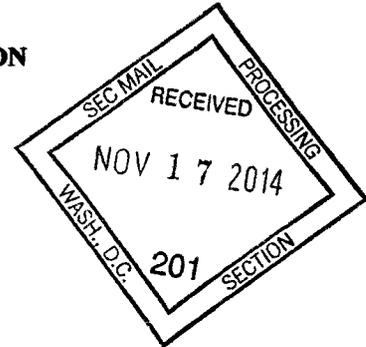


OFFERING CIRCULAR  
UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549



**FORM 1-A**

REGULATION A OFFERING STATEMENT  
UNDER THE SECURITIES ACT OF 1933

**RUM CAY OCEAN RESORT  
& SPA DEVELOPMENT, LLC**

Commission File Number: 0001620937

**Florida**

UNITED STATES:

Rum Cay Ocean Resort & Spa Development, LLC

493 Red Corner Road

Douglasville, Pennsylvania 19518

Phone: (888) 327-9113

6500 – Real Estate

(Primary Standard Industrial  
Classification Code Number)

47-1359349

(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. Steve Sherman Rum Cay Ocean Resort & Spa Development, LLC Mailing: 493 Red Corner Road, Douglassville, Pennsylvania 19518	Founder & Senior Managing Member
Mr. Kerry Kalvig Rum Cay Ocean Resort & Spa Development, LLC Mailing: 493 Red Corner Road, Douglassville, Pennsylvania 19518	Development Manager & Managing Member
Mr. Mike Carlson Rum Cay Ocean Resort & Spa Development, LLC Mailing: 493 Red Corner Road, Douglassville, Pennsylvania 19518	Vice President & Managing Member
Mr. Neil Armstrong Rum Cay Ocean Resort & Spa Development, LLC Mailing: 493 Red Corner Road, Douglassville, Pennsylvania 19518	Senior Executive & Managing Member
Mr. Jeffrey Muller Rum Cay Ocean Resort & Spa Development, LLC Mailing: 493 Red Corner Road, Douglassville, Pennsylvania 19518	Senior Executive & Managing Member
Mr. Michael Poelstra Rum Cay Ocean Resort & Spa Development, LLC Mailing: 493 Red Corner Road, Douglassville, Pennsylvania 19518	Senior Executive & Managing Member
Mr. Craig Atkins Rum Cay Ocean Resort & Spa Development, LLC Mailing: 493 Red Corner Road, Douglassville, Pennsylvania 19518	Senior Executive & Managing Member

**(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 Rum Cay Ocean Resort & Spa Development, LLC. affiliates who own 5% or more of any class of our Equity Membership Units:

Name and Address of Record Owner	Membership Units of Record Owned	% of Membership Units of Record Owned
Mr. Steve Sherman (1) (2)	LLC Equity Membership Units	90%
Mr. Kerry Kalvig (3) (4)	LLC Equity Membership Units	0.0%
Mr. Mike Carlson (5) (6)	LLC Equity Membership Units	0.0%
Mr. Neil Armstrong (7) (8)	LLC Equity Membership Units	0.0%
Mr. Jeffrey Muller (9) (10)	LLC Equity Membership Units	0.0%
Mr. Michael Poelstra (11) (12)	LLC Equity Membership Units	0.0%
Mr. Craig Atkins (13) (14)	LLC Equity Membership Units	10%

- (1) Mr. Steve Sherman is the Founder & Senior Managing Member of "Rum Cay Ocean Resort & Spa Development, LLC"
- (2) Address: 493 Red Corner Road, Douglassville, Pennsylvania 19518
- (3) Mr. Kerry Kalvig is the Development Manager & a Managing Member of "Rum Cay Ocean Resort & Spa Development, LLC"
- (4) Address: 493 Red Corner Road, Douglassville, Pennsylvania 19518
- (5) Mr. Mike Carlson a Vice President and Managing Member of "Rum Cay Ocean Resort & Spa Development, LLC"
- (6) Address: 493 Red Corner Road, Douglassville, Pennsylvania 19518
- (7) Mr. Neil Armstrong a Senior Executive and Managing Member of "Rum Cay Ocean Resort & Spa Development, LLC"
- (8) Address: 493 Red Corner Road, Douglassville, Pennsylvania 19518
- (9) Mr. Jeffrey Muller is a Senior Executive and Managing Member of "Rum Cay Ocean Resort & Spa Development, LLC"
- (10) Address: 493 Red Corner Road, Douglassville, Pennsylvania 19518
- (11) Mr. Michael Poelstra is a Senior Executive and Managing Member of "Rum Cay Ocean Resort & Spa Development, LLC"
- (12) Address: 493 Red Corner Road, Douglassville, Pennsylvania 19518
- (13) Mr. Craig Atkins is a Senior Executive and Managing Member of "Rum Cay Ocean Resort & Spa Development, LLC"
- (14) Address: 493 Red Corner Road, Douglassville, Pennsylvania 19518

**(f) Promoters of the issuer**

All Members of:

Rum Cay Ocean Resort & Spa Development, LLC  
493 Red Corner Road  
Douglassville, Pennsylvania 19518  
Phone: (888) 327-9113  
Website: <http://www.RumCay.com>  
Email: [RumCay@GeniuSystems.com](mailto:RumCay@GeniuSystems.com)

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

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

The Company did not have any Legal Counsel or Underwriters Associated with this Offering at the time of Filing.

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 Rum Cay Ocean Resort & Spa Development, LLC 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 Rum Cay Ocean Resort & Spa Development, LLC 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 50 (fifty) Equity Membership Units in the Company, representing 5% (five percent) of outstanding Equity Membership Units of the Company 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.

**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 Corporation (California Stock Corporation), an equity holder 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 **Rum Cay Ocean Resort & Spa Development, LLC.** 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.**

The Company was formed as a Florida Limited Liability Company in July of 2014. Since its formation, the Company has issued ONE THOUSAND (1,000) Equity Membership Units as illustrated below:

Name & Address	Amount Owned
Mr. Steve Sherman Founder & Senior Managing Member 493 Red Corner Road Douglasville, Pennsylvania 19518	Equity Membership Units: 900 Units (90%)
Mr. Craig Atkins Founder & Senior Managing Member 493 Red Corner Road Douglasville, Pennsylvania 19518	Equity Membership Units: 100 Units (10%)

The issuance of all the foregoing Membership Units was in reliance of the exception from registration afforded by Section 4(2) of the Securities Act of 1933, as amended.

In accordance with the Company agreement with Alternative Securities Markets Group ("ASM"), the Company shall place into escrow and issue to ASM up to 50 Equity Membership Units (the "Escrowed Equity Membership Units") as follows:

- 20% of the Escrowed Equity Membership Units 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 Equity Membership Units escrowed) of the Escrowed Equity Membership Units 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 Equity Membership Units escrowed) of the Escrowed Equity Membership Units 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 Equity Membership Units escrowed) of the Escrowed Equity Membership Units 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 Equity Membership Units escrowed) of the Escrowed Equity Membership Units to be released to ASM fully diluted upon successfully diluted upon the successful capitalization of the Company to 100% of this offering.
- NOTE: Any Equity Membership Units not released to Alternative Securities Markets Group shall be returned to the Company's Founder and Managing Member, Mr. Steve Sherman.

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

This same offering is available to Non-U.S. Citizens pursuant to a Regulation S Securities Offering.

There are no other present or proposed offerings at this time.

**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 Secured Debt Notes to be offered. The Company will be selling these Notes 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, prior to the filing of this notification.

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# Rum Cay Ocean Resort & Spa Development, LLC

Corporate:

Rum Cay Ocean Resort & Spa Development, LLC  
493 Red Corner Road  
Douglassville, Pennsylvania 19518  
(888) 327 – 9113

Copy to:

Rum Cay Ocean Resort & Spa Development, LLC  
C/O: Alternative Securities Markets Group Corporation  
4050 Glencoe Avenue  
Marina Del Rey, California 90292  
(213) 407-4386

Best Efforts Offering of 5,000 Five Year Secured Debt Notes

Asset Value “as-is” and “as developed” (See Appraisal Starting on Page 20):

Current Asset Value: \$254,000,000

Asset Value Subject to Completion of Development & Construction: \$875,000,000

DATE: NOVEMBER 10<sup>th</sup>, 2014

## Offering Price per Five Year Secure Debt Note:

Notes Number	Sales Price / Face Value	Priority in Liquidation	Loan to "as-is" Value	Annual Rate of Interest	Annual Premium to Interest Rate	Adjusted Annual Rate of Interest	Note Term	Interest Payments
1 to 500	\$1,000	First	0.2%	6.5%	0.0%	6.5%	5 years	Quarterly
501 to 1,000	\$1,000	Second	0.4%	6.5%	0.5%	7.0%	5 years	Quarterly
1,001 to 1,500	\$1,000	Third	0.6%	6.5%	1.0%	7.5%	5 years	Quarterly
1,501 to 2,000	\$1,000	Fourth	0.8%	6.5%	1.5%	8.0%	5 years	Quarterly
2,001 to 2,500	\$1,000	Fifth	1.0%	6.5%	2.0%	8.5%	5 years	Quarterly
2,501 to 3,000	\$1,000	Sixth	1.2%	6.5%	2.5%	9.0%	5 years	Quarterly
3,001 to 3,500	\$1,000	Seventh	1.4%	6.5%	3.0%	9.5%	5 years	Quarterly
3,501 to 4,000	\$1,000	Eighth	1.6%	6.5%	3.5%	10.0%	5 years	Quarterly
4,001 to 4,500	\$1,000	Ninth	1.8%	6.5%	4.0%	11.0%	5 years	Quarterly
4,501 to 5,000	\$1,000	Tenth	2.0%	6.5%	4.5%	12.0%	5 years	Quarterly

**Maximum Offering: 5,000 Five Year Secured Debt Note Units**

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Investing in the Company's Five Year Secured Debt Notes involves risks, and you should not invest unless you can afford to lose your entire investment. See "Risk Factors" beginning on page 12.

This Offering Circular relates to the offering (the "Offering") of up to 5,000 Secured Debt Note Units (the "Securities") in Rum Cay Ocean Resort & Spa Development, LLC. The Securities offered through this Offering have no voting rights. The Offering will commence promptly after the date of this Offering Circular and will close upon the earlier of (1) the sale of 5,000 Secured Debt Note 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 \$1,000.00 USD per Secured Debt Note Unit. If all Securities are purchased, the gross proceeds to the Company will be \$5,000,000.00 USD. Though the Offering is being conducted on a "best-efforts" basis, the Company has set an investment minimum of \$1,000,000 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 \$1,000,000 will be held in an investment escrow account, and only after \$1,000,000 in securities has been sold to investors (Ten Thousand Secured Debt Note 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 \$1,000,000 is achieved, and all Investors will be subject to the terms, conditions and investment risks associated with this investment.

**THERE IS AT THIS TIME, NO PUBLIC MARKET FOR THE SECURE DEBT NOTES.**

**THESE SECURE DEBT NOTES 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 SECURE DEBT NOTES BEING OFFERED ARE EXEMPT FROM REGISTRATION. THE SECURITIES AND EXCHANGE COMMISSION DOES NOT PASS UPON THE MERITS OF OR GIVE ITS APPROVAL TO ANY SECURE DEBT NOTES 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 SECURE DEBT NOTES 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 SECURE DEBT NOTES 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 Notes Offered (1)</b>	<b>Offering Price</b>	<b>Selling Commissions (2)</b>	<b>Proceeds to Company</b>
<b>Per Note</b>	—	<b>\$1,000,000.00</b>	<b>\$0.00</b>	<b>\$1,000,000.00</b>
<b>Total Minimum</b>	<b>1,000</b>	<b>\$1,000,000.00</b>	<b>\$0.00</b>	<b>\$1,000,000.00</b>
<b>Total Maximum</b>	<b>5,000</b>	<b>\$5,000,000.00</b>	<b>\$0.00</b>	<b>\$5,000,000.00</b>

1) We are offering a maximum of 5,000 Five Year Secured Debt Notes 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.**

**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 THE SECURED DEBT NOTES 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 SECURED DEBT NOTES 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 SECURED DEBT NOTES 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 SECURED DEBT NOTES 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 SECURED DEBT NOTES 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 Secured Debt Notes 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 private securities offering.***

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

Rum Cay Ocean Resort & Spa Development, LLC commenced operations in July of 2014. The Company was formed as a Florida Limited Liability Company. 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 Rum Cay Ocean Resort & Spa Development, LLC will operate profitably.

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

Gross offering proceeds of a maximum of \$5,000,000 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.

Although the Company believes that the proceeds from this Offering will be sufficient to help sustain operations during the complete development and build-out of this project, there is no guarantee that the Company will raise all the funds needed to adequately fund development Operations. The Company has determined that \$1,000,000, in addition to traditional bank financing and cash flow from sales operations, will be needed to fund planned operations for the first twelve months, though the construction timeline for the completion of the entire development may be much greater.

#### ***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: Mr. Steve Sherman, the Company's Founder & Senior Managing Member; Mr. Kerry Kalvig, the Company's Development Manager & Managing Member; Mr. Mike Carlson, the Company's Vice President & Managing Member; Mr. Neil Armstrong, the Company's Senior Executive & Managing Member; Mr. Jeffrey Muller, the Company's Senior Executive and Managing Member; Mr. Michael Poelstra, the Company's Senior Executive and Managing Member; and Mr. Craig Atkins, the Company's Senior Executive and Managing Member.

#### ***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 Secured Debt Notes that need to be sold in this offering for the Company to access the investment funds is \$1,000,000. 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 Secured Debt Notes at any time, regardless of the number of Secured Debt Notes 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 Secured Debt Notes is not fully subscribed.

***Investors in this Offering will have NO Voting Rights in the Company, Managerial, Contractual or Other Ability to Influence the Company, or Control Over the Property.***

Investors in the Company's Five Year Secured Debt Notes will have no voting rights with respect to the Company, and will have no managerial, contractual or other ability to influence the Company's activities or operations of the Property. The Five Year Secured Debt Note Holders lack of voting rights gives all control under the Operating Agreement to the Manager. The Manager's operations of the Company could materially and adversely affect the value of the Property and the Company, and materially and adversely affect the returns realized by the Investors.

***The Property is planned to be the Company's Principle Asset, and Factors Outside of the Company's Control could Significantly Decrease the Value of that Asset.***

The property is planned to be the Company's principal asset. The prospects of the Company depend upon the Property maintaining its sales value, or increasing in such value. The typical risks relating to an investment in real estate will apply to the Property and its value. These include, but are not limited to:

- Changes in the General Economic Climate and Market Conditions, those applicable to the region of Bahamas in which the Property is located;
- Complications involving the development and construction of the property;
- Limited availability of mortgage funds or fluctuations in interest rates which may render the sales of units of the Property difficult;
- Unanticipated increases in real estate taxes and other operating expenses;
- Environmental Considerations;
- Zoning laws and other governmental rules and policies; and
- Uninsured losses including possible acts of terrorism and natural disasters.

Any one or more of the preceding factors could materially adversely affect the value of the Property. If the value of the Property were to decrease significantly, the Company may not be able to repay the Five Year Secured Debt Note Holders or obtain new financing to repay outstanding loans from Investors on favorable terms, if at all. Additionally, if the value of the Property were to decrease and the Company were to choose to sell the Property, liquidate and distribute its remaining assets to Five Year Secured Debt Note Holders, you might not be able to recover the amount of your investment, if you were to receive funds at all.

***The Company is Liable for any Potential Environmental Hazards***

The Company's failure to uncover and adequately protect against environmental issues in connection with the development of the property may subject the Company to liability as the owner of the Property. Environmental laws and regulations impose liability on current and previous real property owners or operators for the cost of investigating, cleaning up or removing contamination caused by hazardous or toxic substances at the property. The Company may be held liable for such costs as the owner of the Property. Liability can be imposed even if the original actions were legal and the Company had no knowledge of, or were not responsible for, the presence of the hazardous or toxic substances. Further, the Company may also be held responsible for the entire payment of the liability if it is subject to joint and several liability and the other responsible parties are unable to pay. The Company may also be liable under law to third parties for damages and injuries resulting from environmental contamination emanating from the site. Insurance for such matters may not be available. Additionally, new or modified environmental regulations could develop in a manner that could adversely affect the Company. In the event of such liability, the Company may be forced to use part of all of the Five Year Secured Debt Noteholders capital contributions to cover the costs to remedy any environmental hazards, which could adversely impact the value of the Property and affect the Company's ability to repay its debt to the Five Year Secured Debt Noteholders.

### ***The Company May Not be Able to Provide Adequate Insurance for the Property***

If the insurance market changes or the Company needs to make claims on its insurance or for other factors affecting insurance rates, it may not be able to renew or find new insurance on acceptable terms, if at all. Failure to carry appropriate insurance could significantly increase the Company's liability in the event of torts or other actionable events occurring on the Property that affect sales of the Units, or could even force the Company to cease sales of the Units.

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

As of September 1st, 2014 the Company's Senior Managing Member owned approximately 100% of the Company's outstanding Equity Membership Units. Upon completion of this Offering, the Managing Member will own approximately 95% of the issued and outstanding Equity Membership Units. Investors will not have the ability to control either a vote of the Company's Managers or any appointed officers. See "COMPANY MANAGERS" section.

### ***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 Membership Units and Five Year Secured Debt Notes 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 Company will ever convert to a Stock Corporation and No assurances can be given that the Company's Stock Units would 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 Secured Debt Note 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". 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.**

### ***Unavailability of Rule 144 for Resales***

The Company may be regarded under Rule 12b-2 of the Securities Exchange Act of 1934 as a shell company. Noteholders who hold Secured Debt Notes of the Company which are not subject to a registration statement under the Securities Act often rely upon Rule 144 for their resale. Rule 144 is not available for the resale of Secured Debt Notes initially issued by either reporting or non-reporting shell companies (other than a business combination related shell company) or an issuer that has been, at any time previously, a reporting or

non-reporting shell company, unless the issuer meets specified conditions. A security holder may resell securities pursuant to Rule 144's Safe Harbor if the following conditions are met:

- 1) The Issuer of Securities that was formerly a reporting or non-reporting company has ceased to be a shell;
- 2) The Issuer of the Securities is subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act;
- 3) The Issuer of the Securities has filed all reports and material required to be filed under Section 13 or 15(d) of the Exchange Act, as applicable, during the preceding 12 months (or for such shorter period that the issuer was required to file such reports and materials), other than Form 8-K reports; and
- 4) At least one year has elapsed from the time the issuer filed current Form 10 type information with the SEC reflecting its status as an entity that is not a shell company.

***The Company May Exercise its Right of Repurchase with Regard to the Units***

The Operating Agreement allows for the Company to exercise a right of repurchase, in its sole discretion, with regard to the Secured Debt Note Units at any time. While the Company will be entitled to exercise this right of repurchase, it has not made any determination to exercise this right of repurchase as of the date hereof, and does not intend to exercise the right of repurchase for so long as the Company remains a going concern.

***The Company May Exercise its Right of Repurchase as a Result of an Investor's Personal Conduct or Litigation***

The Operating Agreement allows for the Company to exercise a right to repurchase all of the Five Year Secured Debt Notes held by an Investor in the event that such Investor fails to conform its personal conduct to common and accepted standards of good citizenship, conducts itself in a way that reflects poorly upon the Company, or brings any suit, legal action or proceeding against the Company.

***Long Term Nature of Investment***

An investment in the Company's Notes may be long term and illiquid. As discussed above, the offer and sale of the Units will not be registered under the Securities Act or any foreign or state securities laws by reason of exemptions from such registration, which depends in part on the investment intent of the investors. Prospective investors will be required to represent in writing that they are purchasing the Units for their own account for long-term investment and not with a view towards resale or distribution. Accordingly, purchasers of Units must be willing and able to bear the economic risk of their investment for an indefinite period of time. It is likely that investors will not be able to liquidate their investment in the event of an emergency.

***Compliance with Securities Laws***

The Company's Notes are being offered for sale in reliance upon certain exemptions from the registration requirements of the Securities Act, applicable Florida Securities Laws, and other applicable state securities laws. If the sale of Notes were to fail to qualify for these exemptions, purchasers may seek rescission of their purchases of Notes. 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 Notes 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 Notes are offered on a "best efforts" basis by the Company Managers, without compensation, and may be offered on a "best efforts" basis through certain NASD or FINRA registered broker-dealers, which enter into Participating Broker-Dealer Agreements with the Company. Accordingly, there is no assurance that the Company, or any NASD or FINRA broker-dealer, will sell the maximum Units offered or any lesser amount.

#### ITEM 4. PLAN OF DISTRIBUTION

A maximum of 5,000 Secured Five Year Debt Notes are being offered to the public at \$1,000 per Note. A minimum of \$1,000,000 must be invested prior to the Company having access to the Investment Proceeds. A maximum of \$5,000,000 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 \$1,000,000 has been reached. 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 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 Secured Debt Notes to be offered. Investors can purchase Secured Debt Notes directly from the Company by completing a Subscription Agreement and mailing the form with the proper amount directly to the Company. Secured Debt Notes 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 Secured Debt Notes.

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 Corporation (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 Secured Debt Note Units, a prospective Investor must complete, sign and deliver the executed Subscription Agreement, Investor Questionnaire and Form W-9 to **Rum Cay Ocean Resort & Spa, LLC**. And 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 Units, these materials will not give a complete understanding of this Offering, the Company or the Units 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 Secured Debt Notes.

**ITEM 5. USE OF PROCEEDS TO ISSUER**

The Company seeks to raise maximum gross proceeds of \$5,000,000 from the sale of Units 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 Five Year Secured Debt Notes**

Category	Maximum Proceeds	Percentage of Total Proceeds	Minimum Proceeds	Percentage of Proceeds
Proceeds from Sale of Notes	\$5,000,000	100%	\$1,000,000	20%

**B. Offering Expenses**

Category	Maximum Proceeds	Percentage of Total Proceeds	Minimum Proceeds	Percentage of Proceeds
Offering Expenses (1) (2) (3).	\$100,000	2%	\$20,000	2%

**Footnotes:**

(3) 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".

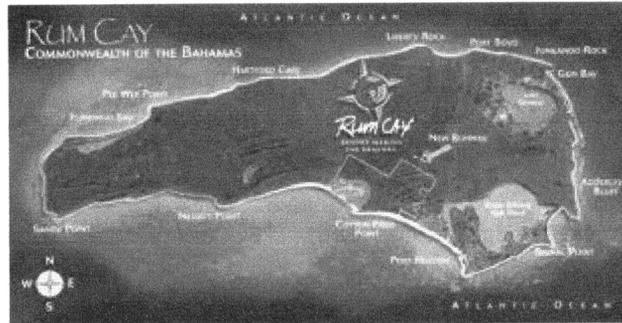
Amount	Percentage	Details
\$1,000,000	20%	Establish Rum Cay Homes Manufacturing Plant and Build TWO Models
\$2,000,000	40%	International Sales and Marketing Campaign
\$1,500,000	30%	Working Capital to Begin Construction on Owner-Occupied Construction while Waiting for bank financing construction draws to be completed and wired to The Company's General Business Operating Account
\$500,000	10%	Permitting of future phases of the Development, and future private and / or public financing campaigns legal costs.

**If the Minimum Amount of Capital is Not Raised through the Offering:**

1. The first \$1,000,000 (minimum amount of capital to be raised) will be used solely for the construction of the Rum Cay Homes Manufacturing Plant and the Construction of the First Two Model Homes
2. Investor Capital from \$1,000,001 to \$4,500,000, if realized, will be disbursed according to the "Percentage Column" in the illustration above.
3. Investor Capital from \$4,500,001 to \$5,000,000, if realized, will be disbursed solely for

**ITEM 6. DESCRIPTION OF COMPANY & ASSET**

The Bahamas is a tropical paradise, with crystal clear waters, stunning beaches and a beautiful climate. A lucky few also know that the Island of RUM CAY personifies this perfect tropical paradise. Investors and travelers will come to be spoiled at the RUM CAY OCEAN RESORT & SPA, or have a permanent tropical home on the adjacent residential gated private development to-be called “QUEENSGATE”



The planned RUM CAY OCEAN RESORT & SPA is located on the Southern leeward side of the island where it is calm and protected, with gently lapping, clear azure waves washing onto its fine white sand beach. If it is energetic fun you seek, simply slip over to the Atlantic side of the island and ride the big surfing waves. If it is the deep of the oceans that beckons you, dive into the warmest most crystal clear waters on our planet, which is home to just about every sea creature with which you might want a close encounter. If it is the call of the wilderness you fancy, then Rum Cay’s 34 uninhabited square miles of wild is for you.

Our RUM CAY OCEAN RESORT & SPA will be a luxury, mixed-use oceanfront resort community, meticulously planned to assure that it is the finest destination in the Bahamas. The resort is owned by Montana Holdings (UK) and will be managed by an internationally experienced team who has a proven track record in creating the very best Caribbean ethos and experience, whilst maintaining exemplary high standards.

**PHASE ONE:**

The tropical island of Rum Cay is part of the world renowned Family Islands within the Commonwealth of the Bahamas. The Company’s Joint Venture Partners at Montana Holdings UK, Ltd., owns the rights and planning approvals for two contiguous developments of some 60 acres in total, the “Queensgate”, a private gated estate and the “Rum Cay Ocean Resort and Spa”. Both of these founding facilities are contained within the boundaries of a luxury 875 acre development centered around S. Georges Bay on the Southern coast of the Island. This major international development is known as the “Rum Cay Marina Resort” and which is classified as a government anchor project. The Owner and Master Developer is the Company’s Joint Venture Development Partner “Montana Holdings Ltd.”

The Rum Cay Ocean Resort & Spa is located on fifteen acres of beach property on the southern boundary of the main resort and initially will consist of 128 luxury Freehold Beach Cottages, situated around a central Beach Club incorporating a Restaurant / Bar, Spa, Gym, Infinity Pools, Shop, Business Center, TV Theatre and Game Room.

**FUTURE PLANS:**

Right Now:

Rum Cay extends to circa 34 square miles of verdant rolling topography, with hills and cliffs rising about 150 feet. Less than 100 people live on the Island, most of which live in the settlement of Port Nelson on the south coast, close to Summer Point Marina, which provides dockage and moorings. The remainder of the island consists of virtual

untouched natural beauty, apart from a new modern airfield in the center of the island and Montana Holdings' partly constructed new 42 acre marina to the west of Port Nelson.

There are several areas of inland water including Lake George and the Port Nelson salt ponds, but the most notable feature of Rum Cay is its relationship to the tropical waters. The island is surrounded by spectacular beaches and even more spectacular coral reefs, including the Grand Canyon, a 60-foot high coral wall off the northeast shore, where the water deepens at the continental shelf to a depth of 3,000 feet where nutrient rich waters attract a large array of fish.

*In the Future:*

The first phase of development is planned to offer a wide range of lifestyle experiences for the owners and guests of the Rum Cay Resort and Spa and Queensgate private estate. This will include facilities for scuba diving, sport fishing, tennis, yachting, and equestrian pursuits, plus a comprehensive program related to health and well-being. In addition, there are building lots available for the creation of a very special residence on the Island.

The planned development will also offer cultural pursuits, hospitality, relaxation and leisure with a rich mix of typical Bahamian Entertainment to provide the centerpiece of an enhanced island community.

The Rum Cay Ocean Resort & Spa will help bring forward a reinvigoration of Rum Cay, with respect for the environment that makes this experience of paradise possible, going about its business and relaxation with a sensitive touch and a real sense of community.

*Amenities:*

The visitors to the Rum Cay Ocean Resort & Spa will be well provided for. Arrival at the Island will be easy, with a modern airfield already constructed by the Bahamian Government and the construction of a new marina, to complement an existing one, is already underway. Communications and connectivity on the Island will be the most modern available and provide significant bandwidth, providing real-time video links at economic costs.

A cultural and local center will provide a focus for the Island, with hospitality at the forefront, and of course the very special opportunity to live on the Island, backed up by a comprehensive support service. There will be every amenity to support a family atmosphere of leisure and recreation, all set in an aquatic paradise.

*Hospitality:*

The guests of the Rum Cay Ocean Resort and Spa Club will have a wide choice of relaxation or activities every day, planned and provided by an experienced and successful management team and all based on the highest of service and the quintessential Bahamian welcome.

