 2: (Shareholder Conversion Option)</b><p>Shareholder Option: At anytime during the second year of the investment, the Shareholder may choose on the First Business Day of Each Month to convert each unit of the Company's 9% Convertible Preferred Stock for Common Stock of the Company at market price of the Company's Common Stock at time of conversion / closing. The closing price will be the weighted average price of the Common Stock closing price over the previous 60 days. Fractional interests will be paid to the shareholder by the Company in cash.</p><p>The Shareholder can sell the 9% Convertible Preferred Stock Units back to the Company at any time after two years for the full face value of the Shares plus any accrued interest, though the Company has no obligation to purchase the Units.</p></li><li>• <b>Year 3: (Shareholder Conversion Option)</b><p>Shareholder Option: At anytime during the third year of the investment, the Shareholder may choose on the First Business Day of Each Month to convert each unit of the Company's 9% Convertible Preferred Stock for Common Stock of the Company at market price <i>minus</i> 5% of the Company's Common Stock at time of conversion / closing. The closing price will be the weighted average price of the Common Stock closing price over the previous 60 days. Fractional interests will be paid to the shareholder by the Company in cash.</p><p>The Shareholder can sell the 9% Convertible Preferred Stock Units back to the Company at any time after two years for the full face value of the Shares plus any accrued interest, though the Company has no obligation to purchase the Units.</p></li></ul>

- **Year 4: (Shareholder Conversion Option)**

Shareholder Option: At anytime during the fourth year of the investment, the Shareholder may choose on the First Business Day of Each Month to convert each unit of the Company's 9% Convertible Preferred Stock for Common Stock of the Company at market price *minus 10%* of the Company's Common Stock at time of conversion / closing. The closing price will be the weighted average price of the Common Stock closing price over the previous 60 days. Fractional interests will be paid to the shareholder by the Company in cash.

The Shareholder can sell the 9% Convertible Preferred Stock Units back to the Company at any time after two years for the full face value of the Shares plus any accrued interest, though the Company has no obligation to purchase the Units.

- **Year 5: (Optional & Mandatory Conversion Option)**

*Shareholder Option:* At anytime during the fourth year of the investment, the Shareholder may choose on the First Business Day of Each Month to convert each unit of the Company's 9% Convertible Preferred Stock for Common Stock of the Company at market price *minus 15%* of the Company's Common Stock at time of conversion / closing. The closing price will be the weighted average price of the Common Stock closing price over the previous 60 days. Fractional interests will be paid to the shareholder by the Company in cash.

The Shareholder can sell the 9% Convertible Preferred Stock Units back to the Company at any time after two years for the full face value of the Shares plus any accrued interest, though the Company has no obligation to purchase the Units.

*Mandatory Conversion:* On the last business day of the 5<sup>th</sup> year of the investment, the Shareholder MUST convert each unit of the Company's 9% Convertible Preferred Stock for Common Stock of the Company at market price *minus 15%* of the Company's Common Stock at time of conversion / closing.

<b>Investment Period</b>	The investment period will begin upon qualification of this Offering by the United States Securities & Exchange Commission.
<b>Board of Directors</b>	All classes of Preferred Stock shall elect TWO of FIVE seats of the Company's Board of Directors
<b>Voting Rights</b>	Preferred Stock has NO VOTING RIGHTS
<b>Distributions</b>	The Company has never declared or paid cash dividends on our common stock. We currently intend to retain all available funds and future earnings for use in the operation of our business and do not anticipate paying any cash dividends in the foreseeable future for our Common Stock. Any future determination to declare dividends on our Common Stock will be made at the discretion of our board of directors, and will depend on our financial condition, results of operations, capital requirements, general business conditions and other factors that our board of directors may deem relevant.
<b>Reports to Investors</b>	The Company's Accounting Firm will furnish to the investors after the close of each fiscal year an annual report containing audited financial statements of the Company prepared in accordance with "Generally Accepted Accounting Principles" (GAAP) and a statement setting forth any distributions to the investors for the fiscal year. The Company will also furnish un-audited quarterly statements to investors.
<b>Valuations</b>	The Company Managers will, at least once per year, perform an internal valuation of the Company's assets, using accepted valuation techniques, to establish the fair market value of each asset as the end of such year. The fair market value of the assets will be deemed to be the ownership interest in each asset valued at the current capitalization rate for each market. In addition, detailed financial modeling will be performed using "current market assumptions" and discounted cash flow analysis.
<b>Indemnification</b>	The Company will indemnify, defend and hold the Company Managers, the members of the Board of Directors harmless from and against any losses, damages, costs that relate to the operations of the Company, unless the Company Manager(s) acted in an unethical manner related to directing investments.

**Listings and  
Admissions to  
Trading**

Applications are being prepared and will be made to U.S. OTC Market (OTCQB or OTCQB), the Bermuda Stock Exchange's Mezzanine Market and the Berlin Stock Exchange (though the Company may choose to list on the Frankfurt Stock Exchange instead of the Berlin Stock Exchange) for the Securities to be admitted to the Exchange's Official List and for Trading. Submission for listing is expected in 2015.

**ITEM 7. DESCRIPTION OF PROPERTY.**

The Company does not own any real estate. The Company currently rents office spaces at 900 South Figueroa Street, Unit 603, Los Angeles, California 90015. The Company currently has no policy with respect to investments or interests in real estate, real estate mortgages or securities of, or interests in, persons primarily engaged in real estate activities.

**ITEM 8. DIRECTORS, EXECUTIVE OFFICERS, AND SIGNIFICANT EMPLOYEES**

*(a) Directors and Executive Officers.*

A. Directors and Executive Officers. The current officer and director will serve for one year or until his respective successor(s) are elected and qualified.

<u>Name</u>	<u>Position</u>
<i>Mr. Vijay Freeman</i>	<i>Chief Executive Officer</i>

At the young age of sixteen, Mr. Freeman realized his insatiable passion for impeccable style and quickly gained notoriety in the iconic 1990's. Throughout his early years in preparatory school, Mr. Freeman studied design fundamentals and art history while also excelling in advanced sculptural studies during his tenure at the prestigious University of Notre Dame. Mr. Freeman soon thereafter transitioned from the clay sculpture to canvas abstract paintings as he displayed his work in various art houses within the United States Men's Footwear Market. Mr. Freeman was then able to assemble an impressive footwear collection on the foundation of his family tradition. Given the opportunity to express his artistic vision for Men's Footwear, Mr. Freeman sketched and designed his first complete shoe and later perfected his own designs for commercial production. Each shoe was designed for the collector in mind using the most genuine leathers and exotics.

<i>Ms. Rocio Prieto</i>	<i>Managing Director / Design</i>
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Designer of handbags for over five years and fashion stylist for two years. Rocio has proven the ability to take product from early stage concept to final sample production. A true specialist in product design and development, Rocio has the necessary ability and experience in all major leather goods to propel the company to the next stages of success.

<i>Mr. Steven J. Muehler</i>	<i>Advisor / Shareholder</i>
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Mr. Steven J. Muehler is the Founder and Chief Executive Officer for Blue Coast Securities Corporation & Alternative Securities Markets Group. A true pioneer in the private equity investments industry, Mr. Muehler has led Blue Coast Securities Corporation in its growth into a leading global alternative assets management and private equity investments firm. Mr. Muehler is actively involved in managing the firm's day-to-day operations and serves on the Investment Portfolio Management Committees of each of the Firm's Fixed Income Funds and Private Equity Investment Funds, including the Firm's Technology Ventures Fund.

Mr. Muehler has more than fifteen years in Investment Banking and Corporate Finance, holding senior financial management and business development positions in both regional banks and international finance companies. Mr. Muehler has extensive experience in structuring business plans, private and public securities offerings, and fund raising efforts for early stage to mid-cap companies. His areas of expertise are in Commercial and Residential Real Estate Development, Energy, BioFuels, Mining & Mineral Rights, Oil & Natural Gas, Medical Device and Pharmacy and New Technology.

Prior to founding Blue Coast Securities Corporation in 2008, Mr. Muehler served four years in the United States Marine Corps before attending college in South Carolina. After college, Mr. Muehler held positions in the Finance Departments of Riverview

Community Bank, WCI Communities and Allied Capital Corporation. It was with these companies that Mr. Muehler worked extensively with multinational finance and investment firms in syndicating fund raising and has guided dozens of companies in the capital formation process. Mr. Muehler has also served as a business consultant to a variety of midmarket companies providing strategic and financial modeling, business development training, and management assessment.

Mr. Muehler lives in Los Angeles, California with his wife and Two Daughters. Mr. Muehler is also the host of the Radio / HD WebTV and Podcast Show "Steve Muehler, On the Corner of Main Street and Wall Street". More information about Mr. Muehler can be found at: <http://www.SteveMuehler.com> and at [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com).

**B. Significant Employees.** All Members of XCalibur Shoes, Inc. as listed above are each considered "*Significant Employees*", and are each "Executive Officers" of the Company. The Company would be materially adversely affected if it were to lose the services of any member of XCalibur Shoes, Inc. listed above as each he has provided significant leadership and direction to the Company.

**C. Family Relationships.** None

**D. Involvement in Certain Legal Proceedings.** There have been no events under any bankruptcy act, any criminal proceedings and any judgments, injunctions, orders or decrees material to the evaluation of the ability and integrity of any director, executive officer, promoter or control person of Registrant during the past three years.

**E. Legal proceedings.** There are not presently any material pending legal proceedings to which the Registrant is a party or as to which any of its property is subject, and no such proceedings are known to the Registrant to be threatened or contemplated against it.

## **ITEM 9. EXECUTIVE COMPENSATION.**

In March of 2014, the Company adopted a compensation program for Company Management. Accordingly, Management of XCalibur Shoes, Inc. will be entitled to receive an annual salary of:

Mr. Vijay Freeman, Chief Executive Officer	\$125,000
Rocio Prieto, Managing Director / Design	\$50,000

### **Officer Compensation**

The Company does not currently pay any cash fees to any Officer of the Company beyond those listed above.

### **Directors and Advisors Compensation**

The Company does not currently pay any cash fees to any Director or Advisor of the Company or any member or employee of the Company beyond those listed above.

### **Stock Option Grants**

The Company does not currently have any outstanding Stock Options or Grants.

### **Significant Employees**

The Company has no significant employees other than the Company Managers named in this prospectus.

**ITEM 10. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT.**

(a) Security ownership of certain beneficial owners.

The following table sets forth, as of the date of this Registration Statement, the number of shares of Preferred Stock and Common Stock owned of record and beneficially by executive officers, directors and persons who hold **5% or more of the outstanding Common Stock of the Company**. Also included are the shares held by all executive officers and directors as a group.

Mr. Vijay Freeman Founder & Chief Executive Officer 900 South Figueroa Street, Suite 603 Los Angeles, California 90015	Common Stock: 930,000 Shares (93%) Preferred Stock: No Shares	Common Stock: 930,000 Shares (93%) Preferred Stock: No Shares
Alternative Securities Markets Group Advisor / Shareholder 9107 Wilshire Blvd, Suite 450 Beverly Hills, California 90210	Common Stock: No Shares Preferred Stock: No Shares	Common Stock: 70,000 Shares (7%) Preferred Stock: No Shares

**ITEM 11. INTEREST OF MANAGEMENT AND OTHERS IN CERTAIN TRANSACTIONS.**

**Related Party Transactions**

Our majority stockholder(s) is Mr. Vijay Freeman, the Company's Founder and Chief Executive Officer. Mr. Freeman currently owns the majority of the issued and outstanding controlling Stock Units of XCalibur Shoes, Inc. Consequently this sole shareholder controls the operations of the Company and will have the ability to control all matters submitted to stockholders for approval, including:

- Election of the board of directors;
- Removal of any directors;
- Amendment of the Company's certificate of incorporation or bylaws; and
- Adoption of measures that could delay or prevent a change in control or impede a merger, takeover or other business combination.

Mr. Vijay Freeman will thus have complete control over the Company's management and affairs. Accordingly, this ownership may have the effect of impeding a merger, consolidation, takeover or other business consolidation, or discouraging a potential acquirer from making a tender offer for the Common Stock. This registration statement contains forward-looking statements and information relating to us, our industry and to other businesses.

Except as otherwise indicated herein, there have been no related party transactions, or any other transactions or relationships required to be disclosed pursuant to Item 11 of Form 1-A, Model B.

## ITEM 12. SECURITIES BEING OFFERED.

### 9% Convertible Preferred Stock Units

A maximum of TEN THOUSAND 9% Convertible Preferred Stock Units are being offered to the public at \$100.00 9% Convertible Preferred Stock Unit. A Minimum of \$100,000 will need to be received from this Offering for the Company to receive proceeds from the Sale of any Securities of this Offering. A maximum of \$1,000,000 will be received from the offering. All Securities being offered by the Company through this offering, and no Securities are being offered by any selling shareholders of the Company. The Company will receive all proceeds from the sale of its Securities after the Company has secured \$100,000 from the sale of Securities through this Offering. If the Offering terminates before the offering minimum is achieved, or if any prospective Investor's subscription is rejected, all funds received from such Investors will be returned without interest or deduction.