**B. VALUATION**



**COMMONWEALTH OF THE BAHAMAS  
NASSAU, BAHAMAS**



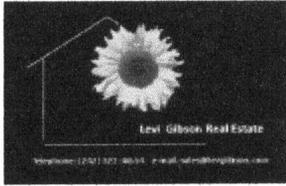
**Rum Cay Resort  
c/o. Mr. John Mittens  
September 14, 2011**

**VALUATION**



**THE RUM CAY RESORT  
Rum Cay, Bahamas.**

Appraised by Roger C Sands  
Levi Gibson Real Estate  
License No. 0508



COMMONWEALTH OF THE BAHAMAS  
NASSAU, BAHAMAS



SUMMARY REPORT

Property Address: Rum Cay	Subdivision: Rum Cay Resort	Island: San Salvador
Name: Mr. John Mittens		
Occupant: <input type="radio"/> Owner <input type="radio"/> Tenant <input checked="" type="radio"/> Vacant		
Property Rights Appraised: <input type="radio"/> Fee Simple <input type="radio"/> Leasehold <input checked="" type="radio"/> Other		
Assignment Type: <input checked="" type="checkbox"/> Purchase Transaction <input type="checkbox"/> Refinance <input checked="" type="checkbox"/> Other		
Is the subject property currently being offered for sale or within the past 12 months: Yes No		
Property Size: 897 acres Enclosed Living Area:		
Value by Cost Approach: N/A	Value by Market Approach \$254,129,886.00	Value by Income Approach N/A
Location: <input type="checkbox"/> Urban <input type="checkbox"/> Suburban <input checked="" type="checkbox"/> Other	Property Values: <input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining	
Built Up: <input type="checkbox"/> Over 75% <input type="checkbox"/> 25 - 75% <input checked="" type="checkbox"/> >25%	Demand/Supply <input checked="" type="checkbox"/> Over Supply <input type="checkbox"/> In Balance <input type="checkbox"/> Shortage	
Growth: <input type="checkbox"/> Rapid <input type="checkbox"/> Stable <input checked="" type="checkbox"/> Slow	Marketing Time <input type="checkbox"/> > 3 months <input type="checkbox"/> 3-6 months <input checked="" type="checkbox"/> 6 month +	
Highest & Best Use <input type="checkbox"/> Single Family <input type="checkbox"/> Multi Family <input checked="" type="checkbox"/> Other <input checked="" type="checkbox"/> Commercial <input checked="" type="checkbox"/> Condominium/Townhouse	Present Land Use %: Vacant 99% Single Family 1% Multi Family Commercial 2-4 Unit Other	
Zoning: <input type="checkbox"/> Single Family <input type="checkbox"/> Single & Multi Family <input type="checkbox"/> Multi Family <input type="checkbox"/> Commercial <input type="checkbox"/> Open <input checked="" type="checkbox"/> Resort/Hotel	Topography <input type="checkbox"/> Flat and Porous <input type="checkbox"/> Hill Top <input type="checkbox"/> Minor Slope <input checked="" type="checkbox"/> Other	



COMMONWEALTH OF THE BAHAMAS  
NASSAU, BAHAMAS



September 14 2011

Mr. John Mittens  
Rum Cay Club, Bahamas.

Dear Sir,

In response to your request and authorization, we have conducted the required investigation, gathered the necessary data and made certain analyses that have enabled us to form an opinion of the Market Value of the fee simple interest in the property known as:

ALL THOSE pieces parcels or lots of land containing 897 acres located on the island of Rum Cay, One of the Islands in the Commonwealth of the Bahamas.

Based on the inspection of the property and the investigation and analysis undertaken, we have formed the opinion that, as of this date and subject to the assumptions and limiting conditions set forth in this report, the subject property has a Market Value of:

\$254,129,886.00

The report that follows is a summary of our appraisal of the property and if we may be of any further service, please call on us.

Sincerely,

**ROGER. C SANDS**  
Appraiser / Salesman



COMMONWEALTH OF THE BAHAMAS  
NASSAU, BAHAMAS



**CERTIFICATION:**

This appraiser hereby certifies:

1. That he has no undisclosed interest in the subject property, the object of this appraisal; either, past, present, or contemplated.
2. That his employment and his compensation for rendering his opinion and this report are not contingent upon the value found, or a requested minimum valuation, or a specific valuation, or the approval of a loan or investment, or upon anything else other than the delivery of this report for the predetermined fee.
3. That to the best of his knowledge and belief, everything contained in this report is true, and that no important facts have been overlooked or withheld from the report.
4. That the appraisal has been made and the report rendered strictly in accordance with standards of practice and within the Codes of Ethics of the various professional appraisal organizations.
5. That the estimate of the value of the herein described property is, as defined elsewhere in this report for a period of eighteen (18) months or subject to the economic conditions at any given time during this period.

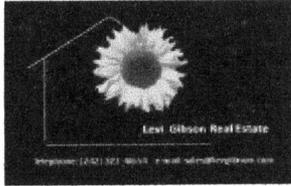
AMOUNT OF THE ESTIMATE AS OF September 14, 2011

\$254,129,886.00

ROGER. C SANDS  
Appraiser / Salesman

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Rum Cay Resort, Bahamas



COMMONWEALTH OF THE BAHAMAS  
NASSAU, BAHAMAS



**EQUITY APPRAISED:**

The equity being appraised herein is:

THE FEE SIMPLE ESTATE.

**PURPOSE OF THE APPRAISAL:**

The purpose of the appraisal is to provide a basis for a decision related to a specific parcel of real estate depending on the estimate of the present fair Market Value of the said real estate as of:

September 14, 2011

**DEFINITION OF MARKET VALUE:**

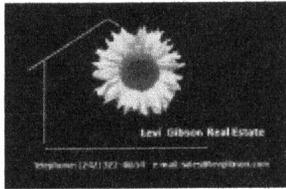
The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- (1) buyer and seller are typically motivated;
- (2) both parties are well informed or well advised, and each acting in what he or she considers his or her own best interest;
- (3) a reasonable time is allowed for exposure in the open market;
- (4) payment is made in terms of cash in Bahamian dollars or in terms of financial Arrangements comparable thereto;
- (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions\* granted by anyone associated with the sale.

\*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

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Rum Cay Resort, Bahamas



COMMONWEALTH OF THE BAHAMAS  
NASSAU, BAHAMAS



STATEMENT OF ASSUMPTIONS AND

**LIMITING CONDITIONS:**

The appraiser's certification in this report is subject to the following assumptions and limiting conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title.
2. The appraiser has provided a sketch in this appraisal report to show the approximate dimensions of the improvements. The sketch is included only to assist the reader in visualizing the property and understanding the appraiser's determination of its size.
3. The appraiser has examined the available flood maps or other data sources and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.
4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.
5. The appraiser has noted in this appraisal report any adverse conditions (such as needed repairs, deterioration, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the research involved in performing this appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.
6. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that the completion, repairs, or alterations of the subject property will be performed in a professional manner.



COMMONWEALTH OF THE BAHAMAS  
NASSAU, BAHAMAS



**QUALIFICATIONS OF THE APPRAISER**

**Roger Sands:** Roger C. Sands has been with Levi Gibson Real Estate since June 2000. He is a licensed Salesman and Appraiser with the Bahamas Real Estate Association (BREA). A former educator of twenty one years, Roger Sands holds degrees in Primary Education specializing in Instructional Materials; Diploma in Television Production and Direction (Distinction); and has several years experience and completed courses in various fields of construction property appraisal and management and Art and Design.

**List of Notable Clients:**

**Resorts**

Bimini Bay Resort  
Treasure Cove Ltd.  
Peace and Plenty Beach Inn  
Club Land Or

**Condominium Complex and Special Use**

St. Annes School  
Somerset Place  
Twin Palms

**Commercial**

Paje' House  
Holiday Ice Ltd.  
Paradise Fisheries  
Dewgard Limited  
Colina Insurance Company Ltd.  
Chelea Tech

**Acreage**

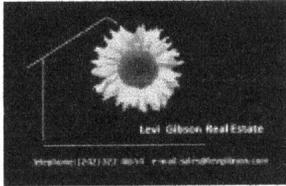
Rum Cay Resort  
Columbus Landings  
Stocking Island  
Clifton Cay (Oakes Property)

**LIST OF LENDERS**

Bank of The Bahamas  
British American Bank  
Commonwealth Bank  
Family Guardian Insurance Company  
Fidelity Bank  
Finance Corporation of the Bahamas (FINCO)  
First Caribbean Bank International (Bahamas) Ltd.  
Scotiabank (Bahamas) Ltd.  
The Bahamas Mortgage Corporation

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Rum Cay Resort, Bahamas



COMMONWEALTH OF THE BAHAMAS  
NASSAU, BAHAMAS



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**AERIAL MAP** 15

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Cost Approach  
Market /Sales Comparison Approach  
Income Approach  
How to Get There.

8

Rum Cay Resort, Bahamas



COMMONWEALTH OF THE BAHAMAS  
NASSAU, BAHAMAS



**Purpose and Intended Use:**

Prepared at the instance of Mr. John Mittens with the intention to appraise at FEE SIMPLE ALL THOSE pieces parcels or lots of land containing 897 acres, on the island of Rum Cay, One of the Islands in the Commonwealth of the Bahamas.

This appraisal report is subject to the following scope of work, intended use, intended user, definition of market value, statement of assumptions and limiting conditions, and certifications. Modifications, additions, or deletions to the intended use, intended user, definition of market value, or assumptions and limiting conditions are not permitted. The appraiser may expand the scope of work to include any additional research or analysis necessary based on the complexity of this appraisal assignment. Modifications or deletions to the certifications are also not permitted. However, additional certifications that do not constitute material alterations to this appraisal report, such as those required by law or those related to the appraiser's continuing education or membership in an appraisal organization, are permitted.

**SCOPE OF WORK:** The scope of work for this appraisal is defined by the complexity of this appraisal assignment and the reporting requirements of this appraisal report form, including the following definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser must, at a minimum:

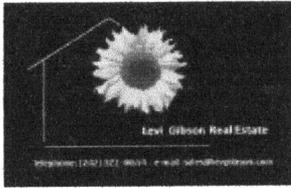
- (1) perform a complete visual inspection of the interior and exterior areas of the subject property,
- (2) inspect the neighborhood,
- (3) inspect each of the comparable sales from at least the street,
- (4) research, verify, and analyze data from reliable public and/or private sources,
- (5) report his or her analysis, opinions, and conclusions in this appraisal report.

**INTENDED USE:** The intended use of this appraisal report is for the lender/client to evaluate the property that is the subject of this appraisal for:

- Mortgage Finance Transaction
- Court/Bail Action
- Other

**INTENDED USER:** The intended user of this appraisal report is the:

- Lender/Client
- Court / Legal Administrator
- Other



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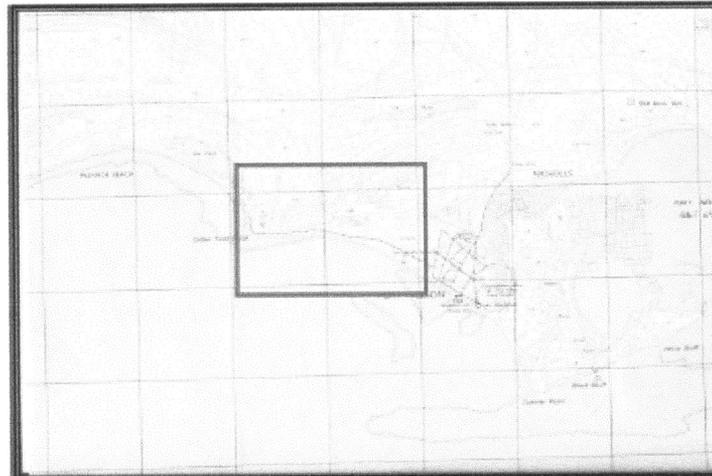
LOCATION			
Street Address			
City			
Subdivision	Rum Cay Resort		
Lot Number			
Block Number			
Dimensions	Varied	897 acres	
Zoning	Resort/Hotel		
Topography	Varied- beachfront, hilltop, flat and porous, marsh.		
Configuration	Irregular		

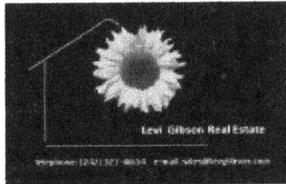
**Legal Description:**

ALL THOSE pieces parcels or lots of land containing a portion of 897 acres of land and formerly known as the Bradford Estates on the Island of Rum Cay, on the island of Rum Cay, One of the Islands in the Commonwealth of the Bahamas and bounded on the NORTH by other property, EAST by the settlement Port Nelson, SOUTH by the sea and running thereon approximately 1.2 miles more or less and WEST by other property and has such marks, shapes, boundaries, positions and size as shown on the plan or diagram attach and outline RED.

**Location:**

The subject property is located in the Island of Rum Cay and approximately three (3) miles from the main airport and a short distance from the main settlement of Rum Cay, Bahamas.





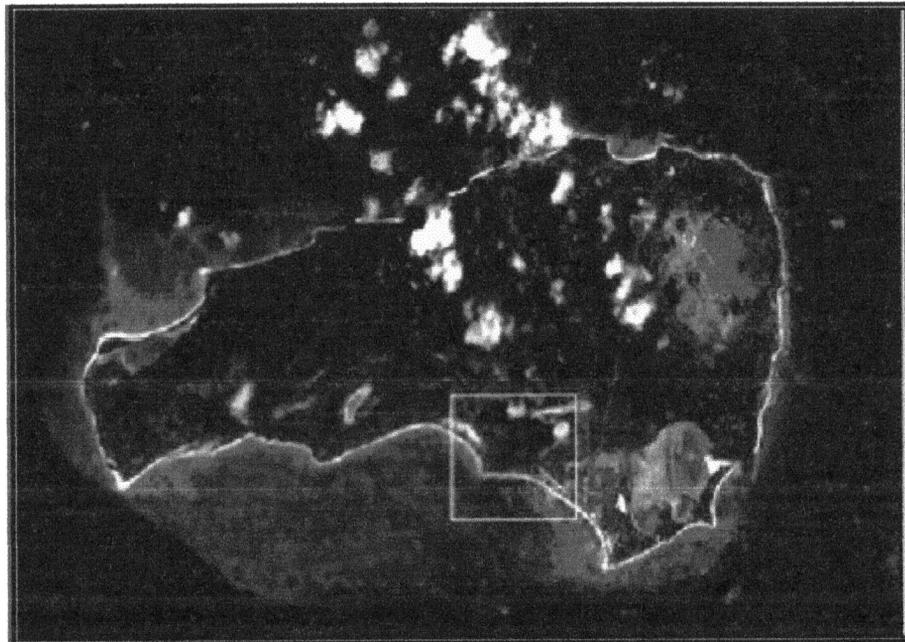
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**RUM CAY-A HISTORICAL PERSPECTIVE:**

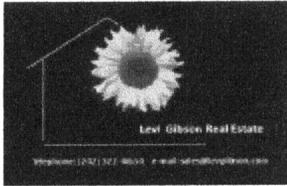
Once known as Mamana by the Lucayan Indians who first settled on the island, the island of Rum Cay is a small sparsely populated island located 20 miles southwest of San Salvador and 185 miles southeast of Nassau. In recent years archaeologists have discovered engravings and writings have been found in caves on the island, that shows the lifestyle of the early inhabitants.

Approximately 30 square miles in size, the majority of the island has an undulating topography with approximately 2/3 consisting of rolling hills, raising to about One hundred and thirty feet (130 ft), and the other third relatively flat.

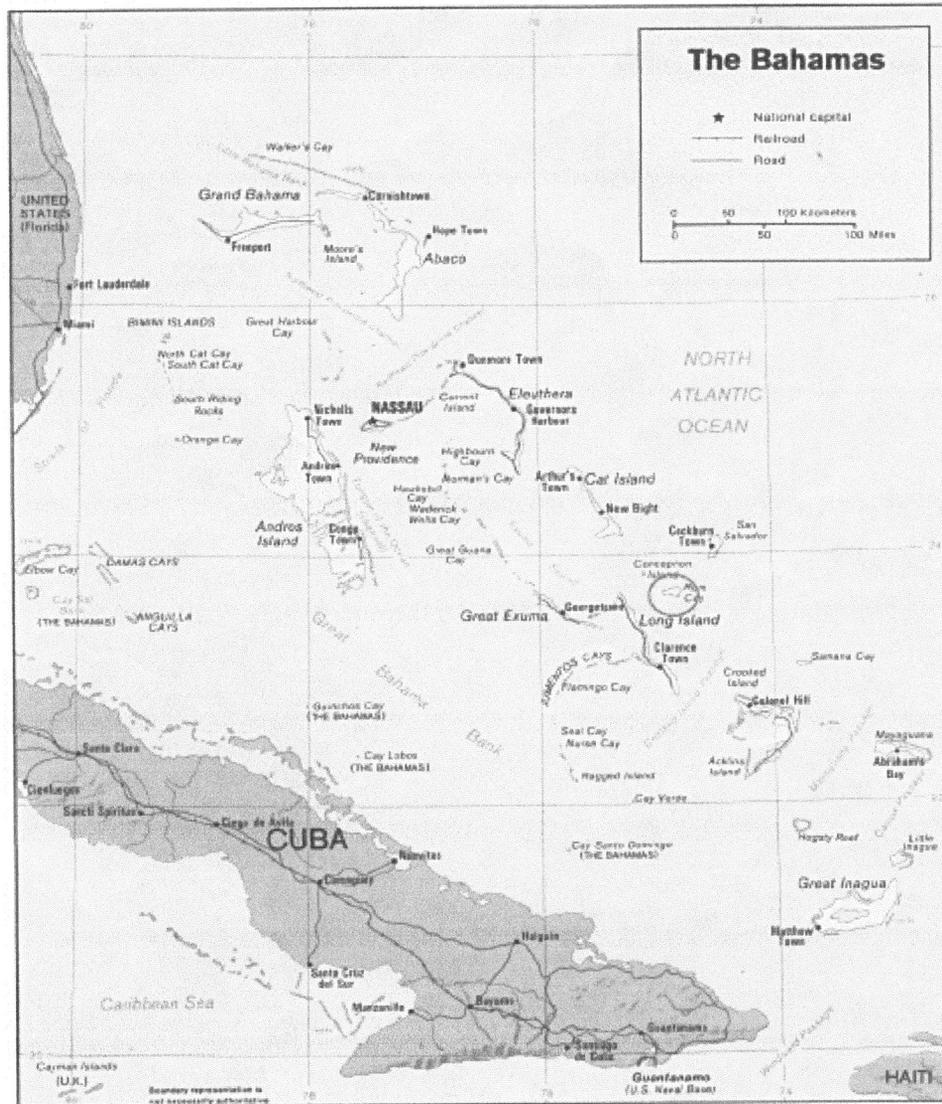


Often known for its miles and miles of sandy white deserted beaches and rolling hills, Rum Cay was said to be the second stop Christopher Columbus made on his trip to the New World giving the island the name Santa Maria de la Concepcion, not to be confused with Concepcion Island just a few miles away.

Folklore has it that Rum Cay received its name in memory of a wreck destroyed with its cargo of rum, which foundered off the coral reef around the island's inland shore. Recent history however indicates that the name Rum Cay actually derived from one of the former Loyalist plantation owners and the descendants of one Robert Rumer, who owned one of the larger plantations on the island.



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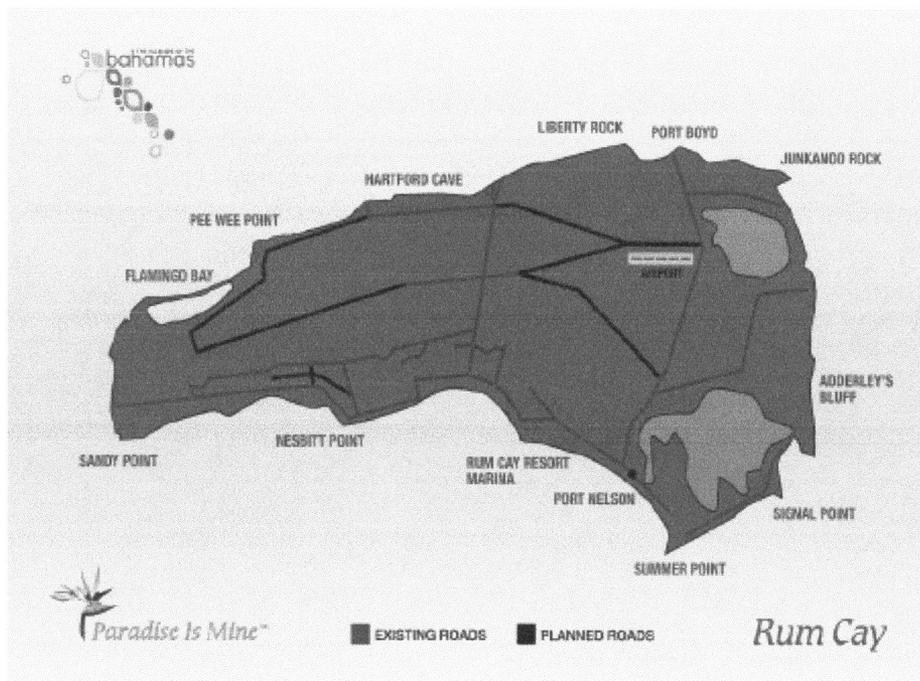


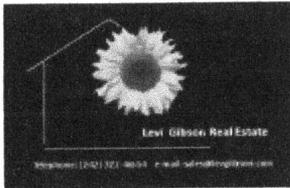
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Most of the Loyalist who settled with the island arrived during the 18<sup>th</sup> Century, however because cotton was in limited supply and there was a need to industrialize their living, pineapple, salt and sisal became large and important industries throughout the island. Once a thriving population of over 5,000 during that period, today the population is in the mere hundreds.

The only settlement on the island is that of Port Nelson which houses a few government offices, a couple of small restaurants and public school. Recently, a 4,500 sq ft airport has been constructed allowing a number of private, charter and commercial airlines to come from The Bahamas, The United States and other countries.





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Much of the economy is slow with most of the residences making a living on small subsistence farming and fishing.

The community has a number of services including; a government public school, small convenient stores, churches, parks, playgrounds, a police station, clinic and public dock. In addition the public utilities on the island consist of water, electricity and some paved roads, all supplied by Bahamas Government Public Utilities Cooperation. Gas is by bottled gas and televisions are supported by satellite.



NEIGHBORHOOD TREND	Residential	Commercial	Mixed	Other
Nature of District	Slow	Developing	Stable	Transition
Trend of District	Slow	Developing	Stable	Transition
Conformity of Subject	Similar	Inferior	Superior	Other
Average Age of Properties	0-5 years	5-10 years	10-20 years	20 years +
Area Built Up	0-25%	25-50%	50-75%	75-100%
Neighborhood Price Range	50,000/100,000	100,000/250,000	250,000-350,000	350,000 +
Distance to Schools	0-1 mile	1-2 miles	2-3 miles	3 miles+
Distance to Shopping	0-1 mile	1-2 miles	2-3 miles	3 miles+
Distance to Transport	0-1 mile	1-2 miles	2-3 miles	3 miles+



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### THE RUM CAY RESORT

Formerly the plantation of a Loyalist known as the Bradford Plantation, the Rum Cay Resort is a proposed high end property development on the southern coast of the island of Rum Cay in The Bahamas. The objectives of this resort is to construct a Mediterranean style atmosphere which would include marinas, two hotels, a broad range of vacation homes from large exclusive villa estates to two bedroom condominiums and a variety of leisure activities.

Unlike many of the other resorts in the Bahamas, the Rum Cay Resort is proposed to incorporate much of the natural habitat into its final developments. Additionally construction of buildings include designs using the crushed limestone and field stones found throughout the property and dirt and cobbled paths to maintain some of the charm of island life and the charm of the Loyalist heritage.

One of the more unique features of the property is slated to be a polo club, for the high class tourism market. Presently there are only ten polo clubs on three islands in the Caribbean (Jamaica, Dominica and Barbados) and one in Florida. With the natural contours and beauty of the island as well as the Bahamas popularity in the tourism market, it is anticipated that the Rum Cay Resort will receive a high percentage of this sports market.

In addition, the developers of the Rum Cay Resort in conjunction with the Bahamas Government will provide a Reverse Osmosis System to provide fresh water, a solid waste incinerator in conjunction with other companies and other services in an aim to improve the present electrical, communication and cable entertainment services on the island.

#### Adjacent Uses:

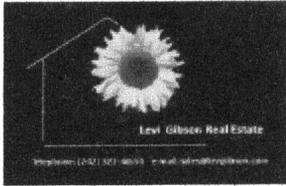
To the west of the resort are a number of local commercial businesses including a small hotel, restaurants and local stores.

#### Current Use

There are a number of residences already on the resort in the Queensgate section of the property with the remaining land having considerable excavations and road infrastructure and considered ready for continued development

#### Condemnation:

As there are no factories or industries on the island and plans have already been put in place for the preservation and improvement of the natural habitat and environs, there are no recorded indications of possible condemnation to the proposed project or visual signs of toxic problems on the property.



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**SITE CLASSIFICATION:**

The Rum Cay Resort has been classified by the Bahamas Government as a resort community with approvals for a five star hotel and marina. Developed usage has also been made available for single family, multi family and condominium use along with a number of amenities including marina slips, a practice golf course facility and an equestrian center.

The present property is presently zoned, partially improved and approved. Since its inception, agreements have been put in place by the developers to improve the existing airport and improve and provide the public utilities and other services to the local community.

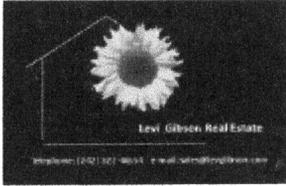
**ENVIRONMENTAL IMPACT**

The site has also been granted permission to preserve and make maximum use of the present environmental conditions. It is in the opinion of the appraisers that the developers plan for the resort is currently being realized, with the planning and implementation of the present type roads, planned use of the various buttonwood ponds and re-growth and replanting of native trees in their nursery on the island. (See Photos) Land that has been excavated as in the example of the marina basin has been effectively used to build up other low lying areas with lots of care so as not to disturb too much of the natural habitat.



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Rum Cay Resort, Bahamas



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**MORATORIUM POTENTIAL:**

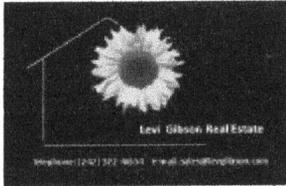
One of the major factors affecting an appraisal report, particularly in the use and potential use of a vacant land appraisal is time.

With the present stability of the Bahamas Government over the past forty + years and the policies by both major political parties to establish continued growth in the tourism market, the only negative factor that can be seen that may temporarily affect the closing date of the subject property is hurricanes. It should be noted that although rare in this particular geographical location in the Bahamas, it has had one major effect within the past five years. The results of that hurricane included an enormous increase in the cost of materials and services throughout the region, and the closure of many other resorts due to inflation, insurance and labour costs because of a lack of adequate man power.

**ACCESS & EASEMENT POTENTIAL**

There are no recorded access or easement problems to the subject property. The property has been designed with easement access to the water for use by all owners or visitors to the resort, with the exception of the private island.

The present road from the airport is in the process of being re-routed within the next year or two near Plantation and Ridge Estates so as to allow easier access to the Marina which is the main focus of the resort and allow shorter routes instead of through the community. In addition this road will also provide the service area of the resort to implement additional improvements to the resort without affecting the flow of potential traffic use by visitors.



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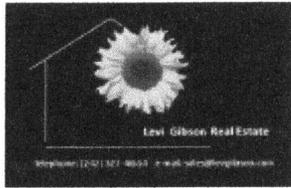


**MARKET OVERVIEW:**

Despite the recent slowdown in the economy worldwide the tourism market continues to be stable throughout the Bahamas. This can be seen with the increased development of other resorts on the island including Ginn Sur Mer in Freeport Grand Bahama, Sandals in Exuma, Club Med in San Salvador, and Atlantis and Bah Mar in the New Providence and Bimini Bay Resort in Bimini, the market for this type resort for the future appears a viable one.

In addition, there has been a steady increase in popularity in vacation home occupation in the islands. Generally these resort-residential type projects have provided personalized and exclusive resort experiences and a quicker and higher return on capital. The more popular type of ownership in these luxury resort residential communities include fee simple ownership, fractional-ownership such as timeshares and condo hotel.

With the developers of Rum Cay envisioning using the historical and cultural aspect of Rum Cay to develop the property and in the fact that it is geographically located between the success of these two islands, with the use and potential amenities proposed along with its more natural beauty, this will add only more incentive to its present use.