- All 9% Convertible Preferred Stock Units must be Converted to Company Common Stock either in the 2<sup>nd</sup>, 3<sup>rd</sup>, 4<sup>th</sup> or 5<sup>th</sup> year under the following terms and conditions at the Shareholders' Option:
  - YEAR 2: (Shareholder Conversion Option)
    - At anytime during the second year of the investment, the Shareholder may choose on the First Business Day of Each Month to convert each Unit of the Company's 9% Convertible Preferred Stock for Common Stock of the Company at market price of the Company's Common Stock at time of conversion / closing. The closing price will be the weighted average price of the Common Stock Closing Price over the previous 60 days. Fractional interests will be paid to the shareholder by the Company in cash.
    - The Shareholder can sell the 9% Convertible Preferred Stock Units back to the Company at any time after two years for the full face value of the Shares plus any accrued interest, though the Company has no obligation to purchase the units.
    - Should the Company not be listed on any Regulated Stock Exchange or OTC Market ("Over-the-Counter inter-dealer quotation system"), the shares shall convert to Common Stock in the Company at the "per share value" of the Company's Common Stock as determined by an Independent Third Party Valuations Firm that is chosen by the Company's Board of Directors.
  - YEAR 3: (Shareholder Conversion Option)
    - At anytime during the third year of the investment, the Shareholder may choose on the First Business Day of Each Month to convert each Unit of the Company's 9% Convertible Preferred Stock for Common Stock of the Company at market price *minus* 5% of the Company's Common Stock at time of conversion / closing. The closing price will be the weighted average price of the Common Stock Closing Price over the previous 60 days. Fractional interests will be paid to the shareholder by the Company in cash.
    - The Shareholder can sell the 9% Convertible Preferred Stock Units back to the Company at any time after two years for the full face value of the Shares plus any accrued interest, though the Company has no obligation to purchase the units.
    - Should the Company not be listed on any Regulated Stock Exchange or OTC Market ("Over-the-Counter inter-dealer quotation system"), the shares shall convert to Common Stock in the Company at the "per share value" of the Company's Common Stock as determined by an Independent Third Party Valuations Firm that is chosen by the Company's Board of Directors.
  - YEAR 4: (Optional Conversion Option)
    - At anytime during the fourth year of the investment, the Shareholder may choose on the First Business Day of Each Month to convert each unit of the Company's 9% Convertible Preferred Stock for Common Stock of the Company at market price *minus* 10% of the Company's Common Stock at time of conversion / closing. The closing price will be the

weighted average price of the Common Stock Closing Price over the previous 60 days. Fractional interests will be paid to the shareholder by the Company in cash.

- The Shareholder can sell the 9% Convertible Preferred Stock Units back to the Company at any time after two years for the full face value of the Shares plus any accrued interest, though the Company has no obligation to purchase the units.
  - Should the Company not be listed on any Regulated Stock Exchange or OTC Market (“Over-the-Counter inter-dealer quotation system”), the shares shall convert to Common Stock in the Company at the “per share value” (minus any discounts) of the Company’s Common Stock as determined by an Independent Third Party Valuations Firm that is chosen by the Company’s Board of Directors.
- YEAR 5: (Optional & Mandatory Conversion Options)
- *Optional:* At anytime during the fourth year of the investment, the Shareholder may choose on the First Day of Each Month to convert each unit of the Company’s Convertible 9% Preferred Stock for Common Stock of the Company at market price *minus 15%* of the Company’s Common Stock at time of conversion / closing. The closing price will be the weighted average price of the Common Stock Closing Price over the previous 60 days. Fractional interests will be paid to the shareholder by the Company in cash.
  - The Shareholder can sell the 9% Convertible Preferred Stock Units back to the Company at any time after two years for the full face value of the Shares plus any accrued interest, though the Company has no obligation to purchase the units.
  - *Mandatory:* On the last business day of the 5<sup>th</sup> year of the investment, the Shareholder MUST convert each Unit of the Company’s 9% Convertible Preferred Stock for Common Stock of the Company at market price *minus 15%* of the Company’s Common Stock at time of conversion / closing. The closing price will be the weighted average price of the Common Stock Closing Price over the previous 60 days. Fractional interests will be paid to the shareholder by the Company in cash.
  - Should the Company not be listed on any Regulated Stock Exchange or OTC Market (“Over-the-Counter inter-dealer quotation system”), the shares shall convert to Common Stock in the Company at the “per share value” (minus any discounts) of the Company’s Common Stock as determined by an Independent Third Party Valuations Firm that is chosen by the Company’s Board of Directors.

*(a) Description of Company Common Stock.*

The Company is authorized by its Certificate of Incorporation to issue an aggregate of 100,000,000,000 shares of Common stock, \$0.001 par value per share (the "Common Stock"). As of July 1st, 2014 – 100,000 shares of Common Stock were issued and outstanding.

All outstanding shares of Common Stock are of the same class and have equal rights and attributes. The holders of Common Stock are entitled to one vote per share on all matters submitted to a vote of stockholders of the Company. All stockholders are entitled to share equally in dividends, if any, as may be declared from time to time by the Board of Directors out of funds legally available. In the event of liquidation, the holders of Common Stock are entitled to share ratably in all assets remaining after payment of all liabilities. The stockholders do not have cumulative or preemptive rights.

The description of certain matters relating to the securities of the Company is a summary and is qualified in its entirety by the provisions of the Company’s Certificate of Incorporation and By-Laws, copies of which have been filed as exhibits to this Form 1-A. No Common Stock is being offered in the Offering Circular.

*(b) Background Information on the Preferred Stock.*

The Company is authorized by its Certificate of Incorporation to issue an aggregate of 1,000,000 shares of Preferred stock, no par value per share (the "Preferred Stock"). As of July 1st, 2014 – NO Preferred Stock Units were issued and outstanding. Upon the completion of this Offering, TEN THOUSAND shares of Preferred Stock will be issued and outstanding.

(c) *Other Debt Securities.* None.

(d) *Other Securities to Be Registered.* None.

### **Security Holders**

As of July 1st, 2014, there were 100,000 shares of our Common Stock outstanding, which were held of record by approximately 2 stockholders, not including persons or entities that hold the stock in nominee or "street" name through various brokerage firms.

As of June 1st, 2014, there were NO shares of our Preferred Stock outstanding, which were held of record by approximately 0 stockholders, not including persons or entities that hold the stock in nominee or "street" name through various brokerage firms.

### **Dividends**

The Company has never declared or paid cash dividends on its Common Stock Units. The Company currently intends to retain all available funds and future earnings for use in the operation of Company business and does not anticipate paying any cash dividends in the foreseeable future to holders of our Common Stock. Any future determination to declare dividends for the Company's Common Stock Units will be made at the discretion of our board of directors, and will depend on our financial condition, results of operations, capital requirements, general business conditions and other factors that our board of directors may deem relevant.

### **Indemnification of Directors and Officers:**

The Company is incorporated under the laws of Texas. Texas General Corporation Law provides that a corporation may indemnify directors and officers as well as other employees and individuals against expenses including attorneys' fees, judgments, fines and amounts paid in settlement in connection with various actions, suits or proceedings, whether civil, criminal, administrative or investigative other than an action by or in the right of the corporation, a derivative action, if they acted in good faith and in a manner they reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, if they had no reasonable cause to believe their conduct was unlawful. A similar standard is applicable in the case of derivative actions, except that indemnification only extends to expenses including attorneys' fees incurred in connection with the defense or settlement of such actions and the statute requires court approval before there can be any indemnification where the person seeking indemnification has been found liable to the corporation. The statute provides that it is not exclusive of other indemnification that may be granted by a corporation's certificate of incorporation, bylaws, agreement, and a vote of stockholders or disinterested directors or otherwise.