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**RESORT OVERVIEW**

The resort is divided into 15 different areas, most of which have developed amenities of roads, electricity and water. The lists of these subdivisions include:

**Developing Properties:**

Marina and Marina Residential Sites

Eco Site

Hill Top Fractional

Hill Top Villas

Ocean Villas and Private Island

Beach and Shoreline Properties

Club Green Properties

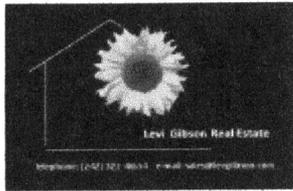
**Undeveloped Properties**

Bradford Plantation

Plantation Estates

Ridge Estates

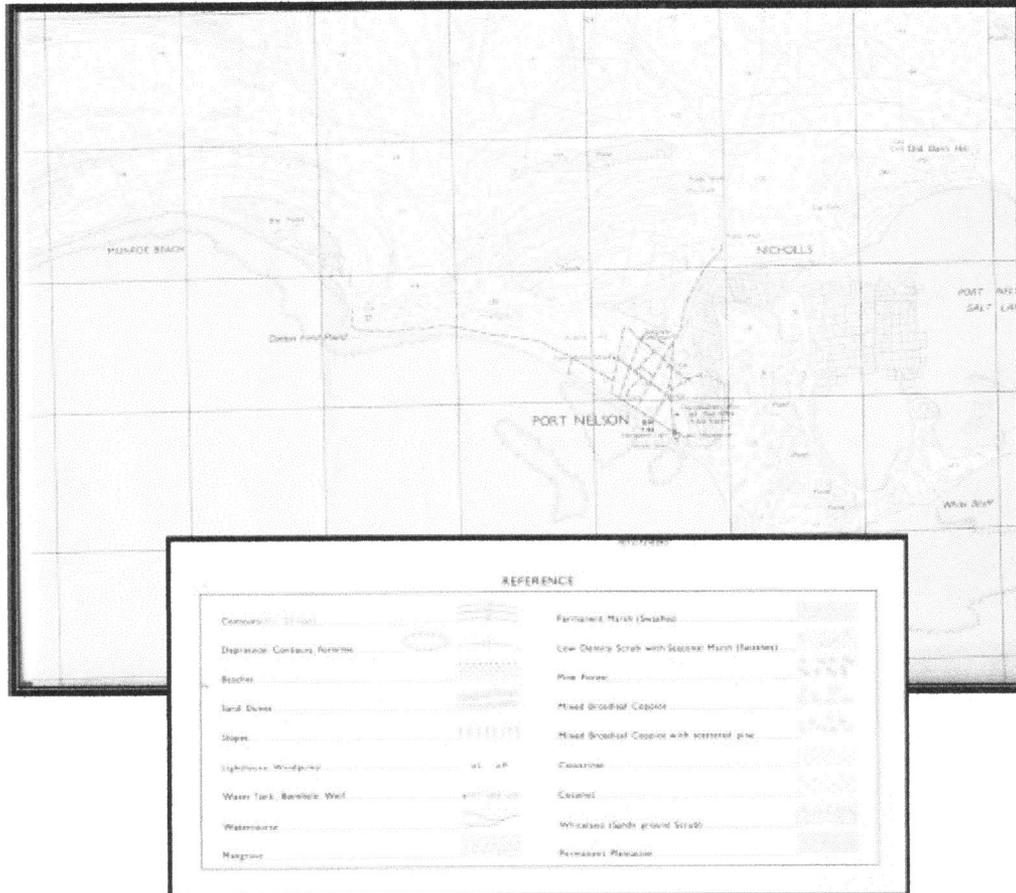




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GENERAL TOPOGRAPHY



The topography of the land consists from very low lying land and buttonwood ponds to an undulating topography with elevations over sixty (60) feet in height on the island. Additionally the island also includes beautiful sandy beaches along the coastline of the island with a number of small reefs guarding the shoreline.



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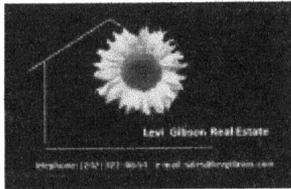
**BOUNDARY MARKERS**

Boundary markers were located on some of the properties in the subdivision. All of these properties have survey drawing approvals.

<b>OFF SITE IMPROVEMENTS</b>			
Street	Paved	Unpaved	Graded
Sidewalks	Yes	No	
Street Lights	Yes	No	

<b>ON SITE IMPROVEMENTS</b>					
Property Type		Existing	Proposed	Under Construction	Vacant Land
Age Actual		Effective Age		Remaining Life	
<b>SITE IMPROVEMENTS</b>					
Landscaping	Good	Fair	Average	N/A	
Easements	Private	Mutual	Access	N/A	
Driveway/ Walkway	Concrete	Asphalt	Single	Double	Other
Boundary Improvements	Walls	Gates	Fences	Other	
Other Improvements	Pool	Gazebo	Canal Front	Water Front	
	Hilltop Views	Gated Community	Proposed Recreational Facilities	Other	
Security System	Alarm	N/A	Bars/Screens	Electric Gate	

<b>UTILITIES:</b>				
Electricity	Overhead	Underground	Voltage	Breakers
Water	Public Water		Private Water	
Telephone	Yes		No	
Sewerage Disposal	Septic Tank		Sewerage	
Cable	Yes		No	
Generator	Yes		No	



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**Eco Site**

Situated on the western end of the resort, the Rum Cay Club Marina and Eco site are proposed to be the heart of the Rum Cay Club and Resort.

The general topography of this area began as a low lying inland pond known as Bay pond. Here, much of the mangrove vegetations has remained intact to preserve the ecological integrity of the property.

The Eco site is to remain a nature reserve to attract much of the wildlife that inhabit the area. This includes a pond with a wide variety of fish and an assortment of flora and mangrove plants and wild birds, which is ideal for bird watching.

With this proposed development, the planners of the resort are well into the Bahamas Governments objective of developing an Eco tourism resorts throughout the Commonwealth of the Bahamas.

**Size and Shape of Land:**

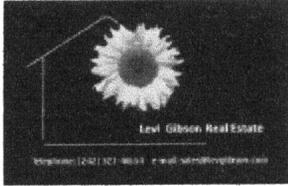
The subject property contains 7.4 acres.

**Frontage:**

The subject property contains 1,645 feet on the marina

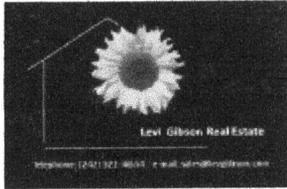
Eco estates is a private area that is built around a natural pond that is proposed to contain some very fine homes. In addition to the five lots on the marina one of the lots has both ocean and marina views and six additional lots overlook the preserved pond area with one of these lots also having ocean access and views.

The pond area in Eco Estates is also anticipated to feature much of the natural flower and fauna in the area as well as be used as an area for canoeing, small boating and bone-fishing.

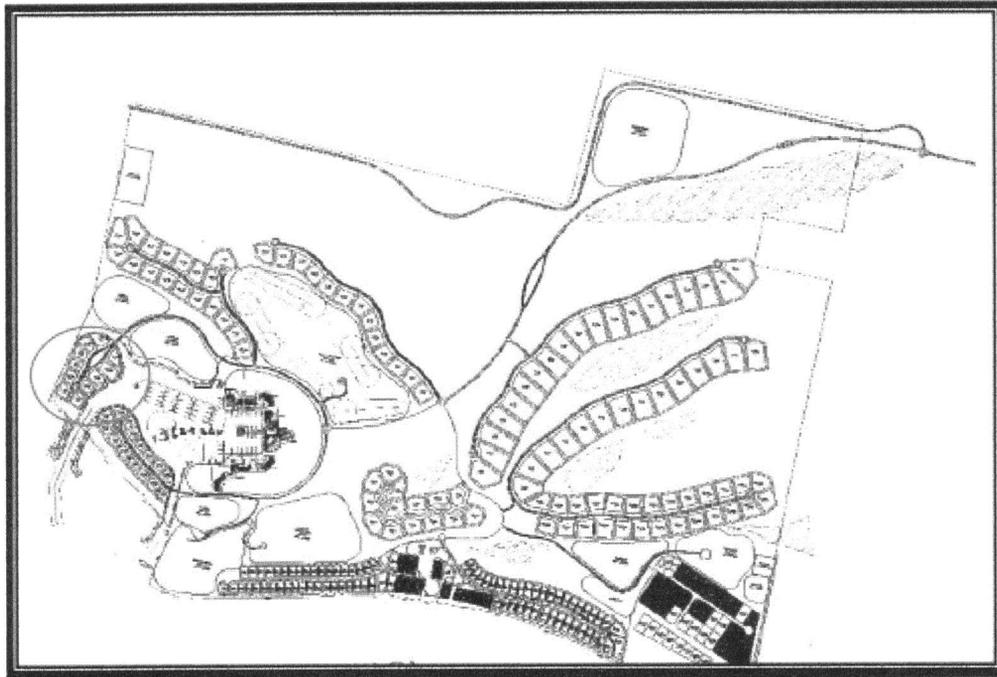


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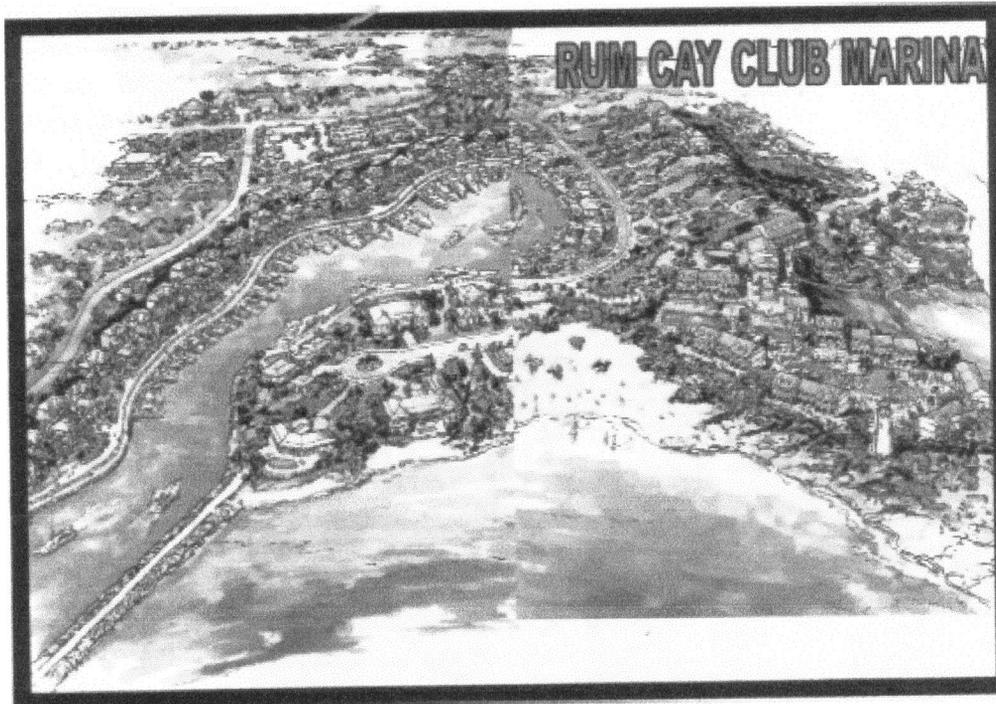




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**THE MARINA SITE**



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Rum Cay Resort, Bahamas



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**Size and Shape of Land:**  
The subject property contains 24.5 acres.

**Frontage:**  
The subject property contains 2,109 linear feet of water frontage



This deep waterway which has its entrance and exit points on the Atlantic, is strategically placed for easy access for boaters from both the United States and Europe. Being the main focus of the resort proposed amenities include an ultra modern marina village with 75 slips, marina services, and a number of guest rooms. In addition, there is also the proposed Marina Village Hotel and a number of shopping facilities and restaurants planned for the area.

At present, the topography has been excavated to feature a number of terraces in which the buildings will be constructed to simulate a Mediterranean style atmosphere. This will allow residents of the area views of the Marina Harbour wherever they are located.

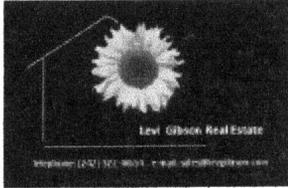


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Rum Cay Resort, Bahamas

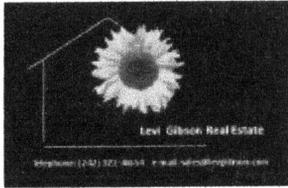


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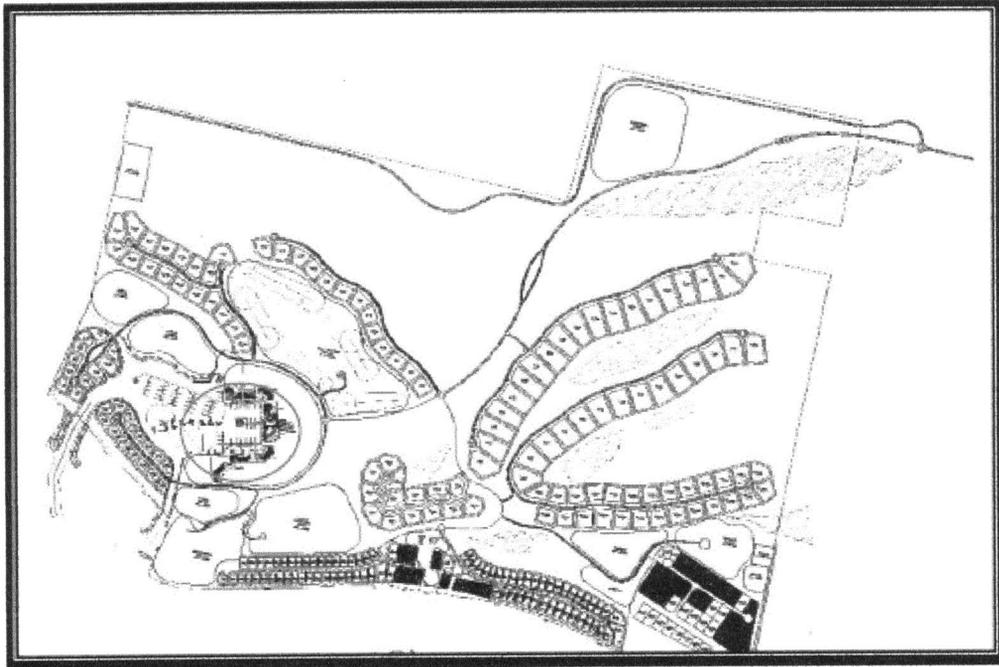


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Rum Cay Resort, Bahamas



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Rum Cay Resort, Bahamas



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**MARINA VILLAGE RESIDENTIAL**

**Size and Shape of Land:**

The subject property contains 4.8 acres.

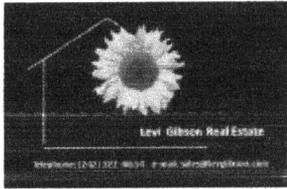
**Frontage:**

The subject property contains 450 linear feet of water frontage

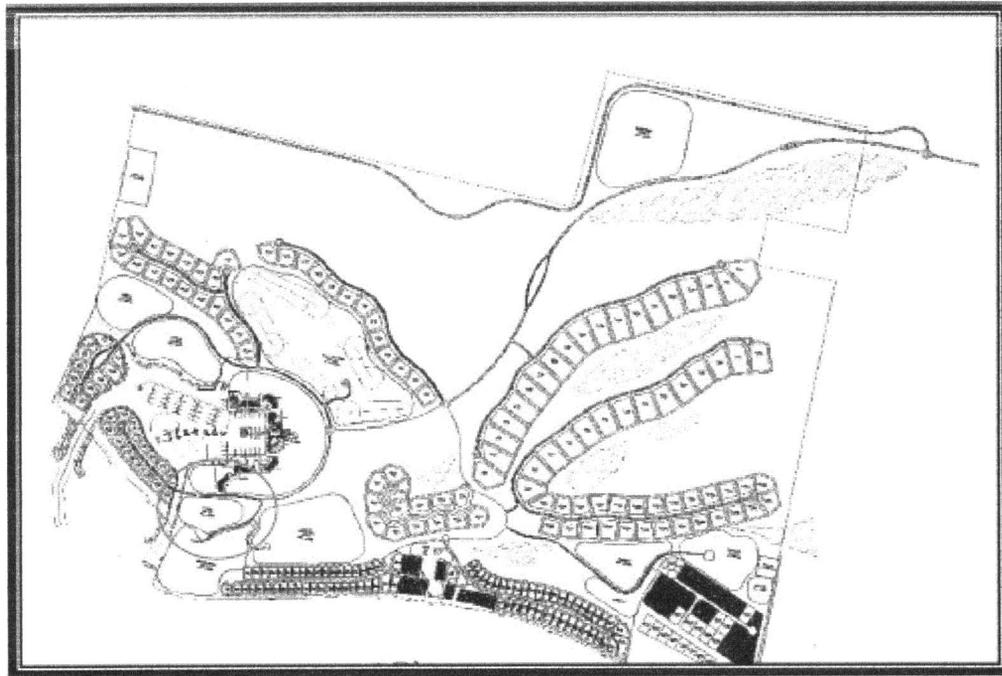
The subject property is located on the flushing channel with partial views of the Marina at Port Santa Marina, the Private Island and portions of the ocean. The land however has only a minor slope and zoned for single family residences therefore in our opinion not as valuable per linear foot as many of the other properties in close proximity.

Additionally, the subject property does have some site improvements which include a wooden building that is being used as a storage area, recreational bar type facility and generator.





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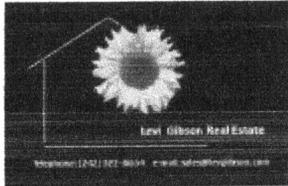
**MARINA VILLAGE CONDOMINIUMS**

**Frontage:**

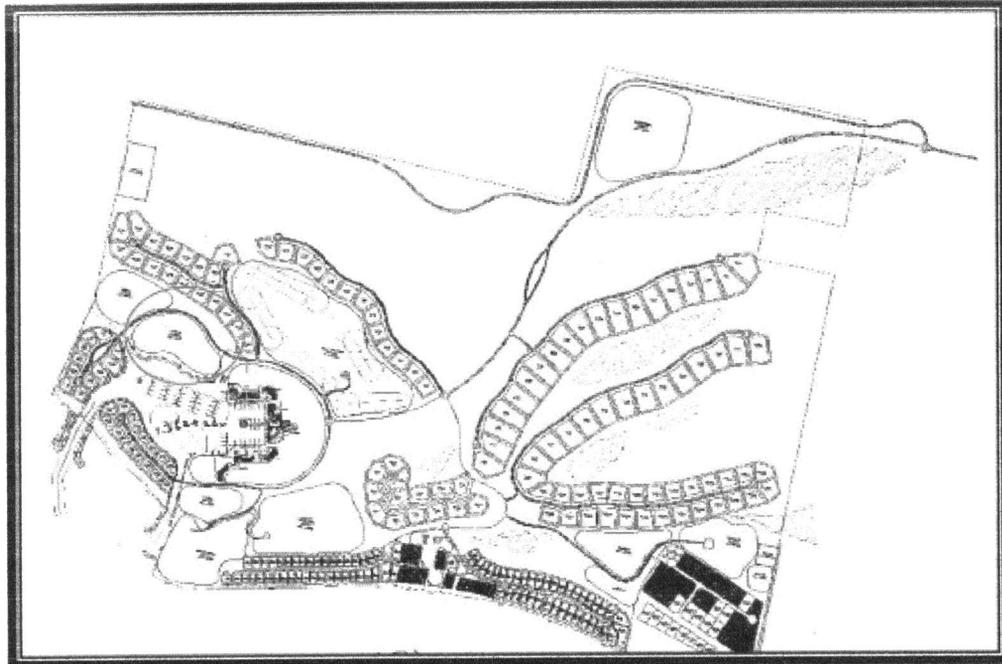
The subject property contains 1,285 linear feet of water frontage.

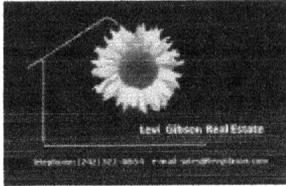
Overlooking the Marina at Port Santa Maria, in addition to views of the Private Island at Eco Estate and the Private Island at Ocean villas, the property presently has a very minor slope with the future plans of raising the height of the subject area.





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**OCEAN VILLAS /PRIVATE ISLAND**

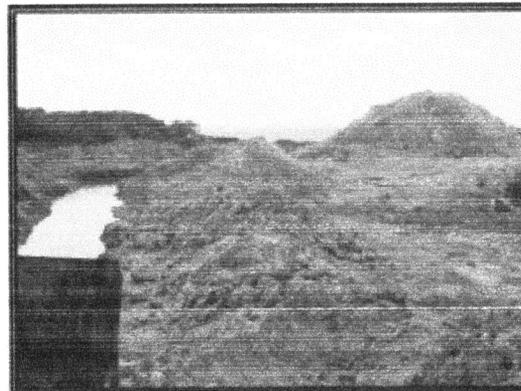
**Size and Shape of Land:**

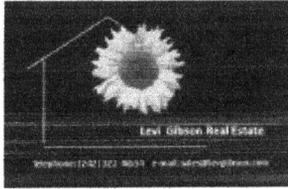
1,257 linear feet of ocean and 1,362 feet on the marina

**Frontage:**

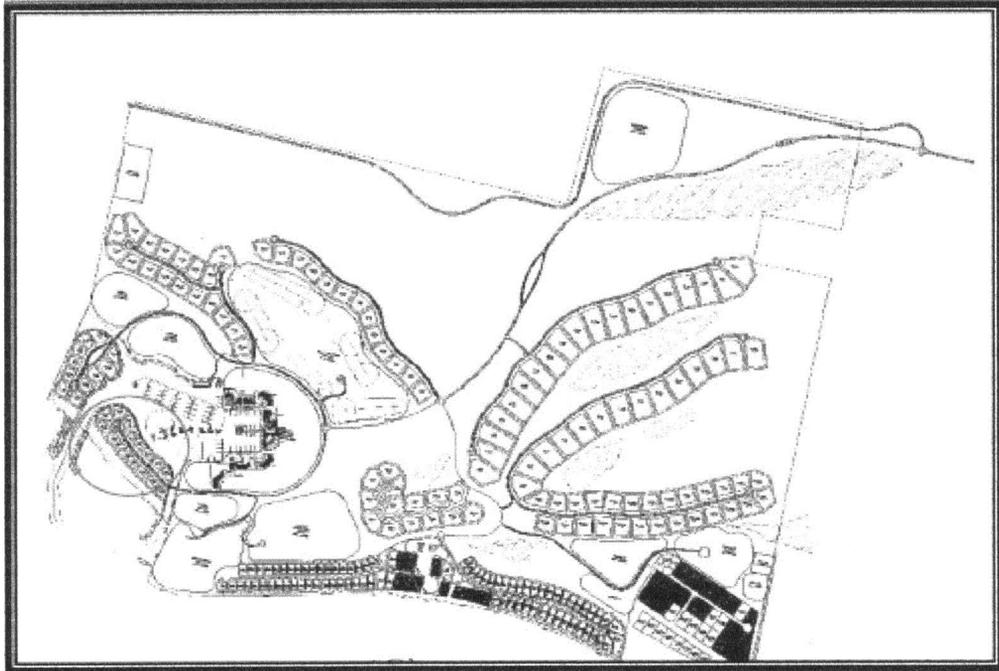
The subject property contains 1,257 linear feet of ocean and 1,362 feet on the marina

Recently dredged from the sea inland, at the entrance to the Marina two new inland islands have been developed which are proposed to accommodate very fine homes rivaling the ocean club resort on the Island of New Providence. These two islands will not only have beach access but will also include private dockage and excellent views of the yachts that are proposed to visit the resort.





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Rum Cay Resort, Bahamas



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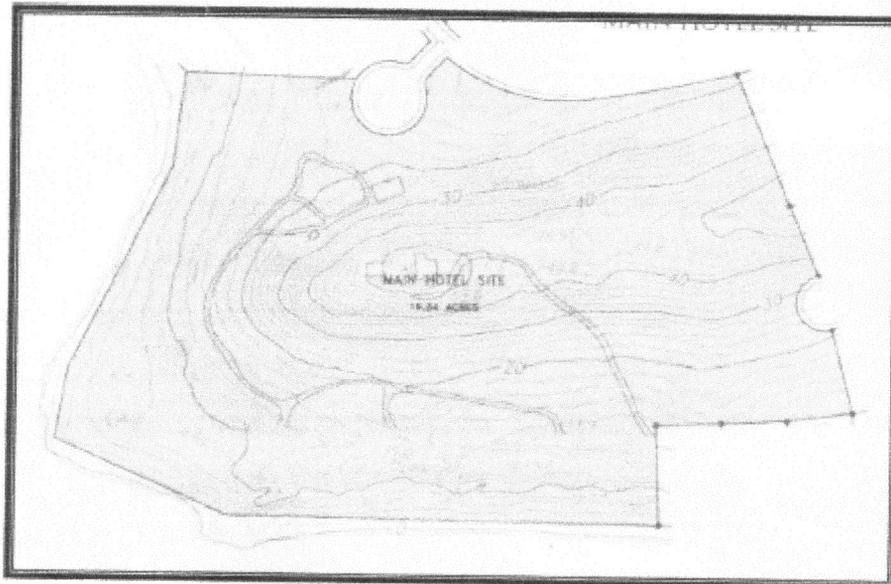
**HOTEL SITE/HILL TOP FRACTIONALS**

Size of land: 16.34 acres

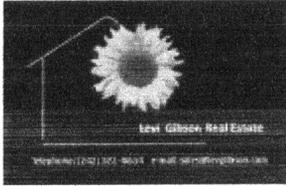
Shape of Land: Irregular

From the marina village and coastline, the topography of the land rises rather rapidly and it is here that on the top of the hill in which the major hotels of the project will be situated. This hotel, will have panoramic views of the entire property other views including the ocean, eco site and marine entrance and marina village. Also proposed in the hotel site are a large number of recreational facilities, restaurants, clubs and other amenities

This area presently has electricity to it with a residence that is to be torn down when development takes place. The general topography consists of very solid rock and thick coppice vegetation with a soil that is ideal for landscaping.



At present there is a contract in place for the ROCK RESORTS Company a major hotel chain in the United States to operate the hotel on the resort.

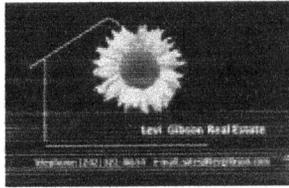


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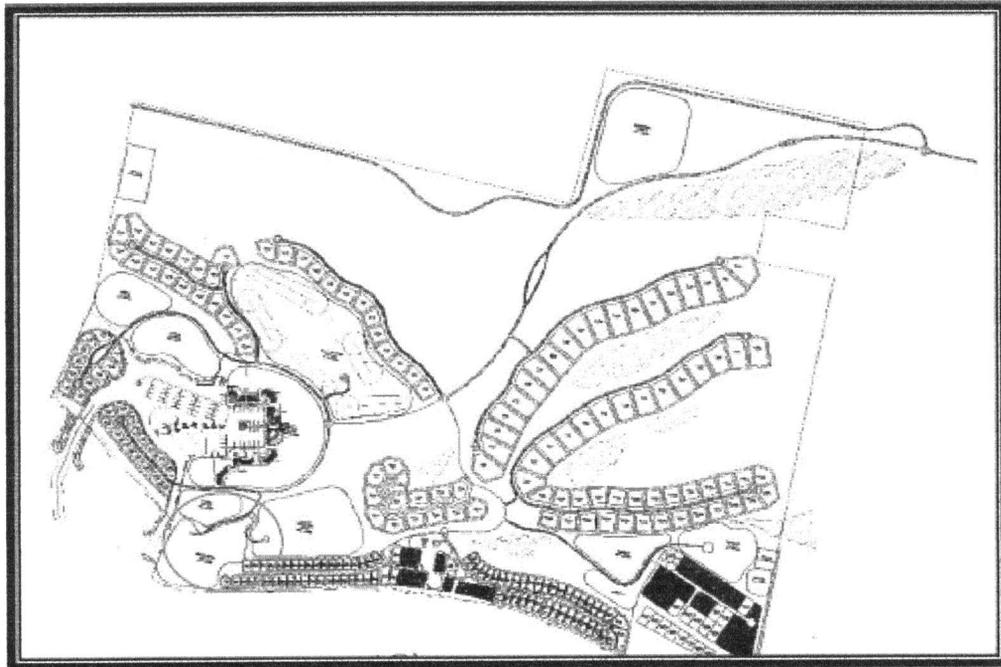


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Rum Cay Resort, Bahamas

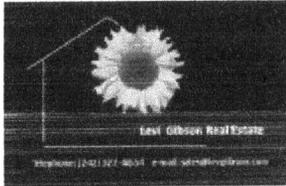


COMMONWEALTH OF THE BAHAMAS  
NASSAU, BAHAMAS



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Rum Cay Resort, Bahamas



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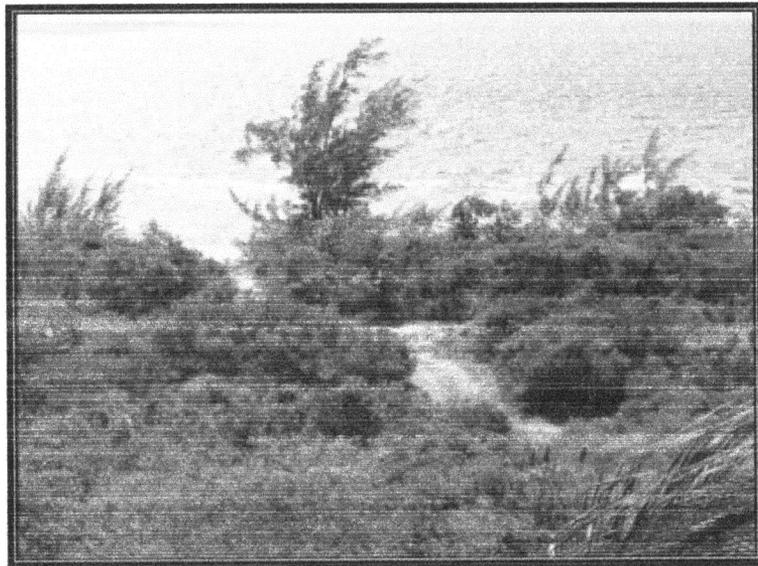


**OCEAN RIDGE PROPERTIES**

**Size and Shape of Land:** The subject property contains 16.9 acres and is irregular in shape

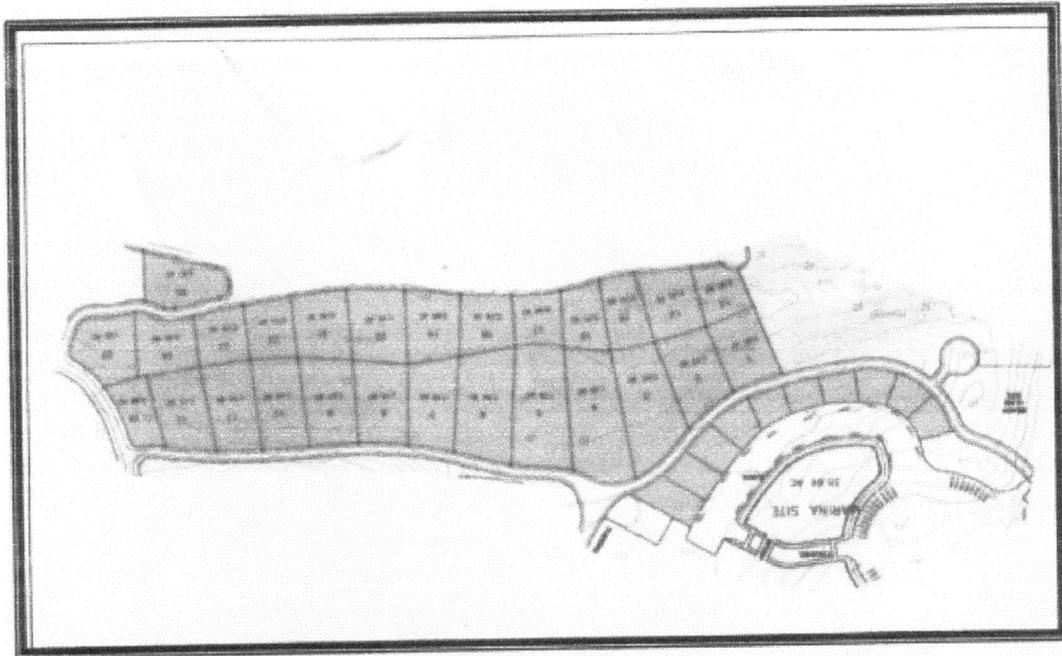
The area surrounding the hotel will consist of a number of cottages and small condominium type buildings proposed for sale or lease to residents of the resort. With panoramic views of the ocean, these lots have elevations from 25 to over 40 feet and consist of Twenty Seven (27) lots ranging between 27,800 feet to 1 ½ acres.