The Company's Certificate of Incorporation provides that it will indemnify and hold harmless, to the fullest extent permitted by Texas' General Corporation Law, as amended from time to time, each person that such section grants us the power to indemnify.

Texas' General Corporation Law permits a corporation to provide in its certificate of incorporation that a director of the corporation shall not be personally liable to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability for:

- any breach of the director's duty of loyalty to the corporation or its stockholders;
- acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law;
- payments of unlawful dividends or unlawful stock repurchases or redemptions; or
- any transaction from which the director derived an improper personal benefit.

The Company's Certificate of Incorporation provides that, to the fullest extent permitted by applicable law, none of our directors will be personally liable to us or our stockholders for monetary damages for breach of fiduciary duty as a director. Any repeal or modification of this provision will be prospective only and will not adversely affect any limitation, right or protection of a director of our company existing at the time of such repeal or modification.

**FINANCIAL STATEMENTS SECTION:**

<b>2014 Balance Sheet</b>	<b>47</b>
<b>2014 Statement of Income &amp; Expense</b>	<b>48</b>
<b>2014 Statement of Shareholder Equity</b>	<b>49</b>
<b>2014 Statement of Cash Flow</b>	<b>50</b>
<b>Use of Investment Funds</b>	<b>51</b>
<b>2014 Notes to the Financial Statements</b>	<b>52</b>
<b>2013 Balance Sheet</b>	<b>54</b>
<b>2013 Statement of Income &amp; Expense</b>	<b>55</b>
<b>2013 Statement of Shareholder Equity</b>	<b>56</b>
<b>2013 Statement of Cash Flow</b>	<b>57</b>
<b>2013 Notes to the Financial Statements</b>	<b>58</b>
<b>2012 Balance Sheet</b>	<b>59</b>
<b>2012 Statement of Income &amp; Expense</b>	<b>60</b>
<b>2012 Statement of Shareholder Equity</b>	<b>61</b>
<b>2012 Statement of Cash Flow</b>	<b>62</b>
<b>2012 Notes to the Financial Statements</b>	<b>63</b>
<b>Company Public Reporting Requirements</b>	<b>64</b>

**XCalibur Shoes, Inc.**  
**(A Development Stage Company)**  
**BALANCE SHEET**  
**May 31, 2014**

**ASSETS**

**CURRENT ASSETS**

Cash & Short-Term Investments	\$ 25,300
Inventory	<u>7,250</u>
	<b>32,550</b>

**LONG-TERM ASSETS**

Intangible Capital Assets	0
<b>Total Assets</b>	<b>\$ <u>32,550</u></b>

**LIABILITIES AND EQUITY**

Accounts payable and accrued expenses	\$ 22,000
Long Term Debt	<u>0</u>
<b>Total Liabilities</b>	<b><u>22,000</u></b>
Equity	10,550
<b>Total Liabilities &amp; Equities</b>	<b>\$ <u>32,550</u></b>

See notes to financial statements

**XCalibur Shoes, Inc.**  
**(A Development Stage Company)**  
**STATEMENT OF REVENUE AND EXPENSES**  
**For the period of January 1, 2014 through May 31, 2014**

<b>REVENUE</b>	
Sales	\$ 1,650
<b>EXPENSES</b>	
COGS	0
Marketing	(12,500)
Research & Development	(3,500)
Legal	(500)
	<u>(16,500)</u>
<b>NET LOSS</b>	<b>\$ <u>(14,850)</u></b>

See notes to financial statements

**XCalibur Shoes, Inc.**  
**(A Development Stage Company)**  
**STATEMENT OF EQUITY**  
**For the period of January 1, 2014 through May 31, 2014**

Beginning Capital	\$ 15,400
Capital Contribution	10,000
Net Loss	<u>(14,850)</u>
Equity Balance as of May 31, 2014	<u>\$ 10,550</u>

See notes to financial statements

**XCalibur Shoes, Inc.**  
**(A Development Stage Company)**  
**STATEMENT OF CASH FLOWS**  
For the period of January 1, 2014 through May 31, 2014

Cash flows from operating activities:	
Net loss	\$ (14,850)
Changes in assets and liabilities:	
Inventory	1,000
Intangible Assets	0
Accounts payable and accrued expenses	22,000
Long Term Debt	<u>0</u>
Net cash provided by operating activities	8,150
Cash flows from investing activities:	
Purchase of land and building	0
Acquisitions	<u>0</u>
Net cash used in investing activities	0
Cash flows from financing activities:	
Capital Contributions	10,000
Cash as of December 31, 2013	7,150
Cash as of May 31, 2014	<u>\$ 25,300</u>

See notes to financial statements

**XCalibur Shoes, Inc.**  
(A Development Stage Company)  
**USE OF INVESTMENT FUNDS**

<u>Items:</u>	<u>Funds:</u>
PR & Offline Marketing	\$25,000
Celebrity Endorsement	\$50,000
Online Marketing & SEO for Website	\$15,000
Website Upgrade & Development	\$10,000
Lookbook & Press Kit	\$5,000
Trade Show - Project Sole - New York	\$7,500
Trade Show - MRket Mens - Las Vegas	\$7,500
Trade Show - GDS - Dusseldorf, German	\$18,000
Collection Launch Event - New York	\$20,000
Travel	\$10,000
Samples Production	\$25,000
Inventory Production	\$100,000
Purchase Order Fulfillment	\$200,000
Offering Costs	\$50,000
Sales Showroom - New York	\$30,000
PR Showroom / Office - Los Angeles	\$42,000
Office Supplies & Equipment	\$10,000
Total Staffing & Sales Compensation	\$225,000
Insurance	\$25,000
Legal	\$20,000
Year-End Audit Services	\$25,000
IRS Filing - CPA	\$5,000
Research & Development	\$75,000
<b>TOTAL</b>	<b><u>\$1,000,000</u></b>

**XCalibur Shoes, Inc.**  
*(A Development Stage Company)*  
**NOTES TO FINANCIAL STATEMENTS**  
For the period of January 1, 2014 through May 31, 2014

**NOTE 1. ORGANIZATION**

Xcalibur Shoes, Inc. is a Texas Stock Corporation renamed in April of 2014 from VAFINV, LLC that was originally formed in January of 2008. The Company was renamed from VAFINV, LLC in effort to solely focus on the development, production, marketing and selling of footwear and operative as XCalibur Shoes, Inc. The footwear company became fully operational in January of 2014.

The Company was initially capitalized by its Founder & CEO with an opening deposit and balance of \$20,000 USD and additional cash contributions were made during this period.

**NOTE 2. ACCOUNTS PAYABLE & ACCURED EXPENSES**

XCalibur Shoes, Inc. intends to promote and sell its brand's products through its contracts entered with various celebrities and influencers. These contracts may include monthly or quarterly fees payable to talent to market and endorsement services. Currently there is a celebrity endorsement contract in effect through March 2015 for the promotion of company product. The current accounts payable for said endorsement is \$22,000 USD and the contract remains in good standing.

**NOTE 3. LEGAL**

The Company filed a trademark application with the USPTO for its logo that is currently in use and continues to work with legal counsel in effort to secure such trademarks for the selling and distribution of its products. These legal expenses were \$500 for this period.

**NOTE 4. BASIS OF ACCOUNTING**

These Unaudited Financial Statements of the Company have been prepared in accrual basis of accounting in accordance with accounting principals generally accepted in the United States of America (U.S. GAAP).

#### Reports to Security Holders

The Company will be a non-reporting company until such time as the company files quarterly and audited financial statements, and complies with the requirements of the Securities Exchange Act of 1934, as amended. The Company will be filing the following reports for shareholder review at [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com)

1. **Quarterly Un-Audited Financial Statements:** Company to furnish all investors and Alternative Securities Markets Group a complete set of un-audited financial statements within 30 days of the close of each business quarter. Company's Quarterly Financial Statements to also be posted for public view on the Company's page at [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com).
2. **Annual Audited Financial Statements:** Company to furnish to all investors and Alternative Securities Markets Group a complete set of third party audited financial statements within 60 days of the close of each business year. Company's Annual Financial Statement to be posted for public view on the Company's page at [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com).
3. **Monthly State of the Company Letter to Investors:** The CEO will issue to all investors and to Alternative Securities Markets Group, a "Monthly State of the Company" letter detailing the current state of all business operations for the Company. Letter to be posted for public view on the Company's page at [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com).
4. **Quarterly Conference Call:** The CEO or Executive of the Company will hold a quarterly video / telephone conference call with investors no sooner than 10 days, but no greater than 30 days, after the posting of the Company's quarterly financial report. The recorded Conference call will also be made available for public listen and/or viewing on the Company's Page at [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com).
5. **Corporate Actions:** Company must disclose to all investors and to Alternative Securities Markets Group all: Dividends, Stock Splits, New Stock Issues, Reverse Splits, Name Changes, Mergers, Acquisitions, Dissolutions, Bankruptcies or Liquidations. All must be reported to investors and to Alternative Securities Markets Group no less than TEN CALENDAR DAYS prior to the record date.

**XCalibur Shoes, Inc.**  
(A Development Stage Company)  
**BALANCE SHEET**  
December 31, 2013

**ASSETS**

**CURRENT ASSETS**

Cash & Short-Term Investments	\$ 7,150
Inventory	<u>8,250</u>
	<b>15,400</b>

**LONG-TERM ASSETS**

Intangible Capital Assets	<u>0</u>
<b>Total Assets</b>	<b>\$ <u>15,400</u></b>

**LIABILITIES AND EQUITY**

Accounts payable and accrued expenses	\$ 0
Long Term Debt	<u>0</u>
<b>Total Liabilities</b>	<u>0</u>
Equity	15,400
<b>Total Liabilities &amp; Equities</b>	<b>\$ <u>15,400</u></b>

See notes to financial statements

**XCalibur Shoes, Inc.**  
**(A Development Stage Company)**  
**STATEMENT OF REVENUE AND EXPENSES**

For the period of January 1, 2013 through December 31, 2013

<b>REVENUE</b>	
Sales	\$ 1,400
<b>EXPENSES</b>	
COGS	0
Marketing	(3,500)
Research & Development	(3,000)
Interest Expense	0
	<u>(6,500)</u>
<b>NET LOSS</b>	<b>\$ <u>(5,100)</u></b>

See notes to financial statements

**XCalibur Shoes, Inc.**  
**(A Development Stage Company)**  
**STATEMENT OF EQUITY**  
**For the period of January 1, 2013 through December 31, 2013**

<b>Beginning Capital</b>	<b>\$ 10,500</b>
<b>Capital Contribution</b>	<b>10,000</b>
<b>Net Loss</b>	<b><u>(5,100)</u></b>
<b>Equity Balance as of December 31, 2013</b>	<b><u>\$ 15,400</u></b>

**See notes to financial statements**

**XCalibur Shoes, Inc.**  
**(A Development Stage Company)**  
**STATEMENT OF CASH FLOWS**  
For the period of January 1, 2013 through December 31, 2013

<b>Cash flows from operating activities:</b>	
Net loss	\$ (5,100)
<b>Changes in assets and liabilities:</b>	
Inventory	750
Intangible Assets	0
Accounts payable and accrued expenses	0
Long Term Debt	<u>0</u>
Net cash provided by operating activities	(4,350)
<b>Cash flows from investing activities:</b>	
Purchase of land and building	0
Acquisitions	<u>0</u>
Net cash used in investing activities	0
<b>Cash flows from financing activities:</b>	
Capital Contributions	10,000
Cash as of December 31, 2012	1,500
Cash as of December 31, 2013	<u>\$ 7,150</u>
See notes to financial statements	

**XCalibur Shoes, Inc.**  
(A Development Stage Company)  
**NOTES TO FINANCIAL STATEMENTS**  
For the period of January 1, 2013 through December 31, 2013

**NOTE 1. ORGANIZATION**

Xcalibur Shoes, Inc. is a Texas Stock Corporation renamed in April of 2014 from VAFINV, LLC that was originally formed in January of 2008. The Company was renamed from VAFINV, LLC in effort to solely focus on the development, production, marketing and selling of footwear and operative as XCalibur Shoes, Inc.

The Company was initially capitalized by its Founder & CEO with an opening deposit and balance of \$20,000 USD and additional cash contributions were made during this period.

**NOTE 2. OPERATIONS**

Inventory was drawn down slightly with internet sales and promotional gifting in effort to generate additional product demand and cash flow. In addition, the company had \$3,000 in R&D expenses for new shoe design samples to be presented to retail store buyers during the Fall 2014 season.

**NOTE 3. BASIS OF ACCOUNTING**

These Unaudited Financial Statements of the Company have been prepared in accrual basis of accounting in accordance with accounting principals generally accepted in the United States of America (U.S. GAAP).