A proposal has been put in place in which the owners of the 10 largest Ocean Ridge Lots have first option to purchase any of the Marina slips with 125 ft moorings.



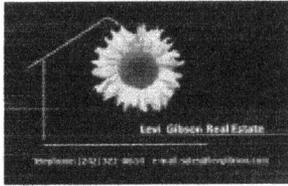


COMMONWEALTH OF THE BAHAMAS  
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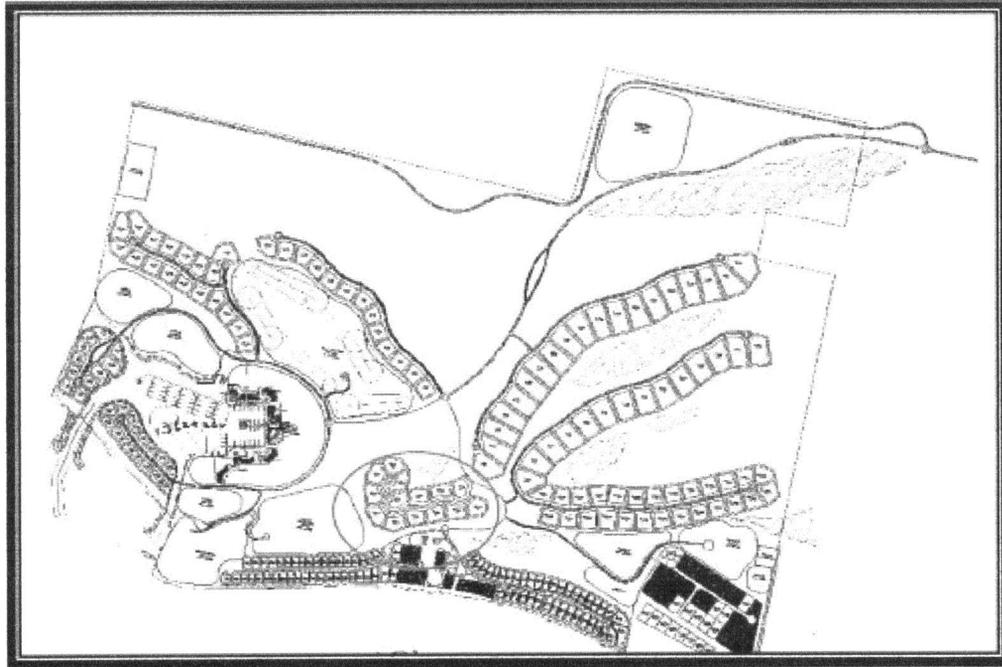


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Rum Cay Resort, Bahamas



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**BEACH /OCEANFRONT PROPERTIES**

**Size and Shape of Land:**

The subject property contains 51.5 acres.

**Frontage:**

The subject property contains 3,294 feet of beachfront

Heading down from the hotel and the ocean ridge lots on the hill towards the sea are the beach and ocean front properties. In an area known as St. Georges Bay these properties include 1.2 miles of pristine white sandy beaches.

With the topography consisting of a very sandy soil, and a number of coconut trees, the elevations rise from sea level to about 5 feet rather rapidly before sloping gently upwards towards the hill top. This unique feature allows for homes built closer to the beach the added security in the event of high water and storm surges that may occur.



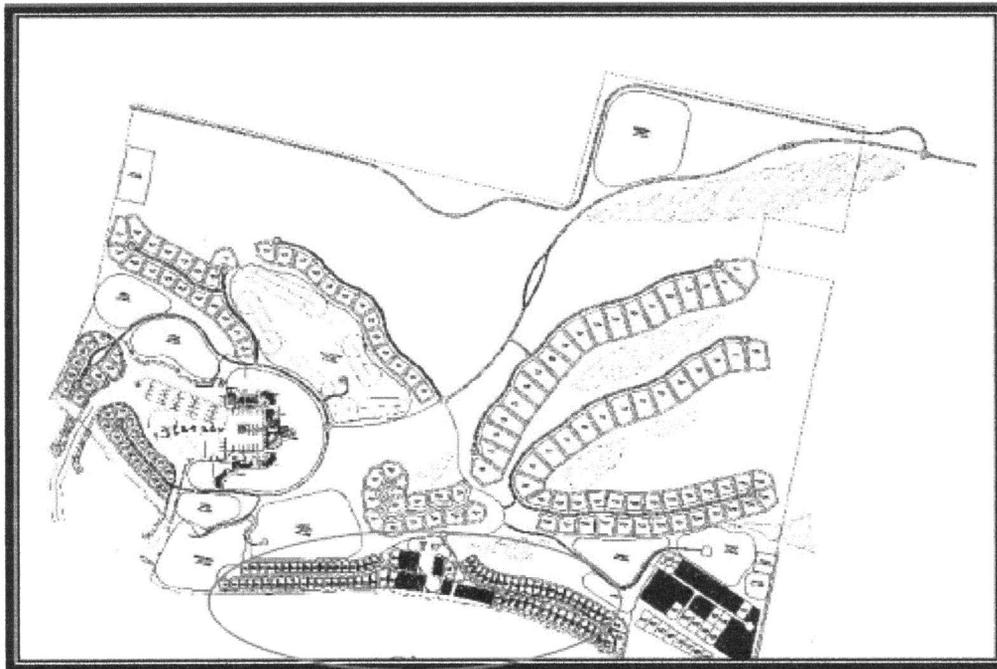


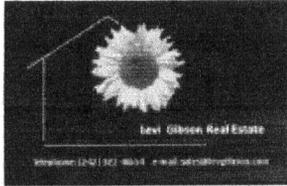
COMMONWEALTH OF THE BAHAMAS  
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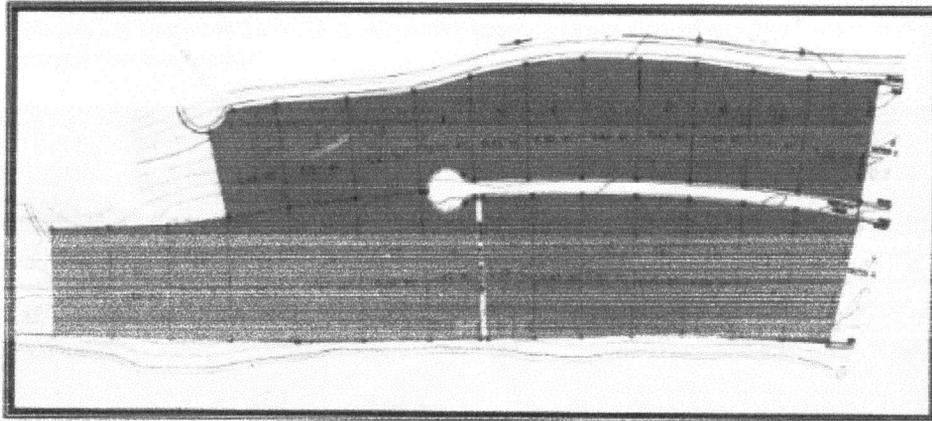
Consisting of some 54 properties on the survey plan, 27 of these are directly on the beach with the other 27 divided by an easement of a road reservation. Although not directly on the beach, the properties to the rear do have easements to the water with slightly higher elevations. Based on calculations of similar properties, these values are at least 25% less than those directly on the water.

Up to the date of this appraisal report seven of these properties were kept by the developer of which x were sold.





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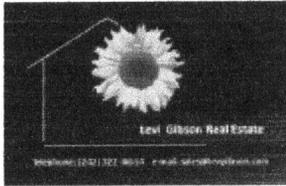


WESTERN SHORELINE PROPERTIES



EASTERN SHORELINE PROPERTIES

ST. GEORGE'S BAY



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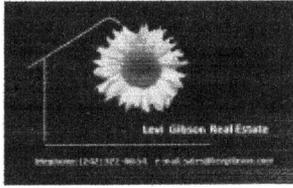


**CLUB GREEN**

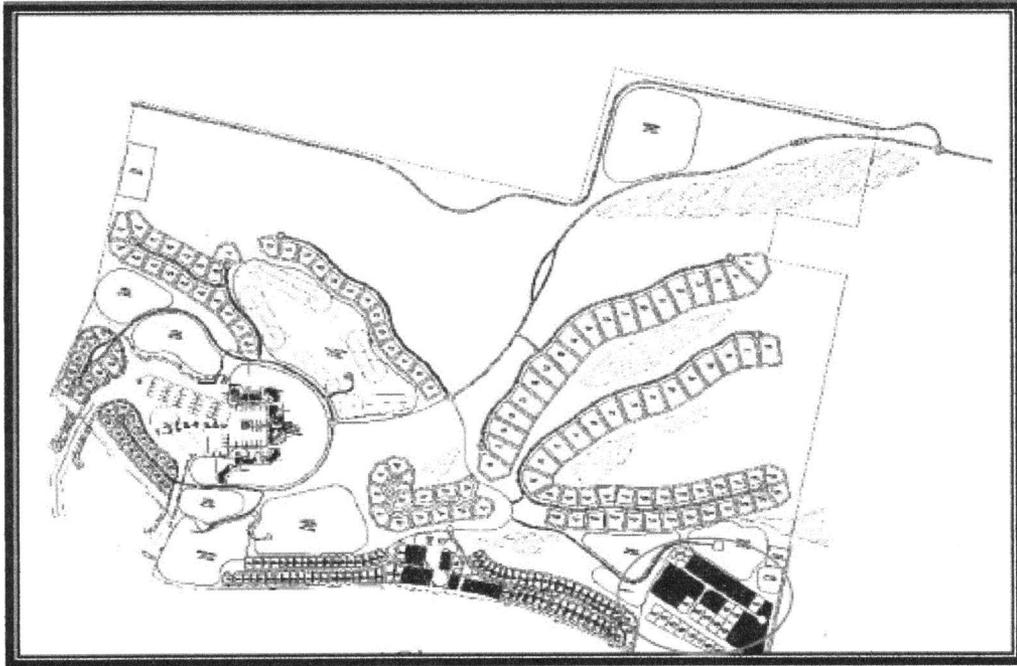
The area known as Club Green has all of the amenities in place and is slated to be the first area to be fully developed. Located just south of the first airstrip on the island and within a short walk to Port Nelson, Club Green once occupied a club house which is in need of repair and the site on which much of the plants slated for the resort are being planted.

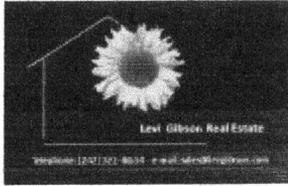
A fair percentage of the land is on the beachfront and it is here that a club house is to be re-erected with a number of cottages and recreational facilities. In addition, the Club Green property is also the proposed site of five Grand Villa lots each averaging 20,000 sq ft which are designed to enhance the other proposed amenities in the area.



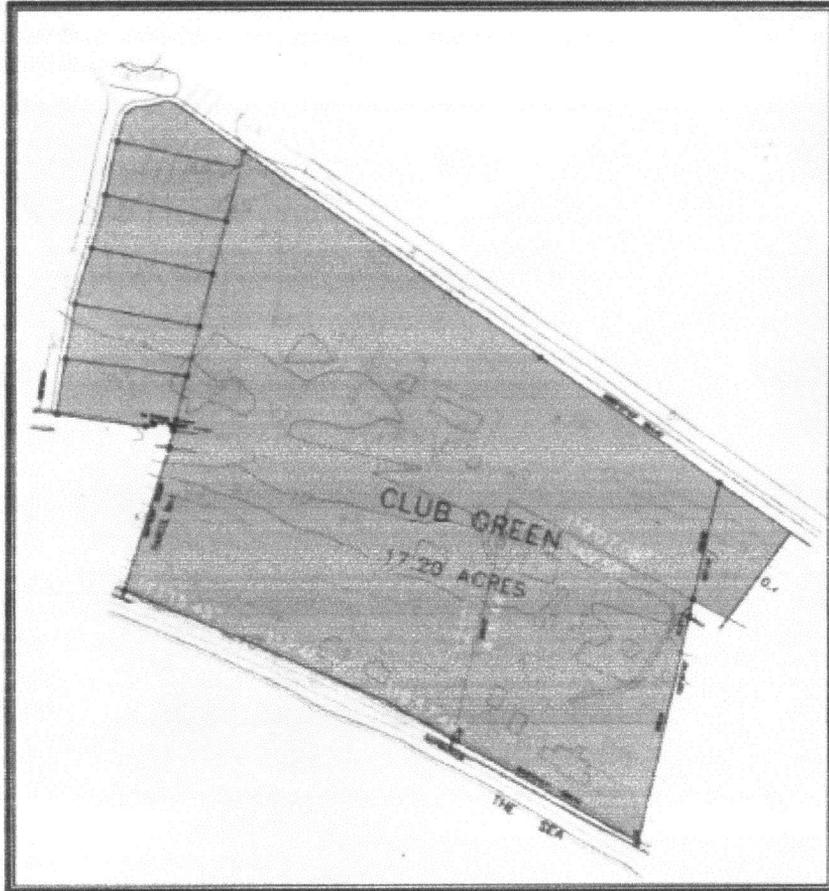


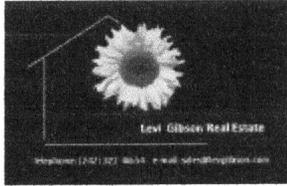
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**OTHER ESTATES:**

There are four other estate properties for residences which have absolutely little or no infrastructure. In addition there is also an additional area where the proposed Polo Club is being proposed to be.

The Estates presently comprises of vacant land made up of primarily very solid rock and a mixture of shrub and hardwood trees. The topography for the area is undulating with areas as below sea level near the ponds to heights of over 50 feet at some of the highest points.

All of the properties with the exception of Nature Estates have views of various buttonwood ponds from their ridges which are expected to be preserved and beautified thereby displaying much of the islands natural wildlife habitat.



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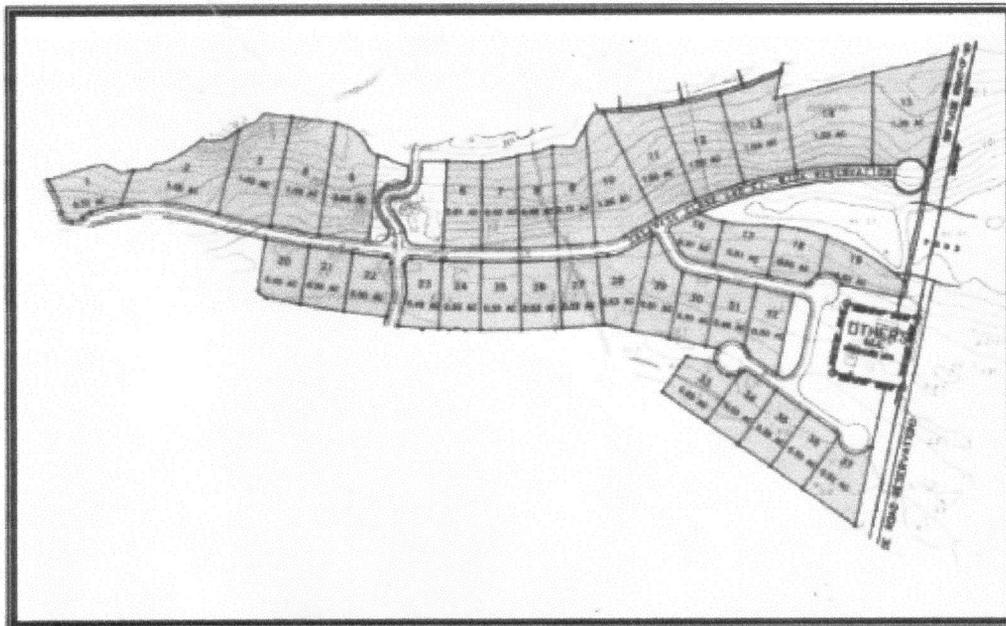


**THE BRADFORD PLANTATION**

Size and Shape of land: 26 acres - Irregular

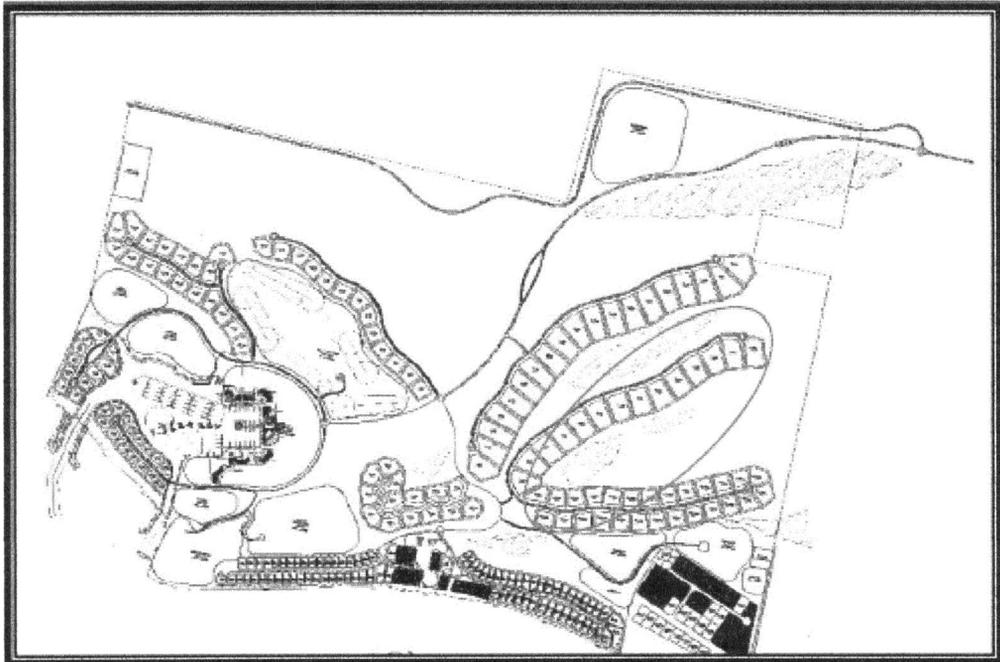
The Bradford Plantation is the original site for the Rum Cay Club. Here one can see much of the original ruins of what was once a Loyalist Great House. The developers of the resort have intentions of restoring some of the original site and turning it into a restaurant.

The topography of the area in which the Bradford Plantation is located includes



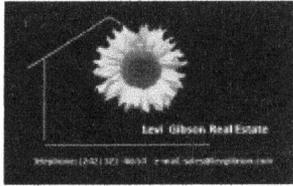


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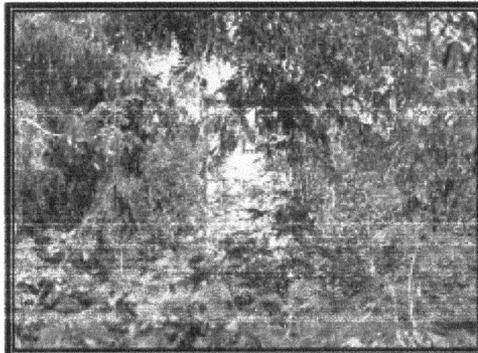


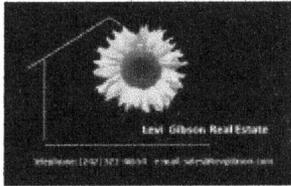
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Rum Cay Resort, Bahamas



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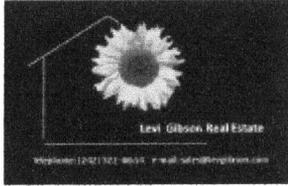


**RIDGE ESTATES:**

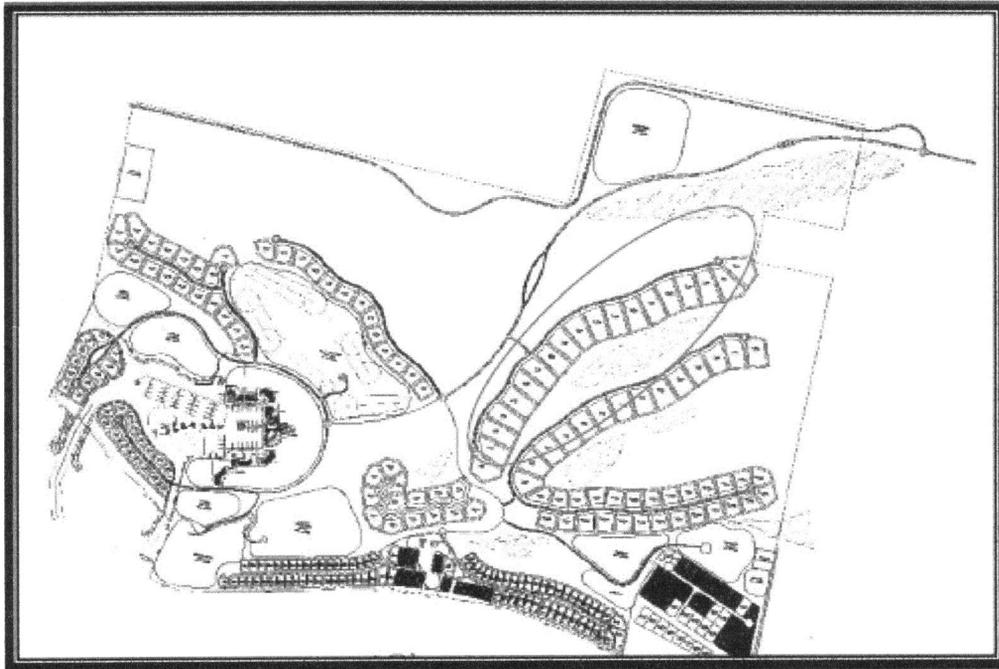
Ridge Estates presently consist of some 38 acres. The property has no utilities with a topography of hilltop and low lying areas with some views of the ocean with a combination of solid land to a sandy soil and swamp.

Plans for this estate include 19 estate homes each comprising of 4,000 sq ft with each situated on 2 acres of land



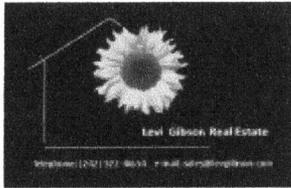


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**RIDGE ESTATES:**

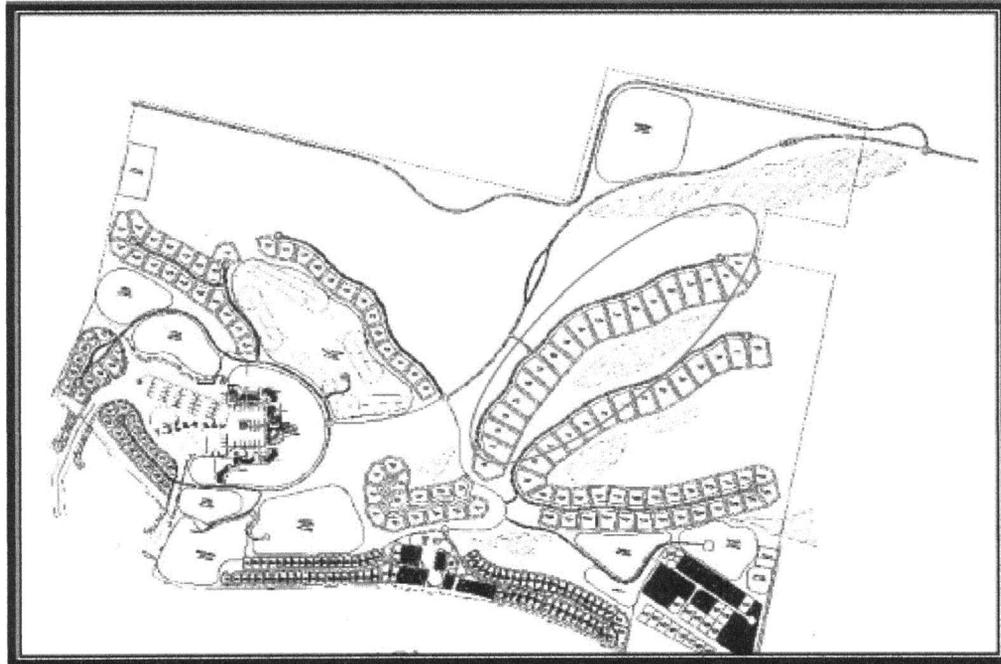
Ridge Estates presently consist of some 38 acres. The property has no utilities with a topography of hilltop and low lying areas with some views of the ocean with a combination of solid land to a sandy soil and swamp.

Plans for this estate include 19 estate homes each comprising of 4,000 sq ft with each situated on 2 acres of land





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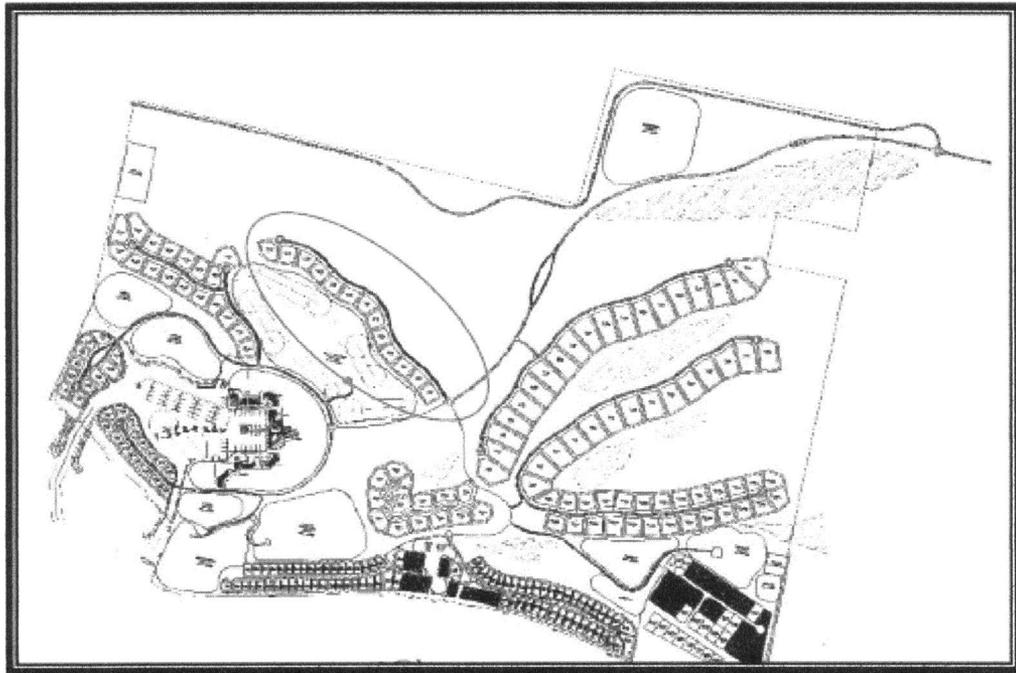
**PLANTATION ESTATES:**

Plantation Estates presently consist of some 25.2 acres. Plans for the estates include 14 units each comprising of 4,500 sq ft with each situated on 1.8 acres of land





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**NATURE ESTATES**

**Location:**

The subject property is located on the most northerly boundary of the resort overlooking the Marina.