**XCalibur Shoes, Inc.**  
**(A Development Stage Company)**  
**BALANCE SHEET**  
**December 31, 2012**

**ASSETS**

**CURRENT ASSETS**

Cash & Short-Term Investments	\$ 1,500
Inventory	<u>9,000</u>
	10,500

**LONG-TERM ASSETS**

Intangible Capital Assets	<u>0</u>
<b>Total Assets</b>	<b><u>\$ 10,500</u></b>

**LIABILITIES AND EQUITY**

Accounts payable and accrued expenses	\$ 0
Long Term Debt	<u>0</u>
<b>Total Liabilities</b>	<b><u>0</u></b>
Equity	10,500
<b>Total Liabilities &amp; Equities</b>	<b><u>\$ 10,500</u></b>

See notes to financial statements

**XCalibur Shoes, Inc.**  
**(A Development Stage Company)**  
**STATEMENT OF REVENUE AND EXPENSES**  
**For the period of January 1, 2012 through December 31, 2012**

<b>REVENUE</b>	
Sales	\$       0
<b>EXPENSES</b>	
COGS	(3,000)
Marketing	(6,500)
Research & Development	0
Interest Expense	0
	<u>(9,500)</u>
<b>NET LOSS</b>	<b>\$ <u>(9,500)</u></b>

See notes to financial statements

**XCalibur Shoes, Inc.**  
**(A Development Stage Company)**  
**STATEMENT OF EQUITY**  
**For the period of January 1, 2012 through December 31, 2012**

Capital Contributions	\$ 20,000
Net Loss	<u>(9,500)</u>
Equity Balance as of December 31, 2012	<u>\$ 10,500</u>

See notes to financial statements

**XCalibur Shoes, Inc.**  
(A Development Stage Company)  
**STATEMENT OF CASH FLOWS**  
For the period of January 1, 2012 through December 31, 2012

<b>Cash flows from operating activities:</b>	
Net loss	\$ (9,500)
<b>Changes in assets and liabilities:</b>	
Inventory	(9,000)
Intangible Assets	0
Accounts payable and accrued expenses	0
Long Term Debt	<u>0</u>
Net cash provided by operating activities	(18,500)
<b>Cash flows from investing activities:</b>	
Purchase of land and building	0
Acquisitions	<u>0</u>
Net cash used in investing activities	0
<b>Cash flows from financing activities:</b>	
Capital Contributions	20,000
<b>Cash as of December 31, 2012</b>	<b>\$ <u>1,500</u></b>

See notes to financial statements

**XCalibur Shoes, Inc.**  
**(A Development Stage Company)**  
**NOTES TO FINANCIAL STATEMENTS**  
For the period of January 1, 2012 through December 31, 2012

**NOTE 1. ORGANIZATION**

Xcalibur Shoes, Inc. is a Texas Stock Corporation renamed in April of 2014 from VAFINV, LLC that was originally formed in January of 2008. The Company was renamed from VAFINV, LLC in effort to solely focus on the development, production, marketing and selling of footwear and operative as XCalibur Shoes, Inc.

The initial stages of the footwear company consisted of developing the company's first shoe collection, attending trade shows and selling product. Retail stores placed purchase orders, however these stores did not take immediate delivery which slightly extended inventory levels.

The Company was initially capitalized by its Founder & CEO with an opening deposit and balance of \$20,000 USD.

**NOTE 2. BASIS OF ACCOUNTING**

These Unaudited Financial Statements of the Company have been prepared in accrual basis of accounting in accordance with accounting principals generally accepted in the United States of America (U.S. GAAP).

**Reports to security holders:**

(1) The Company will be a non-reporting company until such time as the company files quarterly and audited financial statements, and complies with the requirements of the Securities Exchange Act of 1934, as amended. The Company will be filing the following reports for shareholder review at [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com)

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2. **Annual Audited Financial Statements:** Company to furnish to all Investors and Alternative Securities Markets Group a complete set of third party audited financial statements within 60 days of the close of each business year. Company's Annual Financial Statement to be posted for public view on the Company's page at [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com).
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5. **Corporate Actions:** Company must disclose to all investors and to Alternative Securities Markets Group all: Dividends, Stock Splits, New Stock Issues, Reverse Splits, Name Changes, Mergers, Acquisitions, Dissolutions, Bankruptcies or Liquidations. All must be reported to Investors and to Alternative Securities Markets Group no less than TEN CALENDAR DAYS prior to the record date.

**SIGNATURES**

**The Issuer has duly caused this Offering Statement to be signed on its behalf by the undersigned, thereunto duly authorized.**

**Xcalibur Shoes, Inc.**

**By: Mr. Vijay Freeman**

By: \_\_\_\_\_

**Name: Mr. Vijay Freeman**  
**Title: Chief Executive Officer**

**By: Mr. Steven J. Muehler (Alternative Securities Markets Group)**

By: \_\_\_\_\_

**Name: Mr. Steven J. Muehler**  
**Title: Advisor & Drafter of this Securities Registration Statement**

# Signature Certificate

Document Reference: MCSRHUJKXJAYP5IIKSSB9J

**RightSignature**  
Easy Online Document Signing

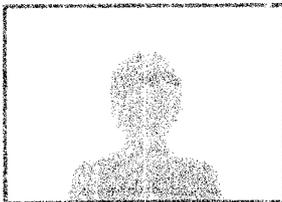


xcaliburshoesgmail.com  
Party ID: UWX5WLIFY47HM5LRKX84UU  
IP Address: 130.221.224.7  
**VERIFIED EMAIL:** xcaliburshoes@gmail.com

Electronic Signature

Multi-Factor  
Digital Fingerprint Checksum

eeaba7ac9dcf94cfc4ed74f2eaf7e0bd64714f5c



Alternative Securities Markets Group  
Party ID: L85Y93IEJ5WD45X4ADS5XR  
IP Address: 104.34.245.221  
**VERIFIED EMAIL:** legal@asmmarketsgroup.com

Electronic Signature

Multi-Factor  
Digital Fingerprint Checksum

a3c945fd39b5daccad0879132aa85282ad80cda



## Timestamp

2014-07-22 15:51:44 -0700  
2014-07-22 15:51:44 -0700  
2014-07-22 15:48:59 -0700  
2014-07-22 15:47:42 -0700  
2014-07-22 15:47:12 -0700  
2014-07-22 15:47:11 -0700

## Audit

All parties have signed document. Signed copies sent to:  
xcaliburshoesgmail.com and Alternative Securities Markets Group.  
Document signed by xcaliburshoesgmail.com (xcaliburshoes@gmail.com) with  
drawn signature. - 130.221.224.7  
Document viewed by xcaliburshoesgmail.com (xcaliburshoes@gmail.com). -  
130.221.224.7  
Document signed by Alternative Securities Markets Group  
(legal@asmmarketsgroup.com) with drawn signature. - 104.34.245.221  
Document viewed by Alternative Securities Markets Group  
(legal@asmmarketsgroup.com). - 104.34.245.221  
Document created by Alternative Securities Markets Group  
(legal@asmmarketsgroup.com). - 104.34.245.221



This signature page provides a record of the online activity executing this contract.

**EXHIBITS:**

• <b>Exhibit A: Subscription Agreement</b>	<b>7 Pages</b>
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**EXHIBIT A:**

**XCalibur Shoes, Inc.**

**C/O: Alternative Securities Markets Group**

**9107 Wilshire Blvd.**

**Suite 450**

**Beverly Hills, California 90210**

**LEGAL@ASMMARKETSGROUP.COM**

**Direct: (213) 407-4386**

**SUBSCRIPTION AGREEMENT**

**9% Convertible Preferred Stock Units 1 to 10,000**

Subject to the terms and conditions of the shares of 9% Preferred Convertible Preferred Stock Units (the "Convertible Preferred Stock") described in the XCalibur Shoes, Inc. Offering Circular dated July 21st, 2014 (the "Offering"), I hereby subscribe to purchase the number of shares of 9% Convertible Preferred Stock set forth below for a purchase price of \$100.00 per share. Enclosed with this subscription agreement is my check (Online "E-Check" or Traditional Papery Check) or money order made payable to "XCalibur Shoes, Inc." evidencing \$100.00 for each share of Convertible Preferred Stock Subscribed, subject to a minimum of ONE 9% Preferred Convertible Preferred Stock Unit (\$100.00).

I understand that my subscription is conditioned upon acceptance by XCalibur Shoes, Inc. Company Managers and subject to additional conditions described in the Offering Circular. I further understand that XCalibur Shoes, Inc. Company Managers, in their sole discretion, may reject my subscription in whole or in part and may, without notice, allot to me a fewer number of shares of 9% Convertible Preferred Stock that I have subscribed for. In the event the Offering is terminated, all subscription proceeds will be returned with such interest as may have been earned thereon.

I certify that I have read the Offering Circular and that I am relying on no representations other than those set forth in the Offering Circular. I understand that when this subscription agreement is executed and delivered, it is irrevocable and binding to me. I further understand and agree that my right to purchase shares of 9% Convertible Preferred Stock offered by the Company may be assigned or transferred to any third party without the express written consent of the Company ONLY through the Alternative Securities Markets Group's Securities Resale Portal at <http://www.AlternativeSecuritiesMarket.com>, and that no public market for the Company's securities has been created or may be created in the future.

I further certify, under penalties of perjury, that: (1) the taxpayer identification number shown on the signature page of this Offering Circular is my correct identification number; (2) I am not subject to backup withholding under the Internal Revenue Code because (a) I am exempt from backup withholding; (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and (3) I am a U.S. citizen or other U.S. person (as defined in the instructions to Form W-9).

**SUBSCRIPTION AGREEMENT** (the “Agreement”) with the undersigned Purchaser for \_\_\_\_\_ 9% Convertible Preferred Stock Units of XCalibur Shoes, Inc., with no par value per share, at a purchase price of **\$100.00 (ONE HUNDRED DOLLARS AND ZERO CENTS) per share** (aggregate purchase price: \$ \_\_\_\_\_).

Made \_\_\_\_\_, by and between XCalibur Shoes, Inc., a Texas Stock Corporation (the “Company”), and the Purchaser whose signature appears below on the signature line of this Agreement (the “Purchaser”).

**WITNESETH:**

WHEREAS, the Company is offering for sale up to TEN THOUSAND 9% Convertible Preferred Stock Units (the “Shares”) (such offering being referred to as the “Offering”).

NOW, THEREFORE, the Company and the Purchaser, in consideration of the mutual covenants contained herein and intending to be legally bound, do hereby agree as follows:

- 1 **Purchase and Sale.** Subject to the terms and conditions hereof, the Company shall sell, and the Purchaser shall purchase, the number of Shares indicated above at the price so indicated.
2. **Method of Subscription.** The Purchaser is requested to complete and execute this agreement online *or* to print, execute and deliver two copies of this Agreement to the Company, at **XCalibur Shoes, Inc., C/O: Alternative Securities Markets Group, 9107 Wilshire Blvd., Suite 450, Beverly Hills, California 90210**, payable by check to the order of **XCalibur Shoes, Inc.** in the amount of the aggregate purchase price of the Shares subscribed (the “Funds”). The Company reserves the right in its sole discretion, to accept or reject, in whole or in part, any and all subscriptions for Shares.
- 3 **Subscription and Purchase.** The Offering will begin on the effective date of the Offering Statement and continue until the Company has sold all of the Shares offered hereby or on such earlier date as the Company may close or terminate the Offering.

Any subscription for Shares received will be accepted or rejected by the Company within 30 days of receipt thereof or the termination date of this Offering, if earlier. If any such subscription is accepted, in whole or part, the Company will promptly deliver or mail to the Purchaser (i) a fully executed counterpart of this Agreement, (ii) a certificate or certificates for the Shares being purchased, registered in the name of the Purchaser, and (iii) if the subscription has been accepted only in part, a refund of the Funds submitted for Shares not purchased. Simultaneously with the delivery or mailing of the foregoing, the Funds deposited in payment for the Shares purchased will be released to the Company. If any such subscription is rejected by the Company, the Company will promptly return, without interest, the Funds submitted with such subscription to the subscriber.

- 4 **Representations, Warranties and Covenants of the Purchaser.** The Purchaser represents, warrants and agrees as follows:

(a) Prior to making the decision to enter into this Agreement and invest in the Shares subscribed, the Purchaser has received and read the Offering Statement. On the basis of the foregoing, the Purchaser acknowledges that the Purchaser processes sufficient information to understand the merits and risks associated with the investment in the Shares subscribed. The Purchaser acknowledges that the Purchaser has not been given any information or representations concerning the Company or the Offering, other than as set forth in the Offering Statement, and if given or made, such information or representations have not been relied upon by the Purchaser in deciding to invest in the Shares subscribed.

(b) The Purchaser has such knowledge and experience in financial and business matters that the Purchaser is capable of evaluating the merits and risks of the investment in the Shares subscribed and the Purchaser believes that the Purchaser's prior investment experience and knowledge of investments in low-priced securities ("penny stocks") enables the Purchaser to make an informal decision with respect to an investment in the Shares subscribed.

(c) The Shares subscribed are being acquired for the Purchaser's own account and for the purposes of investment and not with a view to, or for the sale in connection with, the distribution thereof, nor with any present intention of distributing or selling any such Shares.

(d) The Purchaser's overall commitment to investments is not disproportionate to his/her net worth, and his/her investment in the Shares subscribed will not cause such overall commitment to become excessive.

(e) The Purchaser has adequate means of providing for his/her current needs and personal contingencies, and has no need for current income or liquidity in his/her investment in the Shares subscribed.

(f) With respects to the tax aspects of the investment, the Purchaser will rely upon the advice of the Purchaser's own tax advisors.

(g) The Purchaser can withstand the loss of the Purchaser's entire investment without suffering serious financial difficulties.

(h) The Purchaser is aware that this investment involves a high degree of risk and that it is possible that his/her entire investment will be lost.

(i) The Purchaser is a resident of the State set forth below the signature of the Purchaser on the last page of this Agreement.

5 **Company Convertible Securities:** All 9% Convertible Preferred Stock Units must be Converted to Company Common Stock either in the 2<sup>nd</sup>, 3<sup>rd</sup>, 4<sup>th</sup> or 5<sup>th</sup> year under the following terms and conditions at the Shareholders' Option:

- **YEAR 2:** (Shareholder Conversion Option)
  - At anytime during the second year of the investment, the Shareholder may choose on the First Business Day of Each Month to convert each Unit of the Company's 9% Convertible Preferred Stock for Common Stock of the Company at market price of the Company's Common Stock at time of conversion / closing. The closing price will be the weighted average price of the Common Stock Closing Price over the previous 60

days. Fractional interests will be paid to the shareholder by the Company in cash.