**Size and Shape of Land:**

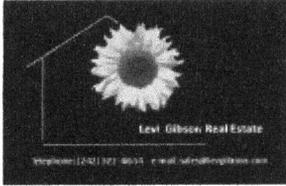
The subject property contains 31.38 acres.

Nature Estates is situated on the north-western boundary of the property consisting of hilltop view of the Marina at Port Santa Maria but the private islands, ocean and proposed practice golf facility.

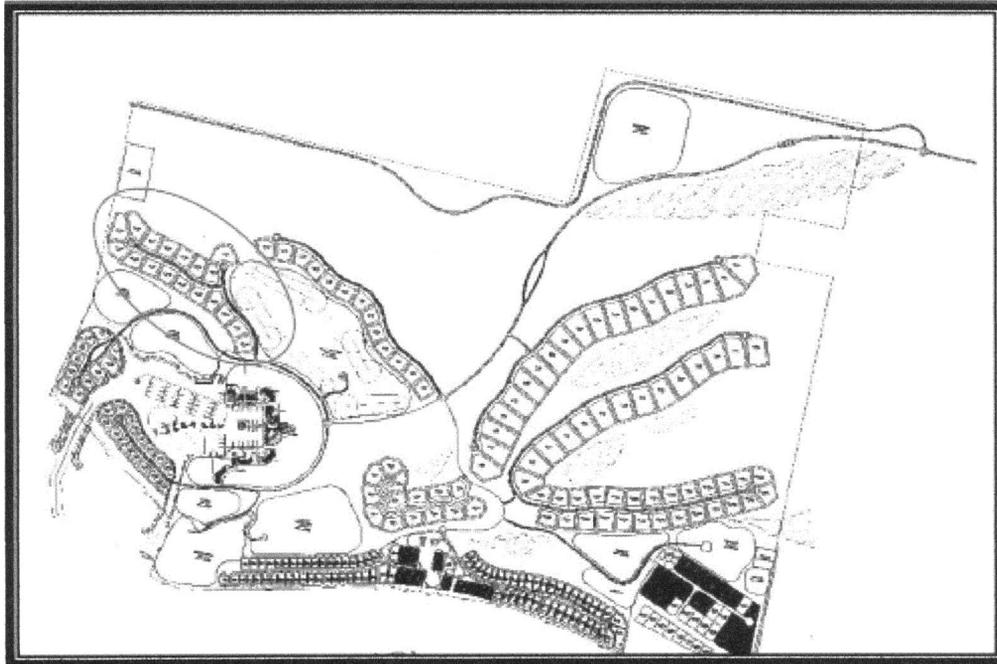
In many respects, this area which has 31 acres of land and designed to accommodate 31 estate homes each of 3,800 sq ft on one acre of land each is proposed to be one of the most prolific portions of the resort.

The area is planned to include nature trails along narrow picturesque paths leading into the commercial areas of the Marina and golf site.





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### Valuation Methodology

There are three recognized approaches considered in the valuation of real property: The Sales Comparison Approach, the Cost Approach and the Income Capitalization Approach. The type, size and age of the property being appraised and the quantity and quality of the available data affect the applicability of each approach.

#### Sales Comparison

In the Sales Comparison Approach a search is made for recent sales or listings of properties similar to the subject. The prices paid for and/or the asking prices for these properties provide the basis for estimating the value of the subject by comparison. Adjustments are made for the differences in the properties as they compare to the Subject where applicable with the adjusted prices yielding estimated indicators of value. An analysis and correlation of the resulting values would then provides a value estimate for the Subject.

#### The Cost Approach

The Cost Approach estimates the cost of constructing the subject improvements as if new, and a depreciative value may be applicable to the subject are deducted. The land value is added to the depreciated value of the improvements resulting in the value of the subject property. If the property is new or under development there is no depreciation factor. The Land Value Estimate is accomplished through the application of the sales comparison technique or an abstraction method.

#### The Income Capitalization Approach:

The Income Capitalization Approach looks at the relationship between the subject property income producing ability and the value buyers and sellers assign to this income. An estimate is made of the market rent, vacancy factors and typical operating expenses. These are deducted from the gross income to provide a net operating income. An estimated value for the subject is derived through direct capitalization of the indicated net income by the application of an appropriate overall capitalization rate or through the use of the discounted cash flow technique.

#### Reconciliation

Reconciliation involves considers the relevance and influence of each approach in relation to the actions of typical buyers and sellers and the quality and quantity of supporting data used in the different approaches to value. The individual value estimates are correlated into a final conclusion of market value.

Subject Property as part of the process to estimate the Current "As Is" Market Value of the Subject



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A search was made for sales and/or listings of comparable development sites in the Bahamas with similar characteristics of the Subject Property. In conducting our research we were able to identify six (6) comparable development sites that offer the opportunity for high-end single family residences development. Also we take into consideration that the

Subject Property and comparables are considered prime beachfront sites and are therefore analyzed per industry standards on beach front linear foot basis not your typical per acre basis. Below are those properties that we feel are most similar in characteristics to the Subject Property:

**Value Conclusions:**

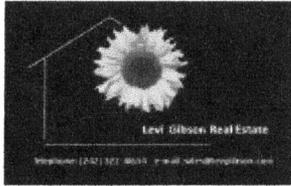
The value of the beachfront is calculate per linear foot. Sales comparisons were taken on several beachfront properties throughout the Bahamas. These included:

Location	Size (acres)	Linear feet	Price	Price/Linear ft
Abaco Club	1.5 acres	100	\$1,500,000.00	\$15,000.00
Princess Isle (GB)		150	\$1,100,000.00	\$7,333.00
Winding Bay (A)	1.755	150	\$1,500,000.00	\$10,000.00
Treasure Cay	1 acre	75.87	\$1,400,000.00	\$18,453.00

These properties varied from resort properties similar to the subject property or prime beach front a in Treasure Cay. Using a correlation of the subject properties and with information gathered on other properties listed for sale (less 15/20% as not sold) it is in our opinion that a fair market value per linear foot of the subject property as of this date is \$12,500.00 l.f

**Ocean View Properties:**

Properties that are within the first 100-200 feet by rule of the beachfront are estimated at 40% less than the beachfront values. Thus ocean front properties have been estimated at \$12,500.00 x linear foot less 40%.



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### Marina

The areas around the Marina are considered the more valuable of the properties due to the excavation that took place and the activity around the Marina Basin.

The Commercial area around the Marina was placed at a premium due to cost to excavate and tier the said site and the economic potential of the area. Hence it was in the opinion of the appraiser that the linear foot value should be a minimum of 180%-200% the value of the beachfront properties or \$22,500.00-\$25,000.00 per l.f.

The Marina Residential has some beachfront areas and some views of the canal but without the maximum view of the Marina in comparison to the Marina Condos and the Private Islands. Based on this fact, the appraisers estimated the value based on the linear beachfront value + 10%. These calculations are similar to those as Ginn Sur Mer in Grand Bahama.

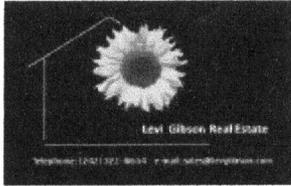
The Marina Condos have the major advantage of having picturesque views of the proposed Marina as well as the private islands. By rule most multi family properties are 15-20% more than residential properties on average. The Marina Condos also have the advantage of being leased, and in considering the view and its close proximity to the Marina Village the estimated market value has been calculated at linear values + 25%.

Eco Estates include their own private pond area as well as some Marina views. Some consideration was also given to its close proximity to the private islands. It was in our opinion that the values should be based slightly more than the Marina residential but less than the private islands. Thus it was in our opinion that a fair market value would be the value of the linear values + 30%

The Ocean Villas or Private Island has beachfront and canal frontage. Because of the excavation that was required turning the swamp into a livable area the quality of the housing proposed, similar to that of Ocean Club and the privacy and exclusiveness of the area, the appraiser has placed a premium on these properties over all the remaining properties at linear foot values + 50%.

Hill Top Villas are situated on a hill just behind the ocean view lots. Because the property has views of the ocean and residential marina we have estimated this value to be the square footage value of the residential marina lots less 40%.

Because the hill top fractional have the best view of the resort as it overlooks the marina, ocean and all of the other estates and in addition is the proposed site of one of the hotels, it is in our opinion that a fair estimated market value should be 20% less than the square footage value of the marina acreage.



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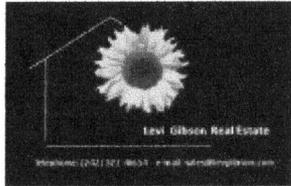
The Bradford Plantation has some utilities but is still in need of some infrastructure work. The value of these properties were estimated on the most recent Queens Gate valuation sales of \$500,000.00 for a 21,888 sq ft lot or \$22.84 sq ft. Infrastructure costs are estimated to be 65% of the developed square footage or \$8.00 sq.ft (See Queens Gate Spread Sheet)

Club Green has most of the amenities of Queens Gate and is similar in location to the Port Nelson Community. However, these properties which are slightly less than ¼ acre are proposed to have more of the amenities available of the resort than that of Queens Gate. As a result it is in our opinion that the present value is value of the Queens Gate Property+ 25%

Plantation Raw land at present. It is in our opinion that this value would be 65% of the value of the Bradford Estates or \$3.08 sq ft. This value is comparable to the costs of acreage vacant land on the remaining family islands + 20% for the approval of the property as a resort.

Ridge Estates has less view than all of the other locations and may take longer to develop than the other properties. It is in our opinion that \$43,560.00 is a fair acreage value for these properties.

Nature Estates Because of the location of Nature Estates although it is raw land the potential in our opinion is even greater than the Plantation, Estates and could rival the Bradford Plantation at present as is. We have therefore placed a value at 8.00 sq ft. but when developed could be just as valuable or more as the Hill Top Villas.



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Property Type	Acreege	Linear feet	Estimated Market Value
Ocean Villas (Private)	8.2 acres	1257	\$23,568,750.00
Eco Estates (Private)	7.4 acres	1,645	\$26,731,250.00
Ocean Lots	13.23 acres	3,294	\$41,175,000.00
Ocean View	18.27 acres		\$27,538,500.00
Hill Top Fractional (Hotel)	16.9 acres		\$26,186,032.00
Hill Top Villas	18.2 acres		\$14,076,562.00
Bradford Plantation	26.2 acres		\$9,130,176.00
Plantation	25.2 acres		\$3,380,953.00
Marina	24.5 acres	2,109	\$47,452,500.00
Marina Village Residential	4.8 acres	450	\$6,187,500.00
Marina Condos	16.3 acres	1,285	\$20,078,125.00
Club Green	2.05 acres		\$2,556,881.00
Nature Estates	31.38 acres		\$10,935,302.00
Ridge Estates	38 acres		\$1,655,280.00
Present Estimated Value			\$260,652,811.00

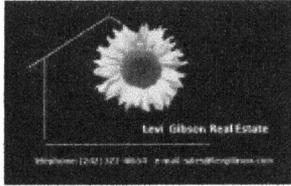
According to information from Montana Holdings, several properties on the beachfront or that have ocean view have been kept or sold (See Chart)

Lots	Linear Beachfront/ view	Size (sq. ft)
21/OV	80.02	23,743
22/OV	80.91	19,458
5	79.43	15,656
6	79.43	15,656
41/OL	88.91	12,792
40/OL	83.05	12,201
39/OL	83.77	13,308
38/OL	81.01	15,102

Estimated Market Value of the subject properties: \$6,522,925.00

It is therefore in our present that the present market value of the subject property as of this date is:

**\$254,129,886.00**



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**HOW TO GET THERE:**

The subject property is next to the Port Nelson Community on the island of Rum Cay in the Commonwealth of the Bahamas.

**ROGER. C SANDS**  
Appraiser / Salesman

## C. IMAGES



### **THE GENIUS BEACH COLLECTION:**

The Beach Collection by GeniusDesigns™ has been created for areas where pilings are required due to local building codes. When you build on your lot in a pristine location and paint the home in your favorite colors, “The Beach Dream” is strikingly attractive, making each homeowner a “very proud island homeowner”.

The Genius Beach Residences start at 3 bedrooms and 2.5 bathrooms, either on a single storey residence, with a full terrace and large balconies in the front and back of the home. Sizes start from 1,800 square feet and can be expanded up to six bedrooms and 3.5 bathrooms in a “multi-floor” design.

The Genius Beach Residences truly can be crafted to fit all of your Family Needs.

All Designs and Images can be found at: <http://www.geniushomedesigns.com>



**The above image is an example of the quality kitchens that are built into each Home.**

**Our Interior Designers work to create beautiful custom decors while keeping a functional experience in mind for all of our design plans.**

**Each Home and its décor should make a great first impression and represent who you are and the look and feel you want to achieve.**

**Whether your taste is formal, traditional, casual or something entirely different, our décor options will transform your house into the home you have always dreamed about.**

**Our décor options include an exclusive selection of custom cabinets, paints, counter tops, window treatments, flooring and a variety of exterior selections.**



For years only the privileged few have lived on a majestic estate.... Now our Rum Cay Residents can enjoy it too! More than 897 acres of glorious parkland, nestling around a master planned golf course community of timeless and outstanding beauty will set the scene for the Private Estate of Rum Cay Resort & Marina, where living and working under one roof meets the trend of the NEW MILLENIUM.

The team of GeniuSystems International, LLC has created on these majestic grounds, a unique residential park, which will soon reflect its importance as a part of the Bahamian Heritage on the Island of Rum Cay. The atmosphere of the Rum Cay Resort exemplifies warmth, friendliness, privacy, luxury and comfort.

GeniuSystems International, LLC is a specialized company with the core of the business activity in the resort development sector. The team of GeniuSystems has created a sophisticated elegance for spectacular resort residences, where "unrestrained freedom" was the root of our inspiration.

Characteristic for this project is the obvious contradictions that mitigate, complement and invigorate each other, hence the importance of the unconstrained environment and natural materials, strengthened by the architecture and the use of Man Made materials. Beautiful residence apartment units of 2, 3 and 4 bedroom sizes and executive residences of 720 square feet, up to 3,600 square feet of living and entertainment.

All Designs and Images can be found at: <http://www.geniushomedesigns.com>



All Designs and Images can be found at: <http://www.geniushomedesigns.com>



3D View 1



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3D View 2



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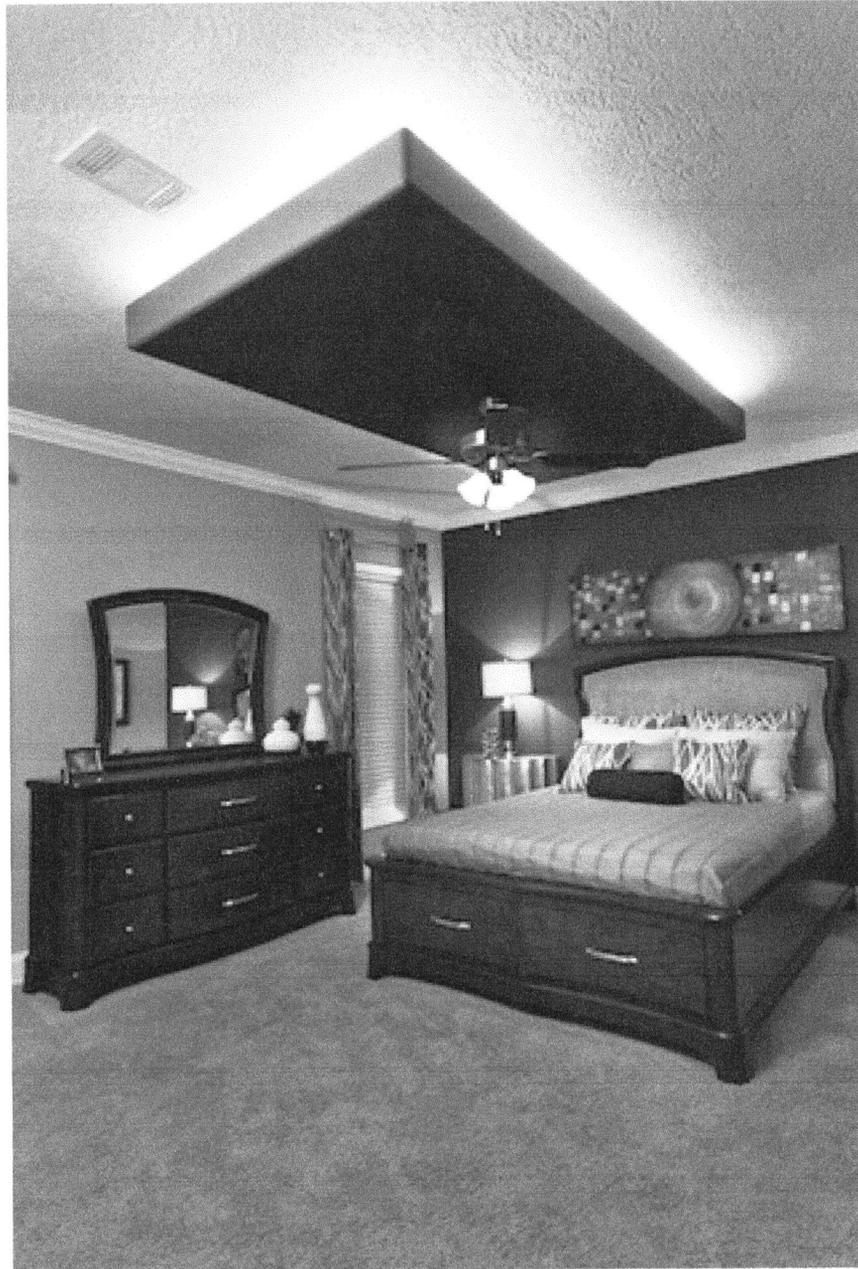
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### C. TERMS AND CONDITIONS

The following is a summary of the certain principal terms of the proposed investment in Rum Cay Ocean Resort & Spa Development, LLC

<b>The Company</b>	Rum Cay Ocean Resort & Spa Development, LLC is a Florida Limited Liability Company.
<b>Security Offered</b>	The Company shall hold a First Lien Mortgage on the Property as defined in the Appraisal starting on Page 20 of this Registration Statement.
<b>Company Managers</b>	Biographies of all Managers can be found starting on Page 97 of this Offering.
<b>Minimum Capital Commitment</b>	Each investor will be required to purchase a minimum of One - Five Year Secured Debt Note Units.
<b>The Offering</b>	The Company is seeking capital commitments of \$5,000,000 from Investors. The securities being offered hereby consists of up to 5,000 Five Year Secured Debt Notes Units of the Company, priced at \$1,000.00 per Unit subject to the Company's discretion to increase the size of the offering. The purchase price for each of the Five Year Secured Debt Notes is to be paid in cash as called by the Company.
<b>Interest Distributions</b>	Interest shall be paid to the Investors Quarterly. Interest due for all Notes shall be paid on the following dates each year: <ul style="list-style-type: none"><li>• Last Business Day of March each year</li><li>• Last Business Day of June each year</li><li>• Last Business Day of September each year</li><li>• Last Business Day of December each year</li></ul>
<b>Principal Repayment</b>	All Principal shall be paid to the Investor at Maturity (Five Years).
<b>Early Repurchase of Notes by the Company</b>	<p>All Secured Debt Notes repurchased by the Company in Months 1-12 shall be repurchased for the full Face Value, all accrued interest due up to the date of repurchase, plus an additional six months of interest. No fractional Secured Debt Notes shall be repurchased.</p> <p>All Secured Debt Notes repurchased by the Company in Months 13-24 shall be repurchased for the full Face Value, all accrued interest due up to the date of repurchase plus, an additional five months of interest. No fractional Secured Debt Notes shall be repurchased.</p> <p>All Secured Debt Notes repurchased by the Company in Months 25-36 shall be repurchased for the full Face Value, all accrued interest due up to the date of repurchase, plus an additional four months of interest. No fractional Secured Debt Notes shall be repurchased.</p> <p>All Secured Debt Notes repurchased by the Company in Months 37-48 shall be repurchased for the full Face Value, all accrued interest due up to the date of repurchase, plus an additional three months of interest. No fractional Secured Debt Notes shall be repurchased.</p> <p>All Secured Debt Notes repurchased by the Company in Months 49-54 shall be repurchased for the full Face Value, all accrued interest due up to the date of repurchase, plus an additional two months of interest. No fractional Secured Debt Notes shall be repurchased.</p> <p>All Secured Debt Notes repurchased by the Company in Months 55-59 shall be repurchased for the full Face Value, all accrued interest due up to the date of repurchase, plus an additional one month of interest.</p>

No fractional Secured Debt Notes shall be repurchased.

<b>Board of Directors</b>	All classes of Secured Debt Noteholders shall elect TWO of FIVE seats of the Company's Board of Directors.
<b>Voting Rights</b>	Secured Debt Noteholders have NO VOTING RIGHTS
<b>Term of the Offering</b>	The Offering will commence promptly after the date of this Offering Circular and will close (terminate) upon the earlier of (1) the sale of 5,000 Secured Debt Note 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 \$1,000,000 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 \$1,000,000 will be held in an investment escrow account, and only after \$1,000,000 in securities has been sold to investors (Ten Thousand Secured Debt Note 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.
<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.

#### ITEM 7. DESCRIPTION OF PROPERTY.

The Company does not own any real estate. The Company currently rents office spaces at 493 Red Corner Road, Douglassville, Pennsylvania 19518. The Company will hold a First Lien Position on the property detailed in the Appraisal Report starting on Page 20 of this Registration Statement.

#### 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. Steve Sherman</i>	<i>Founder &amp; Senior Managing Member</i>

Mr. Steve Sherman brings banking, logistics, and unmatched sustainable construction delivery systems to the Company. Mr. Sherman spent 17 years in managing, administrating and establishing companies, offshore banks, captive insurance companies and trusts in more than fifty different countries within Europe, the Far East, the Caribbean, the United States and Asia.

Originally from Germany, Mr. Shearman started his career in concrete construction, masonry and engineering. Mr. Sherman is the Inventor of various concrete construction patents and the modular Geniusystems. Using German construction management

processes and engineering as well as very creative capital solutions, the Genius group of Companies has developed a high performance modular system and an accelerated construction process.

Mr. Sherman has positioned the Genius Group of Companies to specialize in providing low cost, yet sustainable housing solutions for commercial and residential real estate projects nationwide, and internationally, including government community development programs. Mr. Sherman has also developed creative finance solutions for commercial and residential real estate projects worldwide. A dedicated advanced visionary with a passion for IMPACT INVESTMENTS and sustainable evolutions in the building components, and financial deliverability.

***Mr. Craig Atkins***

***Senior Executive & Managing Member***

Mr. Atkins has closed well over 200 real estate transactions in his career as a real estate investor, and has worked with a large number of real estate clients in the acquisition and financing of real estate. Mr. Atkins also has been featured in the “who’s who edition” and is the author of a book on “lease / purchase”. His very first company “Direct Connection Financial Services” started in his home garage in 1993, and boomed into a six office multi-state success in just three years. In 1998, Mr. Atkins started an investment group that merged into his present Company “HBFC”.

***Mr. Kerry Kalvig***

***Development Manager & Managing Member***

Mr. Kerry Kalvig has an extensive personal and professional resource base in Kansas City, Kansas and is the vision and driving force behind The Legacy Company. His extensive experience in team building and effectuating resource development and allocation is the heart of the Company. As The Chairman of the Board of the Directors, Mr. Kalvig is the lead of a two-phased multi-billion dollar commercial, retail, office, E-use center, multi-family, hotel / resort corridor, live entertainment, education outreach, artist and amusement destination project.

***Mr. Mike Carlson***

***Vice President & Managing Member***

Mr. Mike Carlson has over twenty years of experience in and throughout the inclusive fields of Real Estate, Business Law, Finance, Securities, Private Equity and Project Development. Mr. Carlson’s formal education includes undergraduate studies in Structural Engineering, Drafting and Design, Architecture, Security & Logistics, Impact Development, Investment Banking and Fund Management.

***As a collective – Mr. Kalvig and Mr. Carlson have brought over 2,000 real estate properties to profitable exits over the past two decades.***

***Mr. Neil Armstrong***

***Senior Executive & Managing Member***

Mr. Armstrong has over thirty years experience in the real estate industry including site selection, appraisal, financing and investment consulting on small and large scale projects, including proposed and existing real estate projects across the country. Clients have included major (and small) financial institutions, REITs, rating agencies, governmental agencies, and large and small investors, as well as developers. His experience includes virtually all types of residential and commercial real estate. He is well versed at using creative deal structure to provide solutions when conventional methods don’t work. His extensive network of strategic relationships helps to provide a wide array of solutions to most types of real estate situations.

***Mr. Jeffrey Muller***

***Senior Executive & Managing Member***

Mr. Jeffrey Muller began his career as a finance manager for a family business in 1986, and ventured out on his own shortly thereafter. He has more than twenty-five years of experience in the finance industry, and extensive knowledge in asset financing and structuring, project funding, and corporate financing. Mr. Muller’s recent career path has combined his financial engineering talents with the structuring and design of high level finance and insurance products for specific niche markets within the commercial real estate, healthcare, and life insurance industries. Mr. Muller’s extensive network continuously provides him with high level project opportunities along with exposure to the most cutting edge financial products and strategies.

**Mr. Michael Poelstra**

**Senior Executive & Managing Member**

Mr. Michael Poelstra has resided in the Denver metro area for over thirty years. Prior to entering the real estate industry, Michael spent twenty plus years in the hospitality industry, and has applied those skills to running a successful real estate business. He has knowledge of all aspects of real estate transactions, including both residential and commercial real estate ventures and projects. Mr. Poelstra also has extensive experience with REO sales, bulk real estate sales, international real estate transactions and has consulted for numerous high profile clients.

**Mr. Steven Joseph Muehler**

**Advisor**

Mr. Steven Muehler is the Founder and Chief Executive Officer for Blue Coast Securities Corporation (DBA: Alternative Securities Markets Group) & Alternative Securities Markets Group Fixed Income Mortgage Fund I, LLC. 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 Fixed Income Mortgage Fund(s).

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: [www.SteveMuehler.com](http://www.SteveMuehler.com) and [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com).

B. *Significant Employees.* All Members of Rum Cay Ocean Resort & Spa Development, LLC, except for Mr. Muehler, 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 Rum Cay Resort & Spa Development, LLC 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 September of 2014, the Company adopted a compensation program for Company Management. Accordingly, Management of Rum Cay Ocean Resort & Spa Development, LLC. will be entitled to receive an annual salary of:

Mr. Steve Sherman	Founder & Chairman	\$120,000
Mr. Craig Atkins	Senior Executive & Managing Member	\$60,000
Mr. Kerry Kalvig	Development Manager & Managing Member	\$60,000

Mr. Mike Carlson	Vice President & Managing Member	\$60,000
Mr. Neil Armstrong	Senior Executive & Managing Member	\$60,000
Mr. Jeffrey Muller	Senior Executive & Managing Member	\$60,000
Mr. Michael Poelstra	Senior Executive & Managing Member	\$60,000

#### 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.

#### 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 Equity Membership Units owned of record and beneficially by executive officers, directors and persons who hold **5% or more of the outstanding Equity Membership Units of the Company**. Also included are the shares held by all executive officers and directors as a group.

Name & Address	Amount Owned Prior to Offering	Amount Owned After Offering
Mr. Steve Sherman Founder & Senior Managing Member 493 Red Corner Road Douglasville, PA 19518	Equity Membership Units: 900 Units (90%)	Equity Membership Units: 850 Units (85%)
Mr. Craig Atkins Senior Executive 493 Red Corner Road Douglasville, PA 19518	Equity Membership Units: 100 Units (10%)	Equity Membership Units: 100 Units (10%)
Alternative Securities Markets Group Advisor / Shareholder 9107 Wilshire Blvd, Suite 450 Beverly Hills, California 90210	Equity Membership Units: 0 Units (0%)	Equity Membership Units: 50 Units (5%)

**NOTE: Mr. Steven J. Muehler, Advisor to the Company, is the Founder, Chief Executive Officer and Sole Shareholder of Alternative Securities Market Group Corporation, and holds all voting rights for the Company.**

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

#### Related Party Transactions

Mr. Steve Shearman, the Company's Founder and Senior Managing Member, controls the majority of the issued and outstanding Equity Membership Units of Rum Cay Ocean Resort & Spa Development, LLC. Consequently, this shareholder controls the operations of the Company and will have the ability to control all matters submitted to members 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. Steve Sherman 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 Equity Membership Units. 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.**

### **Secure Debt Notes**

This Offering Circular relates to the offering (the "Offering") of up to 5,000 Secured Debt Note Units (the "Securities") in Rum Cay Ocean Resort & Spa Development, LLC. The Securities offered through this Offering have no voting rights. The Offering will commence promptly after the date of this Offering Circular and will close upon the earlier of (1) the sale of 5,000 Secured Debt Note 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 \$1,000.00 USD per Secured Debt Note Unit. If all Securities are purchased, the gross proceeds to the Company will be \$5,000,000.00 USD. Though the Offering is being conducted on a "best-efforts" basis, the Company has set an investment minimum of \$1,000,000 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 \$1,000,000 will be held in an investment escrow account, and only after \$1,000,000 in securities has been sold to investors (Ten Thousand Secured Debt Note 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 \$1,000,000 is achieved, and all Investors will be subject to the terms, conditions and investment risks associated with this investment.

In the event of liquidation, dissolution or winding up of the Company, the Company's Noteholders are NOT treated as equal. Noteholder 0001 will be entitled to full Note Face Value and all interest due up to the date of repurchase prior to any cash disbursements to any other Noteholders. After Noteholder 0001 has been satisfied, then Noteholder 0002 will be entitled to full Note Face Value and all interest up to the date of repurchase prior to any disbursement to any other Noteholders. This process will continue in Numerical Order until all Issued and Outstanding Secured Debt Notes have been repurchased by the Company for the full Note Face Value plus all accrued interest due up to the date of repurchase, or (2) all cash liquidity has been exhausted and the Company, and the Company has no ability to repurchase any of the remaining issued and outstanding Secured Debt Notes.

### *(a) Description of Company Equity Membership Units*

The Company is authorized by its Certificate of Formation to issue an aggregate of 5,000 shares of Equity Membership Units, \$0.001 par value per share (the "Membership Unit"). As of November 1st, 2014 – 1,000 Equity Membership Units were issued and outstanding.

All outstanding shares of Equity Membership Units are of the same class and have equal rights and attributes. The holders of Equity Membership Units are entitled to one vote per share on all matters submitted to a vote of Shareholders of the Company.

All Shareholders 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 Equity Membership Units are entitled to share ratably in all assets remaining after payment of all liabilities.

(b) *Background Information on other Equity Membership Unit Classes.* None

(c) *Other Debt Securities.* None.

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

#### **Security Holders**

As of November 1st, 2014, there were ONE THOUSAND shares of our Equity Membership Units outstanding, which were held of record by TWO shareholder, not including persons or entities that hold the membership units in nominee or "street" name through various brokerage firms.

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

The Company is formed under the laws of Florida. Florida General Corporation Law provides that a company 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 company, 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 company, 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 company's certificate of formation, bylaws, agreement, and a vote of shareholders or disinterested directors or otherwise.

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

Florida's General Corporation Law permits a company to provide in its certificate of formation that a director of the company shall not be personally liable to the company or its shareholders 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 company or its shareholders;
- 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 Formation provides that, to the fullest extent permitted by applicable law, none of our directors will be personally liable to us or our shareholders 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:

<u>TITLE</u>	<u>PAGE</u>
Company Balance Sheet	104
Company Statement of Revenue and Expense	105
Statement of Shareholders Equity	106
Statement of Cash Flows	107
Notes to Financial Statements	108

**Rum Cay Ocean Resort & Spa Development, LLC**  
**(A Development Stage Company)**  
**BALANCE SHEET**  
**November 1st, 2014**

<b>ASSETS</b>		
<b>Current Assets</b>		
• Cash		\$10,000
• Accounts Receivable (Capitalization Commitment)		\$0.00
• Inventory		\$0.00
• Prepaid Expenses		\$0.00
• Short-term Investments		\$0.00
	<i>Total Current Assets</i>	\$10,000
<b>Fixed (Long-Term) Assets</b>		
• Long-Term Investments		\$0.00
• Property & Equipment (Less Accumulated Depreciation)		\$0.00
• Intangible Assets		
	<i>Total Fixed Assets</i>	\$0.00
<b>Other Assets</b>		
• Deferred Income Tax		\$0.00
• Other		\$0.00
	<i>Total Fixed Assets</i>	\$0.00
<b>TOTAL ASSETS</b>		<b>\$10,000</b>
<b>LIABILITIES &amp; OWNER'S EQUITY</b>		
<b>Current Liabilities</b>		
• Accounts Payable		\$0.00
• Short-term Loans		\$0.00
• Income Taxes Payable		\$0.00
• Accrued Salaries & Wages		\$0.00
• Unearned Revenue		\$0.00
• Current Portion of Long-term Debt		\$0.00
	<i>Total Current Liabilities</i>	\$0.00
<b>Long-Term Liabilities</b>		
• Long-Term Debt		\$0.00
• Deferred Income Tax		\$0.00
• Other		\$0.00
	<i>Total Long-term Liabilities</i>	\$0.00
<b>Owner's Equity</b>		
• Owner's Investment		\$10,000
• Accounts Receivable		\$0.00
	<i>Total Owner's Equity</i>	\$0.00
<b>TOTAL LIABILITIES &amp; OWNER'S EQUITY</b>		<b>\$10,000</b>

SEE NOTES TO FINANCIAL STATEMENTS

**Rum Cay Ocean Resort & Spa Development, LLC**  
**(A Development Stage Company)**  
**STATEMENTS OF REVENUE AND EXPENSES**  
**July 1<sup>st</sup>, 2014 to November 1st, 2014**

REVENUE	November 1st,2014
• Total Revenues	\$0.00
<b>TOTAL REVENUES</b>	<b>\$0.00</b>
EXPENSES	
• Accounting	\$0.00
• Legal	\$0.00
• Taxes, other	\$0.00
• Organization Costs	\$0.00
<b>TOTAL EXPENSES</b>	<b>\$0.00</b>
<b>NET LOSS</b>	<b>(\$0.00)</b>

SEE NOTES TO FINANCIAL STATEMENTS

**Rum Cay Ocean Resort & Spa Development, LLC**  
**(A Development Stage Company)**  
**STATEMENT OF SHAREHOLDERS' EQUITY**  
**For the period for**  
**July 1<sup>st</sup>, 2014 to November 1st, 2014**

	Founding Shareholder	Total
Founding Contribution	\$10,000	\$10,000
All Costs	\$0.00	\$0.00
Net Loss	(\$0.00)	(\$0.00)
<b>BALANCE, November 1st, 2014</b>	<b>\$10,000</b>	<b>\$10,000</b>

SEE NOTES TO FINANCIAL STATEMENTS

**Rum Cay Ocean Resort & Spa Development, LLC**  
**(A Development Stage Company)**  
**STATEMENT OF CASH FLOWS**  
**For the period for**  
**July 1<sup>st</sup>, 2014 to November 1<sup>st</sup>, 2014**

<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>November 1<sup>st</sup>, 2014</b>
• Net Loss	(\$0.00)
• Other	\$0.00
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>November 1<sup>st</sup>, 2014</b>
• All Investing Activities	\$0.00
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>November 1<sup>st</sup>, 2014</b>
• All Financing Activities	\$0.00
<b>NET INCREASE IN CASH</b>	<b>\$0.00</b>
<b>Cash, Beginning of year</b>	<b>\$10,000</b>
<b>Cash, End of Year</b>	<b>\$10,000</b>

SEE NOTES TO FINANCIAL STATEMENTS

**Rum Cay Ocean Resort & Spa Development, LLC**  
**(A Development Stage Company)**  
**NOTES TO FINANCIAL STATEMENTS**

**NOTE 1. ORGANIZATION**

Rum Cay Ocean Resort & Spa Development, LLC, a Florida Limited Liability Company was formed in July of 2014.

Upon its organization as a Florida Limited Liability Company, the Company issued 90% of its Outstanding Membership to Mr. Steve Sherman and 10% of its Outstanding Membership Units to Mr. Craig Atkins, each being Senior Managing Members of the Company.

Mr. Sherman and Mr. Atkins initially capitalized the Company an opening deposit and balance of \$10,000 USD.

**NOTE 2. BASIS OF ACCOUNTING:**

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

**SIGNATURES**

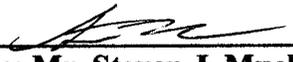
**The Issuer has duly caused this Offering Statement to be signed on its behalf by the undersigned, thereunto duly authorized.**

**Rum Cay Ocean Resort & Spa Development, LLC**

**By: Mr. Steve Sherman**

**By:**   
**Name: Mr. Steven Sherman**  
**Title: Founder & Senior Managing Member**

**By: Mr. Steven J. Muehler**

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

# EXHIBITS:

<u>EXHIBIT</u>	<u>DESCRIPTION</u>	<u>PAGES</u>
A	Articles of Incorporation, Conversion & Bylaws (filing)	02
B	Subscription Agreement	05
C	Investor Questionnaire and Agreement	39
D	ASMG FINRA Crowd Funding Web Portal Registration	17
	ASMG Registered Investment Advisor ADV 1	46
	ASMG Registered Investment Advisor ADV 2	22
	ASMG U10 (Series 65 Securities Law Information)	01
E	ASMG Listing Agreement	13
F	ASMG Company Webpage (Test-the-Waters)	03
G	Company Mention at SteveMuehler.com	02
H	Legal Opinion Letter	To be filed later



# **EXHIBIT A**

**Electronic Articles of Organization  
For  
Florida Limited Liability Company**

L14000113691  
FILED 8:00 AM  
July 18, 2014  
Sec. Of State  
alunt

**Article I**

The name of the Limited Liability Company is:

RUM CAY OCEAN RESORT & SPA DEVELOPMENT, LLC

**Article II**

The street address of the principal office of the Limited Liability Company is:

890 SOUTH PALOFAX STREET  
PENSACOLA, FL. US 32502

The mailing address of the Limited Liability Company is:

280 VININGS WAY  
APT. 5-206  
DESTIN, FL. US 32541

**Article III**

Other provisions, if any:

REAL ESTATE RESORT DEVELOPMENTS

**Article IV**

The name and Florida street address of the registered agent is:

AMERICAN SAFETY COUNCIL, INC.  
5125 ADANSON ST.  
SUITE 500  
ORLANDO, FL. 32804

Having been named as registered agent and to accept service of process for the above stated limited liability company at the place designated in this certificate, I hereby accept the appointment as registered agent and agree to act in this capacity. I further agree to comply with the provisions of all statutes relating to the proper and complete performance of my duties, and I am familiar with and accept the obligations of my position as registered agent.

Registered Agent Signature: DENISE BARTON

## Article V

The name and address of person(s) authorized to manage LLC:

Title: MGR  
GENIUSYSTEMS INTERNATIONAL LLC  
125 S. KING STREET  
JACKSON, WY. 83001 US

L14000113691  
FILED 8:00 AM  
July 18, 2014  
Sec. Of State  
alunt

## Article VI

The effective date for this Limited Liability Company shall be:

07/17/2014

Signature of member or an authorized representative

Electronic Signature: STEVE SHERMAN

I am the member or authorized representative submitting these Articles of Organization and affirm that the facts stated herein are true. I am aware that false information submitted in a document to the Department of State constitutes a third degree felony as provided for in s.817.155, F.S. I understand the requirement to file an annual report between January 1st and May 1st in the calendar year following formation of the LLC and every year thereafter to maintain "active" status.



# **EXHIBIT B**

## **Rum Cay Ocean Resort & Spa Development, LLC**

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

**4050 Glencoe Avenue**

**Marina Del Rey, California 90292**

**LEGAL@ALTERNATIVESECURITIESMARKET.COM**

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

### **SUBSCRIPTION AGREEMENT**

### **Secured Debt Note Units 1 to 5,000**

Subject to the terms and conditions of the Secured Debt Note Units described in the Rum Cay Ocean Resort & Spa Development, LLC. Offering Circular dated November 10th, 2014 (the "Offering"), I hereby subscribe to purchase the number of Secure Debt Note Units set forth below for a purchase price of \$1,000.00 per Secured Debt Note. Enclosed with this subscription agreement is my check (Online "E-Check" or Traditional Papery Check) or money order made payable to "RUM CAY OCEAN RESORT & SPA DEVELOPMENT, LLC" evidencing \$1,000.00 for each Secured Debt Note Unit Subscribed, subject to a minimum of ONE Secured Debt Note Unit (\$1,000.00).

I understand that my subscription is conditioned upon acceptance by Rum Cay Ocean Resort & Spa Development, LLC's Managing Member, and subject to additional conditions described in the Offering Circular. I further understand that the Managing Member of the Rum Cay Ocean Resort & Spa Development, LLC, in his sole discretion, may reject my subscription in whole or in part and may, without notice, allot to me a fewer number of shares of Secured Debt Note Units 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 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 \_\_\_\_\_ Secured Debt Note Units of Rum Cay Ocean Resort & Spa Development, LLC, at a purchase price of **\$1,000.00 (ONE THOUSAND DOLLARS AND ZERO CENTS)** per share (aggregate purchase price: \$\_\_\_\_\_).

Made \_\_\_\_\_, by and between Rum Cay Ocean Resort & Spa Development, LLC, a Florida Limited Liability Company (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 FIVE THOUSAND Secured Debt Note 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 **Rum Cay Ocean Resort & Spa Development, LLC, C/O: Alternative Securities Markets Group Corporation, 4050 Glencoe Avenue, Marina Del Rey, California 90292**, payable by check to the order of **RUM CAY OCEAN RESORT & SPA DEVELOPMENT, LLC** 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 **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 **Rum Cay Ocean Resort & Spa Development, LLC, 493 Red Corner Road, Douglasville, Pennsylvania 19518**, 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 Florida, 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. THE PARTIES HERBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE ANY RIGHT TO A TRIAL BY JURY IN RESPECT TO ANY LITIGATON BASED HEREIN, OR ARISING OUT OF, UNDER OR IN CONNECTION WITH THIS AGREEMENT, ANY OTHER DOCUMENTS CONTEMPLATED TO BE EXECUTED IN CONJUNCTION HEREWITH, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY.
13. In Connection with any litigation, mediation, arbitration, special proceeding or other proceeding arising out of this Agreement, the prevailing party shall be entitled to recover its litigation-related costs and reasonable attorneys' fees through and including any appeals and post-judgment proceedings.
14. In no event shall any party be liable for any incidental, consequential, punitive or special damages by reason of its breach of this Agreement. The liability, if any, of the Company and its Managers, Directors, Officers, Employees, Agents, Representatives, and Employees to the undersigned under this Agreement for claims, costs, damages, and expenses of any nature for which they are or may be legally liable, whether arising in negligence or other tort, contract, or otherwise, shall not exceed, in the aggregate the undersigned's investment amount.

13. **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 STATES OF:

- TBD

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

**Rum Cay Ocean Resort & Spa Development, LLC.**

By: \_\_\_\_\_  
Mr. Steve Sherman, Senior Managing Member

**PURCHASER:**

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

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



# EXHIBIT C

# Alternative Securities Markets Group

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Corporate: 4050 Glencoe Avenue, Marina Del Rey, California 90292  
Office: (213) 407 - 4386 / Email: [Legal@AlternativeSecuritiesMarket.com](mailto:Legal@AlternativeSecuritiesMarket.com)  
<http://www.AlternativeSecuritiesMarket.com>

**[www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com)**

## **NEW INVESTOR QUESTIONNAIRE AND AGREEMENT**

(United States Citizen)

# Alternative Securities Markets Group

Corporate: 4050 Glencoe Avenue, Marina Del Rey, California 90292  
Office: (213) 407 - 4386 / Email: [Legal@AlternativeSecuritiesMarket.com](mailto:Legal@AlternativeSecuritiesMarket.com)  
<http://www.AlternativeSecuritiesMarket.com>

## TABLE OF CONTENTS FOR THIS QUESTIONNAIRE AND AGREEMENT

<b>Document Section Name:</b>	<b>Actions Performed:</b>	<b>Pages:</b>
New Investor Questionnaire		
Part One: 11 Questions	Fill in the Blanks	03
Part Two: 15 Multiple Choice Question	Check the box that Applies	04
User Agreement	Read Only	10
Privacy Policy	Read Only	21
Investor Registration Agreement	Read only	25
Statement of Understanding of Securities Offered	Read Only	33
Issuers Obligations to Investors / Reporting Requirements	Read Only	39
Acknowledgement of Entire Agreement	Digital Signature	39

# Alternative Securities Markets Group

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<http://www.AlternativeSecuritiesMarket.com>

## NEW INVESTOR QUESTIONNAIRE (*Individual Investors*):

### **PART ONE:**

Thank you for signing up as an Individual Investor with Alternative Securities Markets Group and [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com). In order to provide you Investment Access to Issuers raising capital, we need to ask you a few questions. This will determine which companies you will have access to, as well as auto-populate this information into the subscription agreement of an investment when you are ready to Invest. Please complete the questions on page ONE, check the Box(es) that apply on pages 2-5 and electronically sign the last page of this Agreement.

Name: \_\_\_\_\_

Spouse Name (if applicable): \_\_\_\_\_

Address: \_\_\_\_\_

Address Line 2 (if applicable): \_\_\_\_\_

City: \_\_\_\_\_

State or Province: \_\_\_\_\_

Postal Code / Zip Code: \_\_\_\_\_

Country: \_\_\_\_\_

Best Phone Number: \_\_\_\_\_

Alternate Phone Number (not required): \_\_\_\_\_

Email Address: \_\_\_\_\_

# Alternative Securities Markets Group

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## **Check One (cont.):**

I made \$200,000 or more in the last two years and expect to make at least \$200,000 this year.

My household income was \$300,000 or more in the last two years and it is expected to be at least \$300,000 this year.

I have a net worth either on my own or jointly with my spouse of \$1,000,000 or more excluding my home.

None of the above.

## **PART TWO:**

### *Investor Suitability Questionnaire:*

#### **1. Income Tax Bracket:**

15% or less

15-27%

28% or more

#### **2. When do you expect to need the funds from your investments:**

Less than one year

1-3 years

3-5 years

6-10 years

11+ years

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**3. Net Worth (excluding your home):**

- \$1 to \$5,000
- \$5,001 to \$10,000
- \$10,001 to \$50,000
- \$50,000 to \$100,000
- \$100,001 to \$500,000
- \$500,001 to \$999,999
- \$1,000,000 to \$5,000,000
- Greater than \$5M

**4. Annual Income:**

- Less than \$15,000
- \$15,001 to \$25,000
- \$25,001 to \$50,000
- \$50,001 to \$100,000
- \$100,001 to \$150,000
- \$150,000 to \$199,000
- \$200,000 to \$300,000
- More than \$300,000

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**5. Household Income:**

- Less than \$15K
- \$15,001 to \$25,000
- \$25,001 to \$50,000
- \$50,001 to \$100,000
- \$100,001 to \$150,000
- \$150,001 to \$199,999
- \$200,000 to \$300,000
- More than \$300,000

**6. Past Private Equity or Private Debt Investments:**

- None
- One Investment
- 2-5 Investments
- Six or More Investments

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## 7. **Employment Status:**

- Student
- Self-Employed
- Employed in Same Field Less than Five Years
- Employed in Same Field Five Years or More
- Retired
- Unemployed

## 8. **Education:**

- None
- GED
- High School
- College 2 Year
- College 4 Year
- Masters/PHD

## 9. **Annual Expenses:**

- \$50,000 or Less
- \$50,001 to \$100,000
- \$100,001 to \$250,000
- \$250,001 to \$500,000
- Over \$500,000

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## **10. Liquid Net Worth:**

- \$1 to \$5,000
- \$5,001 to \$10,000
- \$10,001 to \$50,000
- \$50,001 to \$100,000
- \$100,001 to \$500,000
- \$500,001 to \$999,999
- \$1,000,000 to \$5,000,000
- Greater than \$5,000,000

## **11. Marital Status:**

- Single
- Married
- Domestic Partner
- Divorced
- Widowed

## **12. Number of Dependents:**

- One
- Two to Three
- Four to Five
- Greater than Five

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**13. Are you or any of your immediate family employed by or associated with the Securities Industry?**

YES

NO

**14. Are you an officer, director or 10% (or more) shareholder in a publicly-owned company?**

YES

NO

**15. Notify me of new investments as they are added to: ([www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com)).**

YES

NO

In the next 1-24 hours we will review your questionnaire. As part of the approval process, an Operations Managers with Alternative Securities Markets Group may contact you to discuss the risks associated with investing in the securities offered by issuers on the Alternative Securities Market, and to answer any questions you may have about the Alternative Securities Market.

Once you are approved, we will email your Investor Designation and a link to your Private Online Alternative Securities Markets Group's Investment Account.

*\*\* The Accuracy of your application is extremely important to us. In order that we may make a fair judgment on your financial background, the information you submit may be subject to verification.*

**REMAINDER OF PAGE LEFT BLANK INTENTIONALLY**

# Alternative Securities Markets Group

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## User Agreement for Alternative Securities Markets Group

Effective October 10th, 2014

Welcome to *the Alternative Securities Market!* This user agreement (this "Agreement") is a contract between you and **Alternative Securities Markets Group Corporation** and governs all transactions between you and **Alternative Securities Markets Group Corporation**, as well as your use of **Alternative Securities Markets Group Corporations's Services** (the "Services"). Before you complete your registration with **the Alternative Securities Market**, you must read and accept all of the terms and conditions in, and linked to, this Agreement, including the Privacy Policy.

### 1. Alternative Securities Markets Group and your account.

#### About Alternative Securities Markets Group:

- Alternative Securities Markets Group manages an electronic website at that allows you to make investments in small business, including start-ups. Issuers list securities at [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com), and we enable you to place order for these securities, facilitate payment for them, and help you track your investment history. Your payments for securities will be deposited into a third-party escrow account for subsequent disbursement to the issuer of the securities, or deposited directly into the issuer's account, in accordance with the terms of the offering. **Alternative Securities Markets Group Corporatin does not hold funds or securities on the issuers or your behalf.**
- **About your Alternative Securities Markets Group Account:** When you register at [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com), you create an account that allows you to interact with the website and the use of the Services. By creating this account, you represent that you are either: (i) an individual and wish to place orders on your own behalf; or (ii) an individual authorized to place orders on behalf of a corporation or other entity.
- **Eligibility:** To be eligible to use the Services, you must be 18 years old. Not all investment products and services referenced on [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) are intended for every investor. Example, Regulation S Securities are only for non-residents of the United States and CA1001 Securities are only for Qualified Investors that are residents of the State of California. You agree to review the section "Types of Securities Offered on [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com)", and that you agree that you have all requisite authority to enter into and use the Services contemplated by this agreement. **This website will not be considered a solicitation for or offering of any security, investment product or service to any person in any jurisdiction where such solicitation or offering would be illegal.**
- **Your Information:** You agree that the information you provide during the [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) process is current, accurate, truthful and complete, and you will regularly update this information to maintain its completeness and accuracy. You are responsible for maintaining the confidentiality of any account information that you use to access any feature on [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com), and also for logging off of your account and any protected areas of [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com). Further, you are fully responsible for all activities occurring under your account that result from your failure to use or maintain appropriate security measures. If you become aware

# Alternative Securities Markets Group

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<http://www.AlternativeSecuritiesMarket.com>

of any suspicious or unauthorized conduct concerning your account, you agree to contact [LEGAL@ASMMARKETSGROUP.COM](mailto:LEGAL@ASMMARKETSGROUP.COM) immediately. We will not be liable for any loss or damage arising from your failure to promptly notify us of such conduct.

- **Verification:** United States Federal Law requires financial institutions to obtain, verify and record information that identifies persons, entities or corporations seeking to open accounts with Alternative Securities Markets Group. You agree to provide Alternative Securities Markets Group with all required information or documentation that permits Alternative Securities Markets Group to verify your identity. Any required information you provide to Alternative Securities Markets Group may be subject to verification, including through the sharing of such information with third parties for this purpose. Your account may be rejected, restricted or closed if Alternative Securities Markets Group cannot verify required information.
- **Privacy:** To create your Alternative Securities Markets Group Account at [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com), we may ask for certain information that allows us to comply with certain rules and regulations related to, among other things, suitability of investments and anti-money laundering. For a complete description of how we use and protect your personal information, see our Privacy Policy section of this agreement and at [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com).
- **Closing Your Account:** You may ask Alternative Securities Markets Group to close your account by emailing [LEGAL@ASMMARKETSGROUP.COM](mailto:LEGAL@ASMMARKETSGROUP.COM). Once your account is closed, your purchase confirmations remain available on the site for 60 days, and we will mail all required tax forms to the address on your account when they become available.
- **U.S. Economic Sanctions:** You represent that you, or the organization for which you are acting as an authorized person, have not been designated by the United States Department of Treasury's Office of Foreign Assets Control ("OFAC") as a Specially Designated National or Blocked Person, you have no reason to believe that you would be considered a Blocked Person by OFAC, and you do not reside in a restricted country. You also represent that, to the best of your knowledge, you are not employed by or acting as an agent of any government, government-controlled entity or Government Corporation restricted under OFAC. You understand that if your application violates OFAC guidelines, your account may be declined or restricted from certain activity.
- **Alternative Securities Markets Group's Relationship with Issuers:** Alternative Securities Markets Group is a Joint Venture and Minority Equity Shareholder of all Companies listed on [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com), and Alternative Securities Markets Group has entered into agreements with issuers on [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) to list Direct Public Offerings and select Private Placements of their securities on [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com). We are NOT authorized to accept your order to purchase these securities as members of each of these companies, ONLY to transmit these orders to the issuers, and facilitate the execution of the Company's payment instructions. Alternative Securities Markets Group receives "NO" financial compensation from issuers for directing your order to the issuer, but we do receive financial compensation for certain administrative costs associated with the management of the Offering, generally in the form of stock in the Company. The details of this compensation are available in the offering memorandum for each security. **Your funds will flow into a third-party escrow account for payment to the issuer, or**

# Alternative Securities Markets Group

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directly to the issuer's escrow holding account, in accordance with the terms of the offering. **Alternative Securities Markets Group is not party to the funds.** Security ownership is transferred to you directly from the issuer. **Alternative Securities Markets Group does not hold securities.** The terms and features of the securities available on [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) are at the discretion and control of the issuers and will be stated in the offering memorandum for each security. We will make the offering memorandum for each security available to qualified investors on a password-protected section of [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com). It is your responsibility to review and understand the information in the offering memorandum before placing an order for securities.

## 2. Investment Services

- **No Advice:** Alternative Securities Markets Group does not provide legal, tax, estate-planning or investment advice regarding the suitability, profitability or appropriateness of any security. We are required by law to ascertain your suitability for an investment based on your personalized input, but you are responsible for determining whether any investment or suitable for you based on your legal investment objectives and personal and financial situation. You should consult an attorney or tax professional regarding your specific legal or tax situation.
- **Nondisclosure of Material, Nonpublic Information:** In connection with the Services it provides, Alternative Securities Markets Group may come into possession of confidential, non-public information. We are prohibited from improperly disclosing or using this information for our own benefit or for the benefit of any other person. We maintain policies and procedures designed to prohibit the communication of this information to persons who do not have the legitimate need to know the information, to meet our obligations to issuers, and to remain in compliance with applicable law. You understand and agree that, in certain circumstances, we may have information that, if disclosed, might affect your decision to buy a security, but that we will be prohibited from communicating to you or using for your benefit.
- **Facilitating Your Payments:** Opening an account and browsing [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) are services offered to you free of charge. [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) is your access point to Alternative Securities Markets Group's Market Listed Companies and allows you to order a security from the issuer and facilitates your purchase of that security using one of our permitted payment methods. Alternative Securities Markets Group is not a party to the flow of funds to the issuer.
- **Transaction Amounts and Limitations:** Alternative Securities Markets Group, along with each of its issuers, reserves the right to deny an investment transaction or to place a limit on the dollar amount of a transaction for any reason, including, for example, if you fail suitability for a particular security or for activity that Alternative Securities Markets Group or the issuer, in their sole discretion, believes to be suspicious on your account. If Alternative Securities Markets Group, or an issuer, limits an investment, you can request a review and an exception on a case-by-case basis with the ISSUER. Alternative Securities Markets Group imposes minimum and maximum transaction amounts for each investment and may change those minimum and maximum amounts from time to time.

# Alternative Securities Markets Group

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<http://www.AlternativeSecuritiesMarket.com>

- **Applicable Rules and Regulations:** All transactions in your account will be subject to Alternative Securities Markets Group's internal rules and policies and, where applicable, to FINRA rules and regulations; the provisions of the Securities Act of 1933 and the Securities Exchange Act of 1934; the rules and regulations of the SEC, the Board of Governors of the Federal Reserve System, and any applicable self-regulatory organizations; and other federal and state laws and regulations. In no event will Alternative Securities Markets Group be obliged to effect any transaction it believes would violate any International, Federal or State law, rule, or regulation, or the rules or regulations of any regulatory or self-regulatory body.