- The Shareholder can sell the 9% Convertible Preferred Stock Units back to the Company at any time after two years for the full face value of the Shares plus any accrued interest, though the Company has no obligation to purchase the units.
  - Should the Company not be listed on any Regulated Stock Exchange or OTC Market (“Over-the-Counter inter-dealer quotation system”), the shares shall convert to Common Stock in the Company at the “per share value” of the Company’s Common Stock as determined by an Independent Third Party Valuations Firm that is chosen by the Company’s Board of Directors.
- YEAR 3: (Shareholder Conversion Option)
- At anytime during the third year of the investment, the Shareholder may choose on the First Business Day of Each Month to convert each Unit of the Company’s 9% Convertible Preferred Stock for Common Stock of the Company at market price *minus 5%* of the Company’s Common Stock at time of conversion / closing. The closing price will be the weighted average price of the Common Stock Closing Price over the previous 60 days. Fractional interests will be paid to the shareholder by the Company in cash.
  - The Shareholder can sell the 9% Convertible Preferred Stock Units back to the Company at any time after two years for the full face value of the Shares plus any accrued interest, though the Company has no obligation to purchase the units.
  - Should the Company not be listed on any Regulated Stock Exchange or OTC Market (“Over-the-Counter inter-dealer quotation system”), the shares shall convert to Common Stock in the Company at the “per share value” of the Company’s Common Stock as determined by an Independent Third Party Valuations Firm that is chosen by the Company’s Board of Directors.
- YEAR 4: (Optional Conversion Option)
- At anytime during the fourth year of the investment, the Shareholder may choose on the First Business Day of Each Month to convert each unit of the Company’s 9% Convertible Preferred Stock for Common Stock of the Company at market price *minus 10%* of the Company’s Common Stock at time of conversion / closing. The closing price will be the weighted average price of the Common Stock Closing Price over the previous 60 days. Fractional interests will be paid to the shareholder by the Company in cash.
  - The Shareholder can sell the 9% Convertible Preferred Stock Units back to the Company at any time after two years for the full face value of the

Shares plus any accrued interest, though the Company has no obligation to purchase the units.

- Should the Company not be listed on any Regulated Stock Exchange or OTC Market (“Over-the-Counter inter-dealer quotation system”), the shares shall convert to Common Stock in the Company at the “per share value” (minus any discounts) of the Company’s Common Stock as determined by an Independent Third Party Valuations Firm that is chosen by the Company’s Board of Directors.

▪ YEAR 5: (Optional & Mandatory Conversion Options)

- *Optional:* At anytime during the fourth year of the investment, the Shareholder may choose on the First Day of Each Month to convert each unit of the Company’s Convertible 9% Preferred Stock for Common Stock of the Company at market price *minus 15%* of the Company’s Common Stock at time of conversion / closing. The closing price will be the weighted average price of the Common Stock Closing Price over the previous 60 days. Fractional interests will be paid to the shareholder by the Company in cash.
- The Shareholder can sell the 9% Convertible Preferred Stock Units back to the Company at any time after two years for the full face value of the Shares plus any accrued interest, though the Company has no obligation to purchase the units.
- *Mandatory:* On the last business day of the 5<sup>th</sup> year of the investment, the Shareholder MUST convert each Unit of the Company’s 9% Convertible Preferred Stock for Common Stock of the Company at market price *minus 15%* of the Company’s Common Stock at time of conversion / closing. The closing price will be the weighted average price of the Common Stock Closing Price over the previous 60 days. Fractional interests will be paid to the shareholder by the Company in cash.
- Should the Company not be listed on any Regulated Stock Exchange or OTC Market (“Over-the-Counter inter-dealer quotation system”), the shares shall convert to Common Stock in the Company at the “per share value” (minus any discounts) of the Company’s Common Stock as determined by an Independent Third Party Valuations Firm that is chosen by the Company’s Board of Directors.

6 Notices. All notices, request, consents and other communications required or permitted hereunder shall be in writing and shall be delivered, or mailed first class, postage prepaid, registered or certified mail, return receipt requested:

(a) If to any holder of any of the Shares, addressed to such holder at the holder’s last address appearing on the books of the Company, or

(b) If to the Company, addressed to the **XCalibur Shoes, Inc., 900 South Figueroa Street, Suite 603, Los Angeles, California 90015**, or such other address as the Company may specify by written notice to the Purchaser, and such notices or other communications shall for all purposes of this Agreement be treated as being effective on delivery, if delivered

personally, or, if sent by mail, on the earlier of actual receipt or the third postal business day after the same has been deposited in a regularly maintained receptacle for the deposit of United States' mail, addressed and postage prepaid as aforesaid.

6. **Severability.** Should any one or more of the provisions of this Agreement be determined to be illegal or unenforceable, all other provisions of this Agreement shall be given effect separately from the provision or provisions determined to be illegal or unenforceable and shall not be affected thereby.
7. **Parties in Interest.** This Agreement shall be binding upon and inure to the benefits of and be enforceable against the parties hereto and their respective successors or assigns, provided, however, that the Purchaser may not assign this Agreement or any rights or benefits hereunder.
8. **Choice of Law.** This Agreement is made under the laws of the State of Texas, and for all purposes shall be governed by and construed in accordance with the laws of that State, including, without limitation, the validity of this Agreement, the construction of its terms, and the interpretation of the rights and obligations of the parties hereto.
9. **Headings.** Sections and paragraph heading used in this Agreement have been inserted for convenience of reference only, do not constitute a part of this Agreement and shall not affect the construction of this Agreement.
10. **Execution in Counterparts.** This Agreement may be executed an any number of counterparts and by different parties hereto in separate counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which when taken together shall constitute but one and the same instrument.
11. **Survival of Representations and Warranties.** The representations and warranties of the Purchaser in and with respect to this Agreement shall survive the execution and delivery of this Agreement, any investigation at any time made by or on behalf of any Purchaser, and the sale and purchase of the Shares and payment therefore.
12. **Additional Information.** The Purchaser realizes that the Shares are offered hereby pursuant to exemptions from registration provided by Regulation A and the Securities Act of 1933. The Shares are being offered ONLY TO RESIDENTS OF THE UNITED STATES:
  - TBD

**Subscription Agreement • Regulation A • XCalibur Shoes, Inc.**

IN WITNESSES WHEREOF, the parties hereto have executed this Subscription Agreement as of the day and year first above written.

**XCalibur Shoes, Inc.:**

By: \_\_\_\_\_  
President

**PURCHASER:**

\_\_\_\_\_  
Signature of Purchaser

\_\_\_\_\_  
Alternative Securities Market Investment Account Number