### 3. Electronic Signatures and Delivery of Documents

- **Electronic Signatures:** By completing a Alternative Securities Markets Group account application online at [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com), you give your valid consent to this Agreement and all other documents governing your relationship with Alternative Securities Markets Group. The use of an electronic version of the account documents fully satisfies any requirement that they be provided to you in writing, and the electronic version of this Agreement is considered to be the true, complete and enforceable record of our Agreement, admissible in judicial or administrative proceedings to the same extent as if the documents were originally generated and maintained in printed form. You are solely responsible for reviewing and understanding all the terms and conditions of these documents, and you accept as reasonable and proper notice, for the purpose of any laws, rules and regulations, notice by electronic means. You may access and retain a record of the documents you electronically sign through [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com).
- **Electronic Delivery of Documents:** You agree that Alternative Securities Markets Group will provide you with an electronic copy of all documents and communications related to your account, for example, transaction confirmations, account statements and tax-reporting documentation. When documents related to your Alternative Securities Markets Group account at [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) are available, we will send a notice to the email address you have provided, and you will be able to view the documents at any time by visiting [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) and signing into your account.

At any time during the term of this Agreement, you may direct Alternative Securities Markets Group to send all future communications to you in non-electronic form, by sending written notice to us in accordance with Section 16 of this Agreement. You understand and agree that we shall treat any such notice as a withdrawal of your consent to receive communications by electronic delivery and as a request by you to close your account subject to the conditions set forth in Section 1.4.

### 4. User Restrictions

- **Restricted Activities:** In connection with your use of [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com), or Alternative Securities Markets Group Services, or in the course of your interactions with Alternative Securities Markets Group, you agree that you will not:

# Alternative Securities Markets Group

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Corporate: 4050 Glencoe Avenue, Marina Del Rey, California 90292  
Office: (213) 407 - 4386 / Email: [Legal@AlternativeSecuritiesMarket.com](mailto:Legal@AlternativeSecuritiesMarket.com)  
<http://www.AlternativeSecuritiesMarket.com>

- Breach this Agreement or any other agreement that you have entered into with Alternative Securities Markets Group.
  - Violate any law, statute, ordinance, or regulation
  - Infringe Alternative Securities Markets Group's or any third party's copyright, patent, trademark, trade secret or other intellectual property rights, or rights of publicity or privacy.
  - Act in a manner that is defamatory, trade libelous, unlawfully threatening or unlawfully harassing.
  - Post comments that are false, inaccurate, misleading, defamatory, or contain libelous content.
  - Post comments containing personal information, including without limitations, telephone numbers, street addresses, and last names.
  - Provide false, inaccurate or misleading information.
  - Pay for your transactions with fraudulent funds or with what we reasonably believe to be potentially fraudulent funds.
  - Refuse to cooperate in any investigation or provide confirmation of your identity or any information you provide to us.
  - Use an anonymizing proxy.
  - Control an account that is linked to another account that has engaged in any of these restricted activities. We may use evidence other addresses, common business names, phone numbers and mailing addresses.
  - Use the services in a manner that results in or may result in complaints, disputes, claims, fees, fines, penalties and other liability to Alternative Securities Markets Group or you.
- **Access and Interference:** Much of the information on [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) is updated on a real-time basis and is proprietary or is licensed to Alternative Securities Markets Group by third parties. [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) contains robot exclusion headers. You agree that you will not:
    - Use any robot, spider, scraper or other automated means to access [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) for any purpose without our express written permission.
    - Attempt to obtain unauthorized access to any features of [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com), or to any other protected materials or information, through any means not intentionally made available to you by Alternative Securities Markets Group.
    - Take any action that may impose (in our sole judgment) any unreasonable or disproportionately large load on our infrastructure.
    - Copy, reproduce, modify, create derivative works from, distribute, or publicly display any content from [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) without the prior expressed written permission of Alternative Securities Markets Group and the appropriate third party, as applicable.
    - Interfere or attempt to interfere with the proper working of the website or any activities conducted on [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com)
    - Facilitate any viruses, Trojan horses, worms or other computer programming routines that may damage, detrimentally interfere with, or surreptitiously intercept or expropriate any system, data or information.

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- Use any device, software or routine to bypass our robot exclusion headers or other measures we may use to prevent or restrict access to [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com)
- Take any action that may cause Alternative Securities Markets Group to lose any of the services from our internet service providers, payment processors, or other suppliers.

## 5. Your Liability and Actions We May Take

- **Your Liability:** You are responsible for all claims, fees, fines, penalties and other liability incurred by Alternative Securities Markets Group or any third party caused by or arising out of your breach of this Agreement or your use of the Services. You agree to reimburse Alternative Securities Markets Group for all such liabilities.
- **Actions We May Take:** If you engaged in any restricted activities, we may take various actions to protect Alternative Securities Markets Group from claims, fees, fines, penalties and any other liability. The actions we may take include but are not limited to the following:
  - i. We may close, suspend, or place restrictions on your Alternative Securities Markets Group account at [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com).
  - ii. We may update inaccurate information you provided to us.
  - iii. We may remove user comments that do not comply with section 4.1 above.
  - iv. We may refuse to provide the Services to you in the future.
  - v. We may take legal action against you.

Whether we decide to take any of the above steps, remove content, or refuse to provide Services, we do not monitor, and you agree we will not be subject to liability for monitoring [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com).

- **Account Suspensions or Restriction:** Alternative Securities Markets Group, in its sole discretion, reserves the right to terminate this Agreement or access to [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) or the Services. We also reserve the right to suspend or place restrictions on your account for any reason and at any time upon notice to you. Account restrictions may include a limitation on the dollar amount of transactions we will accept from your account. If your account is suspended, you will be unable to invest and we will not issue any payment to you. If we suspend or place restrictions on your account, we will provide you with notice and opportunity to request reconsideration, if appropriate.

## 6. Contact Alternative Securities Markets Group:

- If you have any questions or comments about this Agreement, your account at [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) or Alternative Securities Markets Group's practices, you may contact us at:

Alternative Securities Markets Group Corporation  
4050 Glencoe Avenue  
Marina Del Rey, California 90292

# Alternative Securities Markets Group

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<http://www.AlternativeSecuritiesMarket.com>

Phone: (213) 407-4386  
[Legal@AlternativeSecuritiesMarket.com](mailto:Legal@AlternativeSecuritiesMarket.com)

## 7. Canceling or Disputing a Transaction

- **Alternative Securities Markets Group is not authorized to issue refunds directly to the investor.** We reserve the right to suspend a user's Alternative Securities Markets Group account at [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) if a transaction is canceled or disputed. Alternative Securities Markets Group is not responsible for any errors that may arise in the transmission of your order to the issuer. You may call Alternative Securities Markets Group at (213) 407-4386 or Email Alternative Securities Markets Group at [LEGAL@ALTERNATIVESECURITIESMARKET.COM](mailto:LEGAL@ALTERNATIVESECURITIESMARKET.COM) to request cancellation of a transaction, or, if you believe a transaction on your account was unauthorized, to dispute a transaction. Refunding the transaction is ultimately at the discretion of the escrow agent (for funds being held in escrow) or the issuer. If the issuer allows redemption, funds will be returned and the security issuance canceled based on the terms and time-frames indicated in the offering memorandum. To dispute a transaction, you may also file with the escrow agent used to consummate the transaction and receive funds directly from the agent (if an escrow agent was used), in which case you will be required to return the related securities to the escrow agent for cancellation.

## 8. Disputes with Alternative Securities Markets Group

- **Effect of Arbitration Agreement:** This Agreement contains a pre-dispute arbitration agreement. By entering into the arbitration agreement the parties agree as follows:
  - All parties to this Agreement are giving up the right to sue each other in court, including the right to a trial by jury, except as provided by the rules of the arbitration forum in which a claim is filed.
  - Arbitration awards are generally final and binding; a party's ability to have a court reverse or modify an arbitration award is very limited.
  - The ability of the parties to obtain documents, witness statements and other discovery is generally more limited in arbitration than in court proceedings.
  - The arbitrators do not have to explain the reasons for their award.
  - The panel of arbitrators will typically include a minority of arbitrators who were or are affiliated with the Securities industry.
  - The rules of some arbitration forums may impose time limits for bringing a claim in arbitration. In some cases, a claim that is ineligible for arbitration may be brought in court.
  - The rules of the arbitration forum in which the claim is filed, as amended from time to time, are hereby incorporated by reference into this Agreement.
- **Arbitration Agreement:** All controversies that may arise between (including but not limited to controversies concerning any account, order or transaction, or the continuation, performance, interpretation or breach of this or any other agreement between us, whether entered into or arising before, on or after the date this account is opened) shall be determined by arbitration in accordance with the rules then prevailing of FINRA or the U.S. Securities & Exchange Commission. You make this arbitration agreement on behalf of (i) yourself and your heirs, administrators, representatives, executors, successors,

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assigns; or (ii) the corporation or other entity for which you are acting as an authorized person; and with all other persons claiming a legal or beneficial interest in your account. You understand that judgment upon any arbitration award may be entered in any court of competent jurisdiction. No person shall bring a putative or certified class action, nor seek to enforce any pre-dispute arbitration agreement against any person who has initiated in court a putative class action; or who is a member of a putative class action who has not opted out of the class with respect to any claims encompassed by the putative class action until (i) the class certification is denied; (ii) the class is decertified; or (iii) the customer is excluded from the class by the court. Such forbearance to enforce an agreement to arbitrate shall not constitute a waiver of any rights under this Agreement except to the extent stated herein.

- **Arbitration Hearings:** Any arbitration hearing will be held in the State of California unless otherwise agreed between you and Alternative Securities Markets Group or unless the rules of the organization administering the arbitration (i.e., the U.S. Securities & Exchange Commission) require another hearing location. You agree to the personal jurisdiction of the Courts of the State of California to interpret and enforce these arbitration provisions described in the Agreement. All arbitration will be held in English Language, unless otherwise agreed to by parties.

## 9. Limitations of Liability

- In no event shall Alternative Securities Markets Group Agents, Employees, Affiliates or Suppliers be liable for lost profits or any special, incidental or consequential damages arising out of or in connection with [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) or the Services Agreement (however arising, including negligence). In States that do not allow the exclusion or limitation of incidental or consequential damages, the above limitation or exclusion may not apply to you. Our liability, and the liability of our Agents, Employees, Affiliates and Suppliers, to you or any third parties in any circumstance is limited to the actual amount of direct damages.

## 10. No Warranty

- **General:** Alternative Securities Markets Group and our Agents, Employees, Affiliates and Suppliers provide the Services "as is" and without any warranty or condition, express, implied or statutory. Alternative Securities Markets Group and our Agents, Employees, Affiliates and Suppliers disclaim any implied warranties of title, merchantability, fitness for a particular purpose and non-infringement. Alternative Securities Markets Group does not guarantee continuous, uninterrupted or secure access to our Services, and operation of our website may be interfered with by numerous factors outside of our control. In States that do not allow the disclaimer of implied warranties, the disclaimers in this Section may not apply to you. This Section gives you specific legal rights and you may also have other legal rights that vary from State to State.
- **Third Party Data:** To the fullest extent permitted under applicable law, Alternative Securities Markets Group makes no representation or warranty, express or implied, with respect to any third party data provided to Alternative Securities Markets Group or its transmission, timeliness, accuracy or completeness, including but not limited to implied

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warranties or warranties of merchantability or fitness for a particular purpose. Alternative Securities Markets Group will not be liable in any way to you or to any other person for any inaccuracy, error or delay in or omission of any third party data or the transmission or delivery of any such third party data and any loss or damage arising from (i) any such inaccuracy, error, delay or omission, (ii) third-party non-performance, or (iii) interruption in any such third party data due either to any negligent act or omission by Alternative Securities Markets Group of "force majeure" or any other cause beyond reasonable control of Alternative Securities Markets Group.

- **Processing of Payments:** Alternative Securities Markets Group will make reasonable efforts to ensure that requests for electronic debits and credits involving bank accounts are processed in a timely manner by the issuer, but Alternative Securities Markets Group makes no representations or warranties regarding the amount of time needed to complete processing because our Services and dependent upon many factors outside of our control, such as delays in the banking system.

## 11. Indemnification

- You agree to defend, indemnify and hold Alternative Securities Markets Group and its Officers, Directors, Agents and Employees harmless from any claim or demand (including attorneys' fees) made or incurred by any third party due to or arising out of your breach of this Agreement and/or your use of the Services.

## 12. Intellectual Property

- "Alternative Securities Market" is a trademark of Alternative Securities Markets Group. All page headers, logos, graphics and icons are protected to the extent allowed under applicable laws. All other designated trademarks and brands are the property of their respective owners. You may not copy, imitate or use any of Alternative Securities Markets Group's intellectual property without its prior written consent.
- **Reporting Intellectual Property Infringement:** Alternative Securities Markets Group respects the intellectual property of others. You may not post content that infringes on the rights of third parties, including but not limited to intellectual property rights such as copyright, trademark and right of publicity. We reserve the right to remove content where we have grounds to suspect a violation of these terms, our policies and any party's rights. If you believe your rights have been violated, please notify us by contacting the Legal Department of Alternative Securities Markets Group by writing us at: Alternative Securities Markets Group, 4050 Glencoe Avenue, Marina Del Rey, California 90292.

Please provide the following in any notice of alleged infringement:

- Identification of the material on [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) that you claim is infringing, with enough detail so that we can locate it on the website (e.g., provide link and description);
- Identification of the rights (or works if relevant) claimed to have been infringed;

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- A statement by you that you have a good faith belief that the disputed use is not authorized by the rights owner, its agent or the law;
- A statement by you declaring under penalty of perjury that (a) the above information in your notice is accurate, and (b) you are the rights owner or you are authorized to act on behalf of the rights owner;
- Your address, telephone number and email address; and
- Your physical or electronic signature

## 13. Assignment

- You may not transfer or assign any rights or obligations that you have under this Agreement without Alternative Securities Markets Group's prior written consent. Alternative Securities Markets Group reserves the right to transfer or assign this Agreement or any right or obligation under this Agreement at any time.

## 14. Governing Law

- This Agreement shall be governed in all respects by the Laws of the State of California, without regard to conflict of law provisions. Except as otherwise agreed by the parties, you agree that any claim or dispute you may have against Alternative Securities Markets Group must be resolved by arbitration in the State of California.

## 15. Severability and Waiver

- If any provision of this Agreement is held to be invalid or unenforceable, such provision and the remaining provisions shall be enforced. In our sole discretion, we may assign this Agreement in accordance with the Legal Notices Section. Headings are for reference purposes only and do not limit the scope or extent of such section. Our failure to act with respect to a breach by you or others does not waive our right to act with respect to subsequent or similar breaches. We do not guarantee we will take action against all breaches of this Agreement.

## 16. Legal Notices

- Alternative Securities Markets Group may provide notice to you by emailing it to the address listed in your account. Notice shall be considered to be received by you within 24 hours of the time it is emailed to you unless we receive notice that the email was not delivered. Except as otherwise stated, notice to Alternative Securities Markets Group must be sent by postal mail to: Alternative Securities Markets Group, 4050 Glencoe Avenue, Marina Del Rey, California 90292.

## 17. Changes to the Agreement

- We may change this Agreement from time to time, and when we do we will post the amended terms on our website at [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) and notify you

# Alternative Securities Markets Group

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<http://www.AlternativeSecuritiesMarket.com>

by email of the material changes. Amended terms will take effect immediately for new users, and 30 days after they are posted for existing users. This Agreement may not otherwise be amended except in writing signed by you and us.

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# Alternative Securities Markets Group

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<http://www.AlternativeSecuritiesMarket.com>

## Privacy Policy:

The website [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) and the services available on it (collectively, we'll refer to these as the "Alternative Securities Markets Group Services") are provided to you by Alternative Securities Markets Group Corporation ("Alternative Securities Markets Group", "we" or "us"). As we provide you (or the organization for which you are representing) with the Alternative Securities Markets Group services, we collect some personal information. This privacy policy tells you how Alternative Securities Markets Group uses and works to protect your information.

By using Alternative Securities Markets Group's [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com), you agree to the terms and conditions of the User Agreement, including Privacy Policy, and you consent to our privacy practices. This includes the use and disclosure of any personal information you have shared with us and its transfer and storage on our servers in the United States, as described below.

### **Collection:**

When you register for the [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) services and apply for an account, we may collect information about you, including:

- Information that you provide to us to set up a User Account for your and identify you on the Site, including Username, Password and secret questions and answers.
- Contact information, including first and last name, phone number, fax number, email address and mailing address.
- Payment information, including email address, bank account number and routing number.
- Profile information, including your investment preferences and other information you may provide us that allows us to customize your [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) experience.
- Other information we are required by law to collect from you, or from our consumer reporting agencies, to process securities-related transactions, to assess the suitability of various investments, and to comply with tax laws and anti-money laundering laws. This includes Social Security Number, Date of Birth, Gender, Country of Citizenship, Liquid Assets, Net Worth, Education, Occupation, Employment Status, Employer Contact Information, Annual Income, Investment Objectives and Suitability Profile.

We may obtain information about you when you interact on [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com), for example, your transaction history, information about your contacts with Customer Service, and your responses to promotions or special offers.

We may collect some information automatically from your computer while you browse our website, such as where you go on the site and what you do there. We collect our Internet Protocol (IP) address, computer and connection information, browser type and version, operating system, Internet Service Provider (ISP), time stamps, banner ads you click, the URLs you come from and go to next, and a cookie number.

We may also obtain information about you through other sources such as credit agencies, affiliates and business partners.

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<http://www.AlternativeSecuritiesMarket.com>

## **Use:**

We use the information we collect to:

- Operate the [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) site.
- Verify your identity and contact information.
- Provide you with information and services you request.
- Set up your trading account, issue an account number and a secure password, maintain your portfolio and trading activity, and contact you with account information.
- Customize your experience on the [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) site.
- Communicate with you about your transactions, service updates and other administrative issues.
- Send you targeted marketing and promotional offers, based on your communications preferences.
- Measure and improve [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) and its services.
- Resolve disputes, address complaints and troubleshoot technical problems.
- Analyze site and user behavior and prepare aggregated reports.
- Comply with applicable laws and regulations.

## **Sharing and Disclosure:**

The cornerstone of this Privacy Policy is our commitment to keep your personal information confidential. Alternative Securities Markets Group does not sell, license, lease or otherwise disclose your personal information to any third party for purposes of marketing by the third party or for any reason, except as described below. To provide our products and services, we may disclose your information to the following parties:

*Issuers:* we may share your information with our participating issuers. They will use information only as necessary to complete your transactions and to include collected information needed to register you as a shareholder of the issuer and issue the shares that you have purchased.

*Alternative Securities Markets Group Affiliates:* We may share information with present or future affiliates, including our subsidiaries, joint ventures or other companies under common control, where it may be used to provide joint services or for such purposes as internal statistics, strategic decision-making, customer reviews, identifying customer trends, customer verification, fraud prevention and security. You may limit our affiliates from marketing their products or services to you based on personal information that we collect about you and share with them. This information may include your name, email address, mailing address, age, employment status, general account and demographic information and account history with us. To limit affiliate marketing offers, contact us by email at [LEGAL@ALTERNATIVESECURITIESMARKET.COM](mailto:LEGAL@ALTERNATIVESECURITIESMARKET.COM) to change your account preferences.

*Service Providers:* We may share information with service providers under contract who help with our business operations and internal functions, for example, verifying our users, processing accounts, order fulfillment, client service, client satisfaction surveys or other data collection activities relevant to our business, maintaining the [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) site, and providing related services, such as electronic funds transfers and wires. Our service providers are required to protect personal information in a manner similar to the way we protect personal information and to only use it for the services they provide to us.

*Legal and Other Disclosure:* We may disclose information when permitted by law or under the good-faith belief that such disclosure is necessary under applicable law, to comply with legal process served on Alternative Securities Markets Group; to protect the property interests of Alternative Securities Markets

# Alternative Securities Markets Group

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Group, [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com), Alternative Securities Markets Group Agents and Alternative Securities Markets Group Employees; or to protect personal safety or the safety of the public.

*Assets:* As our business evolves, Alternative Securities Markets Group may sell, transfer or otherwise share some of its assets in connection with a merger, reorganization or sale of assets, or in the event of bankruptcy. In such an event, personal information may be one of the assets transferred.

If we propose to share information in a manner not covered in this Privacy Policy, we will notify you of this change by posting an addendum on our site, a notice in the "Announcement" Section of the Site, and if appropriate, provide you an opportunity to opt out of such use.

## **Email Communications:**

*Choice/Opt-Out.* Because we do not share your personal information with non-affiliated parties for marketing purposes, there is no need for you to opt out of such uses. At any time, you have the ability to opt out of receiving marketing communications from Alternative Securities Markets Group or [Alternative Securities Markets Group.com](http://www.AlternativeSecuritiesMarket.com), but you may not opt out of administrative emails (for example, electronic delivery of financial information, or emails about your transactions or our policy changes) while you are a registered user of [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com). In such cases, you can opt out by simply emailing [LEGAL@ALTERNATIVESECURITIESMARKET.COM](mailto:LEGAL@ALTERNATIVESECURITIESMARKET.COM) stating you would like to cancel your registration with [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com).

*Email Tools:* If you send emails to a recipient through [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com), they will receive your email and any personal message you include. We use the email address you provide to send your requested communication and for no other purpose. We may be required by law to retain these emails; they are NOT private communications. You may not use our email tools to send spam or content that violates the User Agreement.

*Anti-Spam Policy:* Alternative Securities Markets Group does not tolerate Spam. We do not send emails to anyone without permission, and we do not sell or rent email addresses to any unauthorized third party. This does not mean that we can prevent spam from happening on the Internet. If you believe that you have received an unsolicited email from us, please contact [LEGAL@ALTERNATIVESECURITIESMARKET.COM](mailto:LEGAL@ALTERNATIVESECURITIESMARKET.COM) and we will immediately investigate.

## **Cookies and Web Beacons:**

Alternative Securities Markets Group, [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com), Alternative Securities Markets Group Service Providers, and other members of our corporate family who provide use with joint services, will sometimes place anonymous cookies or web beacons on your computer when you visit [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com). We use these cookies and web beacons to recognize returning users, provide relevant content, measure traffic and activity on the site, monitor and improve our services and protect against fraud. You can block cookies by changing the settings on your browser (consult your browser help menu to find out how), but doing so may prevent us from delivering certain services to you. Your browser must be set to accept cookies in order to access [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) as a registered user.

## **Accessing, Reviewing and Changing Your Personal Information:**

We urge you to review your information regularly to ensure that it is correct and complete. As a registered user, you can review and change your personal information by accessing your account and Profile Page. You may not be able to change some account information online. If you are unable to make the desired

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changes, you can contact us at [LEGAL@ALTERNATIVESECURITIESMARKET.COM](mailto:LEGAL@ALTERNATIVESECURITIESMARKET.COM) for further assistance. Although we will require you to revalidate your personal information periodically, you should promptly update your personal information if it changes or becomes inaccurate.

You can request that we close your [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) account by emailing us at [LEGAL@ALTERNATIVESECURITIESMARKET.COM](mailto:LEGAL@ALTERNATIVESECURITIESMARKET.COM). After we close your account, we may retain some information to comply with law, prevent fraud, assist with investigators, resolve disputes, analyze or troubleshoot programs, enforce our User Agreement and take actions otherwise permitted by law. If your account or membership is terminated or suspended, we may retain some information to prevent re-registration.

## **Security:**

We view protection of your privacy as a very important principle. We store and process your information on computers located in the United States that are protected by physical as well as technological security devices. We have implemented physical, electronic and procedural safeguards that are designed to protect the security of your information in compliance with applicable United States Federal and State Regulations. These include advanced firewall and password protection for our databases, physical access controls to our buildings and files, and restricted access to your personal information to employees that need to know that information to operate, develop or improve our services.

We have invested in leading-edge security software, systems and procedures to offer you a safe and secure investing platform and protect your personal, financial and investment information. While no security system is absolutely impenetrable, we will continually monitor the effectiveness of our security system and refine and upgrade our security technology as new tools become available.

## **Links to Other Sites:**

[www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) may contain links to other websites. We are not responsible for the privacy practices or the content of these sites. If you have concerns about how another website collect and uses information about you, make sure to read that site's own Privacy Policy.

## **General:**

We may change this policy from time to time, and we will post the amended terms on [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) and notify you by email of the changes. Amended terms will take effect immediately for new users, and 30 days after they are posted for existing users. You should review this Privacy Policy periodically to remain informed of any changes. You agree to accept posting of a revised Privacy Policy electronically on [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) as an actual notice to you.

# Alternative Securities Markets Group

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Corporate: 4050 Glencoe Avenue, Marina Del Rey, California 90292  
Office: (213) 407 - 4386 / Email: [Legal@AlternativeSecuritiesMarket.com](mailto:Legal@AlternativeSecuritiesMarket.com)  
<http://www.AlternativeSecuritiesMarket.com>

## INVESTOR REGISTRATION AGREEMENT:

This Investor Registration Agreement ("Agreement") is made and entered into between you and Alternative Securities Markets Group Corporation ("Alternative Securities Markets Group", "we" or "us"). This Agreement will govern all transactions whereby you subscribe for and purchase equity or debt securities ("Shares"), from time to time, through the facilities of the Alternative Securities Markets Group website [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com). Before you complete this Agreement, you must read and accept all terms and conditions in, and linked to, this Agreement, including the Alternative Securities Markets Group User Agreement governing use of the Alternative Securities Markets Group website [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) and the Alternative Securities Markets Group Privacy Policy. Before you can invest, you must also properly complete the Investor Questionnaire.

- 1. Offering of Shares:** Shares will be offered and sold through the Alternative Securities Markets Group website [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) pursuant to individual private offerings ("Offerings") by the respective issuers of such Shares, with each such Offering being made pursuant to the terms, conditions and disclosures (including risk factor disclosures) set forth in the Prospectus for that particular Offering (the "Offering Terms"). The Offering Terms for each Offering for which you subscribe to purchase Shares shall be incorporated herein by this reference, and those Offering Terms shall be binding on you the same as if they were set forth in full in this Agreement. You agree to read carefully and make sure that you understand and agree with the Offering Terms for any Offering before investing. You acknowledge that each Offering involves a high degree of risk, and that by choosing to subscribe for Shares in any Offering you thereby acknowledge that you are prepared and able to bear the risk of loss of the entire purchase price for any Shares you purchase.
- Resale Restrictions and Limitations:** You acknowledge that *some* Securities Offered on [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) may not have filed a registration statement, and may not file a registration statement, with the United States Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Securities ACT"), with respect to any Offering of Shares, and that Shares issued may be "restricted securities" as defined in Rule 144(a)(3) of the Securities Act and will therefore be subject to restrictions on resales. A legend describing those restrictions will be placed on the certificate representing the Shares, and the issuer of the Shares may give stop transfer instructions to the transfer agent for the Shares. Any Shares that you purchase in a "Restricted Offering" may not be resold without registration or an exemption from registration under applicable federal and state securities laws. You will ordinarily be required to wait at least one year before an exemption may become available for you to resell Shares. Any resale of Shares and any removal of a restrictive legend from, or stop transfer instructions relating to, Shares is subject to the approval of the issuer of the Shares and its legal counsel. Alternative Securities Markets Group shall have no responsibility or liability in relation to the issuer's use and removal of legends and stop transfer instructions. These types of securities will be clearly defined at [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com)
- 2. Investor Registration:** By entering into this agreement, you are registering as a prospective investor in order to become eligible to subscribe for Shares of various issuers in Offerings offered for sale online through the Alternative Securities Markets Group website [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com)'s bidding platform (the "Platform"). You agree to comply with the terms of this Agreement, the terms of the User Agreement, and the policies posted on the Alternative Securities Markets Group website [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com), as amended from time to time by Alternative Securities Markets Group in its sole discretion.

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You are required to complete and submit an Investor Questionnaire, which includes information that will allow the Issuer to determine whether investments in Shares are suitable to your situation, based on Alternative Securities Markets Group's internal suitability guidelines for investment and any suitability standards posted on the [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com)'s website. We will ask you to update this information at least annually. You are required to provide personal information in the Investor Questionnaire, which will handle in accordance with the Alternative Securities Markets Group's Privacy Policy.

When registering as a prospective investor, you will be required to provide certain information that will be used by the issuer and transfer agent of any Shares that you purchase, including such things as your name and address to be entered on the registry of the transfer agent for such Shares and the address to which you would like to certificate representing such Shares to be delivered.

By registering as a prospective investor, you are providing "written instructions" to Alternative Securities Markets Group under the Fair Credit Reporting Act authorizing Alternative Securities Markets Group to obtain information from your personal credit profile or other information from Experian or a similar credit reporting company. By so doing, you authorize Alternative Securities Markets Group to obtain such information solely to confirm your residence and to confirm your identity to avoid fraudulent transactions in your name.

- 3. Password Access to [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com):** After you have completed your registration and Investor Questionnaire and we have completed our suitability review, we will determine based on our internal guidelines whether you qualify to receive password access to the platform. If so, we will notify you that your registration has been accepted, and we will provide you with a password allowing you access to the platform. You will then be permitted to invest in any Offerings in which you are qualified to invest, provide that such Offerings are first listed on the platform after the activation of your registration. We may notify you via email about any new Offering that becomes available on the platform, although we are not required to do so.
- 4. Bidding to Purchase Shares; Escrow Account; Closing:** After you have received your password giving you access to the platform, you will be permitted to post bids for Shares pursuant to the Offering Terms for any Offering listed on the platform in which you have been pre-qualified to participate. The terms of any Offering may provide for a fixed investment amount or minimum and maximum amounts that apply to all subscribers in any particular offering. Prospective investors "bid" (i.e., "subscribe for") the amount they are willing to commit to the purchase of Shares in the Offering. We reserve the right to determine which bids of prospective investors will be accepted and in what amounts (in full or in part).

Before placing a bid for Shares in any Offering, you should carefully review all the information in the Prospectus for that Offering. You may ask questions of the issuer and receive answers regarding the terms and conditions of the Offering by submitting the questions via email to us at [LEGAL@ASMMARKETSGROUP.COM](mailto:LEGAL@ASMMARKETSGROUP.COM), and these emails will be passed on to the issuer. IF AN OFFERING IS BEING MADE IN RELIANCE ON RULE 506 OF REGULATION D OF THE SECURITIES ACT and the Offering allows purchasers to participate who are not "accredited investors", as defined in Rule 501(a) of Regulation D, you may also request any additional information from the issuer that the issuer of such Shares possesses or can acquire without unreasonable effort or expense which is necessary to verify the accuracy of information furnished by the issuer in the Prospectus. You may request such information by sending an email to [LEGAL@ALTERNATIVESECURITIESMARKET.COM](mailto:LEGAL@ALTERNATIVESECURITIESMARKET.COM), and these emails will be forwarded to the

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issuer. By placing a bid for Shares in any Offering, you represent and warrant that you have availed yourself fully of the foregoing answers and information prior to placing the bid, and you are satisfied with the information and answers that you have received.

Alternative Securities Markets Group may close an Offering for an Issuer only after enough bids have been received for the Offering to be fully subscribed. An Offering is fully subscribed if at least the minimum offering amount (the "Minimum Amount") referenced in the Prospectus for the Offering has been received in the Escrow Account.

5. **Delivery of Share Certificates:** When your bid to purchase Shares in any Offering is accepted, a certificate representing the Shares purchased will be delivered to you, in accordance with the delivery instructions you have provided upon receipt of cleared investment funds from you.
6. **Covenants:** Alternative Securities Markets Group covenants and promises that, at the time of each Offering of Shares on the Alternative Securities Markets Group websites at [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com), Alternative Securities Markets Group will comply in all material respects with International, Federal and State Laws as they apply to Regulation A, Regulation S, Regulation D, California Intra-State Securities Offering (Rule 1001), Rule 144 Offerings and EB5 Securities Offerings in connection with these Offerings.
7. **Remedies for Breach of Covenants:** In the event of a breach by Alternative Securities Markets Group of the foregoing covenants that materially and adversely affects your investment in Shares sold to you under this Agreement, Alternative Securities Markets Group shall either:
  - a. Cure the breach, if the breach is susceptible to cure;
  - b. Repurchase the Shares from you if an exemption that authorizes the sale of your shares; or
  - c. Indemnify and hold you harmless against all losses, damages, legal fees, costs and judgments resulting directly from any claim, demand or defense arising as a result of the breach ("Losses").

The decision whether a breach is susceptible to cure, or whether Alternative Securities Markets Group shall repurchase Shares from you or indemnify you against Losses, shall be in Alternative Securities Markets Group's sole discretion. Upon discovery by Alternative Securities Markets Group of any such breach of the foregoing covenants requiring cure or repurchase of Shares, Alternative Securities Markets Group shall give you notice of the breach, and of Alternative Securities Markets Group's election to cure the breach or repurchase the Shares, not later than ninety (90) days after our discovery of the breach. In the event Alternative Securities Markets Group repurchases Shares, Alternative Securities Markets Group will pay you the full amount that you paid for such Shares. Upon any such repurchase, you agree to transfer and assign to Alternative Securities Markets Group the certificates representing the Shares, and you authorize and agree that Alternative Securities Markets Group may execute any endorsements or assignments necessary to effectuate the transfer and assignment of the Shares to Alternative Securities Markets Group. Alternative Securities Markets Group's obligation to cure a breach, repurchase Shares, or indemnify you for a breach of the foregoing covenants pursuant to this Section is your sole remedy with respect to a breach of Alternative Securities Markets Group's covenants set forth in Section 7 above.

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8. **No Advisory Relationship:** You acknowledge and agree that.
- The offer, sale and purchase of any Shares pursuant to this Agreement is an arm's-length transaction between you and Alternative Securities Markets Group.
  - In connection with the offer, sale and purchase of such Shares, Alternative Securities Markets Group is not acting as your agent or fiduciary.
  - Alternative Securities Markets Group assumes no advisory or fiduciary responsibility in your favor in connection with the offer, sale and purchase of such Shares;
  - Alternative Securities Markets Group has not provided you with any legal, accounting, regulatory or tax advice with respect to such Shares; and
  - You have consulted your own legal, accounting, regulatory and tax advisors to the extent you have deemed it appropriate.

9. **Alternative Securities Markets Group's Right to Verify Information and Terminate Offerings:**

Alternative Securities Markets Group reserves the right to verify the accuracy and completeness of all information provided by prospective investors and issuers in connection with Offerings. Alternative Securities Markets Group also reserves the right to determine in its reasonable discretion whether a registered user is using, or has used, the Alternative Securities Markets Group website illegally or in violation of any order, writ, injunction or decree of any court or governmental instrumentality, for the purposes of fraud or deception, or otherwise in a manner inconsistent with the terms and conditions of this Agreement or inconsistent with any registration agreement between Alternative Securities Markets Group and the user. Alternative Securities Markets Group may conduct its review at any time before, during or after the posting of a bid or before or after the closing of an Offering. You agree to respond promptly to Alternative Securities Markets Group's requests for information in connection with your registration and accounts with Alternative Securities Markets Group and your bids to subscribe for Shares in any Offering.

At any time prior to the closing of an Offering, Alternative Securities Markets Group, in its sole discretion, delay the closing in order to enable Alternative Securities Markets Group to conduct a pre-closing review to verify the accuracy of information provided by the issuer and prospective investors and to determine whether there are any irregularities with respect to the Offering or the bids for Shares in the Offering. Alternative Securities Markets Group may cancel or proceed with the closing, depending on the results of its pre-closing review. If the Offering is canceled, the Prospectus for the Offering will be removed from the Alternative Securities Markets Group Website [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com), all bids for Shares will be canceled, and all funds from the bidders which are held in the Escrow Account will be refunded to the bidders.

10. **No Guarantee of Investment or Assurance of any Return on Investment**

ALTERNATIVE SECURITIES MARKETS GROUP DOES NOT WARRANT OR GUARANTEE ANY RETURN ON YOUR INVESTMENT IN ANY SHARES THAT YOU PURCHASE IN OFFERINGS ON THE ALTERNATIVE SECURITIES MARKETS GROUP WEBSITE AT [WWW.ALTERNATIVESECURITIESMARKET.COM](http://WWW.ALTERNATIVESECURITIESMARKET.COM). ALTERNATIVE SECURITIES MARKETS GROUP DOES NOT WARRANT OR GUARANTEE THAT YOU WILL EVER BE ABLE TO RESELL SUCH SHARES, THAT YOU WILL BE ABLE TO RECOUP ALL OR ANY PART OF THE PURCHASE PRICE FOR SUCH SHARES, OR THAT YOU WILL EVER MAKE A PROFIT ON SUCH SHARES.

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11. **Restrictions on Use:** Except as provided in Section 14 below, you are not authorized or permitted to use the Alternative Securities Markets Group's website at [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) to bid for or purchase Shares for someone other than yourself. You must be an owner of the Deposit Account you designate for electronic transfers of funds, with authority to direct that funds be transferred to or from the account. Alternative Securities Markets Group may in its sole discretion, with or without cause and with or without notice, restrict your access to the Alternative Securities Markets Group website at [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com).
12. **Suitability Representations and Warranties:** By placing a bid to subscribe for Shares in any Offering, you represent and warrant that you satisfy all applicable suitability requirements and other requirements to invest that are described in the Prospectus for that Offering or on [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com). You also agree to provide any additional documentation reasonably requested by us to confirm that you meet applicable suitability standards, including minimum financial suitability standards that may be required by the Securities Administrators of certain states.
13. **Other Representations and Warranties:** You warrant and represent to Alternative Securities Markets Group, as of the date of this Agreement and as of any date that you commit to purchase Shares by placing a bid for Shares, that:
  - a. You have the legal competence and capacity to execute and perform this Agreement and that you have duly authorized, executed and delivered this Agreement;
  - b. In connection with this Agreement you have complied in all material respects with applicable federal, state and local laws; and
  - c. If you are entering into this Agreement on behalf of a corporation, partnership, limited liability company, trust, or other entity ("institution"), you warrant and represent that (i) you have all necessary power and authority to execute and perform this Agreement on such institution's behalf; (ii) the execution and performance of this Agreement will not violate any provision in the institution's certificate of organization, by-laws, indenture or trust, partnership agreement, or other constituent agreement or instrument governing the formation or administration of your institution; and (iii) the execution and performance of this Agreement will not constitute or result in a breach or default under, or conflict with, any order, ruling or regulation of any court or other tribunal or of any governmental commission or agency, or any agreement or other undertaking to which the institution is a party or by which it is bound.
14. **Alternative Securities Markets Group's Representations and Warranties:** Alternative Securities Markets Group represents and warrants to you, as of the date of this Agreement and as of any date you commit to purchase Shares, that:
  - a. It is duly organized and is validly existing as a corporation in good standing under the laws of California and has corporate power to enter into and perform its obligations under this Agreement; and
  - b. This Agreement has been duly authorized, executed and delivered by Alternative Securities Markets Group and constitutes a valid and binding agreement of Alternative Securities Markets Group, enforceable against Alternative Securities Markets Group in accordance with its terms, except as the enforcement thereof may be limited by applicable bankruptcy, insolvency or similar laws.

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15. **Prohibited Activities:** You agree that you will not do the following in connection with any Offering, any bid to subscribe for Shares in and Offering, or any other transaction involving or potentially involving Alternative Securities Markets Group or any issuer of Shares on the Alternative Securities Markets Group website at [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com)
- o Represent yourself to any person, as a director, officer or employee of Alternative Securities Markets Group or of an issuer of Shares on the Alternative Securities Markets Group website at [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) unless you are such director, officer or employee;
  - o Propose or agree to accept any fee, bonus, kickback or other thing of value of any kind in exchange for your agreement to bid for or recommend that anyone else bid for Shares in any Offering on [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com);
  - o Engage in any activities that require a license as a broker or dealer in connection with any Offering of Shares on [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com);
  - o Violate any International, Federal, State or Local Laws, including, but not limited to, U.S. Federal and State Securities Laws, in connection with any transaction in the securities of an issuer that has made or is making an Offering of its Shares on [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com).
16. **Termination of Registration:** Alternative Securities Markets Group, may in its sole discretion, with or without cause, terminate this Agreement by giving you notice as provided below. In addition, upon our reasonable determination that you have violated the provisions of section 16, have made a material misrepresentation in connection with this Agreement or your Investor Questionnaire, or have otherwise failed to abide by the terms of this Agreement, Alternative Securities Markets Group may, in its sole discretion, immediately and without notice, take one or more of the following actions:
- o Terminate or suspend your right to bid for Shares or otherwise participate in Alternative Securities Markets Group's website [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com)
  - o Terminate this Agreement and your registration with Alternative Securities Markets Group's website [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com)

Upon termination of this Agreement and your registration with Alternative Securities Markets Group's website [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com), any bids you have placed on [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) shall terminate and will be removed from the site immediately, but your right under the Agreement to any Shares purchased prior to the effective date of the termination shall not be affected by the termination.

17. **Indemnification:** In addition to your indemnification obligations set forth in the Alternative Securities Markets Group User Agreement for [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com), you agree to indemnify, defend, protect and hold harmless Alternative Securities Markets Group and its Officers, Directors, Stockholders, Employees and Agents against all claims, liabilities, actions, costs, damages, losses, demands and expenses of every kind, known or unknown, contingent or otherwise (i) resulting from any material breach of any obligation you undertake in this Agreement, including but not limited to your obligation to comply with any applicable laws; or (ii) resulting from your acts, omissions and representations (and those of your employees, agents or representatives) relating to Alternative Securities Markets Group and [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com). Your obligation to indemnify Alternative Securities Markets Group shall survive termination of this Agreement, regardless of the reason for termination.

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18. **Alternative Securities Markets Group's Right to Modify Terms:** We may change this Agreement from time to time, and when we do we will post the amended terms on [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) and notify you by email of material changes. Amended terms will take effect immediately for new registrants and 30 days after they are posted for existing registrants. This Agreement may not otherwise be amended except in a writing signed by you and us.
- You authorize Alternative Securities Markets Group to correct obvious clerical errors appearing in information you provide to Alternative Securities Markets Group, without notice to you, although Alternative Securities Markets Group expressly undertakes no obligation to identify or correct such errors.

This Agreement, along with the Alternative Securities Markets Group User Agreement for [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com), represents the entire agreement between you and Alternative Securities Markets Group regarding your participating as a prospective investor on [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com), and supersedes all prior or contemporaneous communications, promises and proposals, whether oral, written or electronic, between you and Alternative Securities Markets Group with respect to your involvement as a prospective investor on [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com).

19. **Notices:** All notices and other communications hereunder shall be given by email to your registered email address or will be posted on [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com), and shall be deemed to have been duly given and effective upon transmission or posting. All notices, required disclosures and other communications to you will be transmitted to you by email to your registered email address. You can contact us by sending an email to [LEGAL@ALTERNATIVESECURITIESMARKET.COM](mailto:LEGAL@ALTERNATIVESECURITIESMARKET.COM). You also agree to notify us if your registered email address is changed by sending an email to [LEGAL@ALTERNATIVESECURITIESMARKET.COM](mailto:LEGAL@ALTERNATIVESECURITIESMARKET.COM)
20. **Non-Disclosure Agreement:** By entering into this Agreement, you agree not to disclose, except on a confidential basis to your legal and financial advisors exclusively for the purposes of rendering professional advice to you, any information which you receive or have received from Alternative Securities Markets Group or on [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) that relates to any Offering of Shares posted on [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) or relates to the business of any issuer of such Shares, including, for example, information presented in a Prospectus for an Offering of Shares on [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) ("Confidential Information"). You shall hold and maintain the Confidential Information in strictest confidence for the sole and exclusive benefit of the issuer that provided such Confidential Information. You shall not, without such issuer's prior written approval, use for your own benefit, publish, copy, or otherwise disclose to others, or permit the use by others for their benefit or to the detriment of the issuer, any confidential Information.

The term "Confidential Information" shall exclude any information that, at any given time:

- a) Has been publicly disclosed by the issuer or by any third party through no fault of your own;
- b) You have received by some legitimate means other than from Alternative Securities Markets Group or its representatives or from the issuer or its representatives; or
- c) The issuer has authorized you in writing to disclose

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21. **No Warranties:** EXCEPT FOR THE REPRESENTATIONS CONTAINED IN THIS AGREEMENT, NO PARTY TO THIS AGREEMENT MAKES ANY REPRESENTATIONS OR WARRANTY TO ANOTHER PARTY TO THIS AGREEMENT, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.
22. **Limitation of Liability:** IN NO EVENT SHALL ONE PARTY BE LIABLE TO ANOTHER PARTY FOR ANY LOST PROFITS OR SPECIAL, EXEMPLARY, CONSEQUENTIAL OR PUNITIVE DAMAGES, EVEN IF INFORMED OF THE POSSIBILITY OF SUCH DAMAGES. FURTHERMORE, NO PARTY MAKES ANY REPRESENTATION OR WARRANTY TO ANOTHER PARTY REGARDING THE EFFECT THAT THE AGREEMENT MAY HAVE UPON ANY INTERNATIONAL, FEDERAL, STATE, LOCAL OR OTHER TAX LIABILITY FOR THE OTHER.
23. **Miscellaneous:** The parties acknowledge that there are not third party beneficiaries to this Agreement. You may not assign, transfer, sublicense or otherwise delegate your rights under this Agreement to another person without Alternative Securities Markets Group's prior written consent. Any such assignment, transfer, sublicense or delegation in violation of this Section shall be null and void. This Agreement shall be governed in all respects by the laws of the State of California, without regard to conflict of law provisions. Except as otherwise provided in this Agreement, you agree that any claim or dispute you have against Alternative Securities Markets Group must be resolved by arbitration in the State of California. Any waiver of a breach of any provision of this Agreement will not be a waiver of any other subsequent breach. Failure or delay by either party to enforce any term or condition of this Agreement will not constitute a waiver of such term or condition. If any part of this Agreement is a valid enforceable provision that most closely matches the intent of the original provision, and the remainder of the Agreement shall continue in effect. The parties agree to execute and deliver such further documents and information as may be reasonably required in order to effectuate the purposes of this Agreement.

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# Alternative Securities Markets Group

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## **Statement of Understanding for Securities Offered to Investors on [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com)**

**Regulation A (Current):** Regulation A is an exemption for **PUBLIC OFFERINGS** not exceeding \$5 Million USD in any 12-month period. Companies choosing to rely on this exemption must file an offering statement with the U.S. Securities & Exchange Commission on Form 1-A, consisting of a notification, offering circular and exhibits. The SEC staff reviews this offering statement.

Regulation A Offerings share many characteristics with registered offerings. For example, purchasers ("*Investors*") must be provided with an offering circular similar to a prospectus. Just as in registered offerings, the securities can be offered PUBLICLY, using general solicitation and advertising, and purchasers DO NOT RECEIVE '*RESTRICTED SECURITIES*', as explained at [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com). The Principle difference between Regulation A Offerings and Registered Public Offerings are:

- 1) Financial Statements for a Regulation A Offerings are simpler and do not need to be audited unless audited financial statements are otherwise available.
- 2) Regulation A issuers do not incur either Exchange Act Reporting obligations after the offering or Sarbanes-Oxley Obligations applicable only to SEC reporting companies, unless the company '*meets the thresholds that trigger Exchange ACT Registration*".
- 3) Companies may choose among three formats to prepare the Regulation A Offering Circular, one of which is a simplified question-and-answer document; and
- 4) Companies may "*test the waters*" to determine market interest in their securities before going through the expense of filing with the SEC.

SEC reporting companies are not eligible to use Regulation A. All other types of companies may use Regulation A, except developmental stage companies without a specified business (for example, "*Blank Check Companies*") and investment companies registered or required to be registered under the Investment Company act of 1940. In most cases, shareholders may use Regulation A to resell up to \$1.5 Million USD of Securities.

The "*test the waters*" provision of a Regulation A allows companies to publish or deliver a written document to prospective purchasers or make scripted radio or television broadcasts to determine whether there is an interest in their contemplated securities offering before filing an offering statement with the SEC. This gives companies the opportunity of being able to determine whether enough market interest in their securities exists before they incur the full range of legal, accounting and other costs associated with filing an offering statement with the SEC. Companies may NOT, however, solicit or accept money for securities offered under Regulation A until the SEC completes its review of the filed offering statement and the Company delivers offering materials to Investors.

**NOTE ABOUT REGULATION A:** *The JOBS Act requires the SEC to develop rules for a new exemption to the existing Regulation A, which will permit offerings up to \$50 Million USD a year without SEC Registration.*

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***Proposed Changes to Regulation A pursuant to the Passage of the JOBS Act in 2012. These changes are expected to be enacted during the first half of 2014.***

The SEC's proposed rules will update and expand the Regulation A exemption by creating the following Two Tiers of Regulation A Offerings:

- **TIER ONE:** Tier One would consist of those offerings already covered by Regulation A – namely securities of up to \$5 Million USD in a twelve month period, including up to \$1.5 Million USD for the account of selling security-holders.
- **TIER TWO:** Tier Two would consist of securities offerings of up to \$50 Million USD in a twelve month period, including up to \$15 Million USD for the account of selling security-holders.

For offerings up to \$5 Million USD, the Company could elect whether to proceed under Tier 1 or Tier 2.

## ***Basic Requirements:***

Under Tier 1 and Tier 2, companies would be subject to basic requirements, including ones addressing issuer eligibility and disclosures that are drawn from the existing provisions of Regulation A. The proposed rules would update Regulation A to among the other things.

1. Permit companies to submit draft offering statements for nonpublic SEC review prior to filing
2. Permit the use of "testing the waters" solicitation materials both before and after filing of the Offering Statement
3. Modernize the qualification, communication and offering process in Regulation A to reflect analogous provisions of the Securities Act registration process, including electronic filing of offering materials.

## ***Additional Tier 2 Requirements:***

In addition to the three basic requirements, companies conducting Tier 2 Offerings would be subject to the following requirements.

1. Investors would be limited to purchasing no more than 10% of the greater of the investor's annual income or net worth.
2. The Financial Statements included in the Offering Circular would be required to be audited.
3. The Company would be required to file annual and semi-annual ongoing reports and current event updates that are similar to the requirements for public reporting companies.

# Alternative Securities Markets Group

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Corporate: 4050 Glencoe Avenue, Marina Del Rey, California 90292  
Office: (213) 407 - 4386 / Email: [Legal@AlternativeSecuritiesMarket.com](mailto:Legal@AlternativeSecuritiesMarket.com)  
<http://www.AlternativeSecuritiesMarket.com>

## **Eligibility:**

Regulation A would be available to companies organized in and with their principal business in the United States or Canada, as is currently the case under Regulation A.

The Exemption would not be available to companies that:

- Are already SEC reporting companies and certain investment companies
- Have no specific business plan or purpose or have indicated their business plan is to engaged in a merger or acquisition with an unidentified company.
- Are seeking to offer and sell asset-backed securities or fractional undivided interests in oil, gas or other mineral rights.
- Have not filed the ongoing reports required by the proposed rules during the preceding two years.
- Are or have been subject to a Commission order revoking the company's registration under the Exchange Act during the preceding five years.
- Are disqualified under the proposed 'bad actor' disqualification rules.

## **Preemption of Blue Sky Law:**

Under current Regulation A, offerings are currently subject to registration and qualification requirements in the States where the offering is conducted unless a State-level exemption is available. This has been identified by the GAO and market participants as a central factor for the limited use of current Regulation A.

In view of the range of investors protections provided under the proposal, state securities law requirements would be preempted for Tier 2 offerings. The proposal also explores alternative approaches to addressing this matter, including the coordinated review program proposed by the North American Securities Administrators Association.

## **Current Status:**

The Commission has recently completed a sixty day public comment period on the proposed rules. The Commission is currently reviewing the comments and determining whether to adopt the proposed rules as illustrated above. Enactment is expected during the first half of 2014.

*Companies cannot use this new exemption until the SEC adopts final rules.*

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## OTHER SECURITIES THAT MAY BE OFFERED:

**California Intra-State Exempt Securities ("CA1001"):** Section 3(a) (11) of the Securities Act exempts from registration any offering made solely to persons residing in a single State or Territory, where the issuer is incorporated and doing business in the same state. The rationale is that a wholly Intra-State transaction is adequately policed by the Laws of the State, hence there is no need for an additional layer of Federal Law.

Under Rule 147, an issuer does business in the State (1) at least 80% of its gross revenues (*including subsidiaries*) is derived from operations or assets in-state; (2) at least 80% of its assets (*including subsidiaries*) is located in-state; (3) at least 80% of the offering's net proceeds is used in-state; and (4) its principal office is in-state. During the offering period and for nine months from the last sale by the issuer, purchasers may only resell their stock to other persons living in-state.

Companies listed on [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) use CA1001 in combination with California Section 25102(n)

California 25102(n) is limited to issuers that are California Companies (*with some minor exemptions*). Investors must be "*qualified purchasers*". This means, generally, accredited investors and natural persons with a net worth specified in the statute.

Issuers relying on 25102(n) may **PUBLICLY** disseminate a limited written announcement of the offering. Potential investors may then respond to the announcement by contacting the issuer. The issuer may not telephone a prospective investor until it has determined that the investor is a qualified purchaser. Issuers must provide disclosure documents to the non-accredited investors at least five days prior to sale.

**Regulation S:** Regulation S ("*Reg S*") is an exemption designed by the U.S. Securities & Exchange Commission for Companies seeking to raise capital from investors located OUTSIDE of the United States. A Regulation S Offering under the Securities Act of 1933, as amended (the "*Securities Act*") is a safe harbor rule that defines when an offering of Securities would be considered an "offshore transaction" so as not to be subject to the registration obligations imposed under Section 5 of the Securities Act.

A Regulation S Offering (Foreign Direct Public Offering) only exempts the issuer from the registration requirements. It does not exempt the issuer from anti-fraud provisions. There are two main requirements in using a Regulation S Offering. The first is the offer and the sale of the securities must be in legitimate offshore transactions. Under a Regulation S Offering, the Company may not offer or sell any securities to a U.S. Citizen or Resident even if that person purchases the securities abroad. Also, the sale must not be done for the purpose of secretly selling the Securities to a U.S. Investor. The second requirement under Regulation S is that there cannot be any directed selling efforts in the United States. Generally, this means a company cannot advertise the Offering in a publication where the circulation crosses over to the United States.

A Regulation S Offering provides two exemptions from safe harbors from U.S. Securities Registrations: an exemption for the initial sale and another exemption for the resale of securities after they are held for a period of time, normally one year.

An important advantage to Companies utilizing Regulation S is that they are able to advertise in the foreign markets in newspapers and other publications. Under Regulation S the Company is allowed to hold seminars, road shows and engage in other general solicitation outside of the United States.

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Also, Foreign Direct Public Offerings (Regulation S) are not integrated with Section 5 Public Offerings or Regulation D Private Placements. Regulation D documents contain rules which apply to transactions in the United States. Regulation S Offering Documents contain rules which apply to foreign transactions only. Therefore, a Company can conduct simultaneous Private Placement Stock Offerings and Foreign Direct Public Offerings without jeopardizing either exemption. Also, Regulation S Investors are treated the same way as accredited investors for the purpose of determining compliance with the 35 non-accredited investor limitation outlined in the Regulation D Private Placement.

**Regulation D / Rule 504:** Rule 504, sometimes referred to as the “*Seed Capital Exemption*”, provides an exemption for the offer and sale of up to \$1 Million USD of Securities in a 12-month period. A Company may use this exemption so long as it is not a Blank Check Company and it is not subject to Exchange Reporting Requirements. In general, a Company may not use general solicitation or advertising to market the securities, and purchasers generally receive “*restricted securities*”. Purchasers of restricted securities may not sell them without SEC Registration or using another exemption, which is further explained on the “*Resale of Restricted Securities*” page at [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com). Investors should be informed that they may not be able to sell securities of non-reporting companies for at least a year without the issuer registering the transaction with the SEC.

A Company may, however, use the Rule 504 Exemption for a Public Offering of its Securities with general solicitation and advertising, and investors will receive “*non-restricted securities*”, under the following circumstances:

- The Company sells in accordance with a State Law that requires the public filing and delivery to investors a substantive disclosure document, or
- The Company sells in accordance with a State Law that requires registration and disclosure document delivery and also sells in a State without those requirements, so long as the Company delivers to all purchasers the disclosure documents mandated by a State in which it is registered; or
- It sells exclusively accordingly to State Law Exemptions that permit general solicitation and advertising, so long as sales are made only to “*accredited investors*”.

Even if a Company makes a private sale of its Securities, and not specific disclosure delivery requirements are required, a Company should take care to provide sufficient information to investors to avoid violating the anti-fraud provisions of the securities laws. This means that any information a Company provides to Investors must be free from false and misleading statements. Similarly, a Company should not exclude any information if the omission makes what is provided to investors false or misleading.

**Regulation D / Rule 505:** Rule 505 provides an exemption for offers and sales of Securities totaling up to \$5 Million USD in any 12-month period. Under this exemption, a Company may sell to an unlimited number of “accredited investors” and up to 35 persons that are not accredited investors. Purchasers must buy for investment purposes only, and not for the purpose of reselling the securities. The issued securities are ‘restricted securities’, meaning purchasers may not resell them without registration on an applicable exemption, as explained on the ‘Resales of Restricted Securities’ page. If a Company is not a SEC Reporting Company, Investors should be informed that they may not be able to sell securities for at least one year without the Company registering the transaction with the SEC. A Company may not use general solicitation or advertising to sell the Securities.

# Alternative Securities Markets Group

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Under Rule 505, if the Company's Offering involves any purchasers that are not accredited investors, the Company must give these purchasers disclosure documents that generally contain the same information as those included in a registration statement for a registered offering. There are also financial statement requirements that apply to Rule 505 Offerings involving purchasers that are not accredited investors. For instance, if financial statements are required, they must be audited by a certified public accountant. The Company must also be available to answer questions from prospective purchasers who are not accredited investors.

The Company may decide what information to give to accredited investors, so long as it does not violate the antifraud prohibitions of the Federal Securities Laws. If a Company provides information to accredited investors, it must make this information available to the non-accredited investors as well.

**Regulation D / Rule 506:** Rule 506 is a "Safe Harbor" for the non-public exemption in Section 4(a)(2) of the Securities Act, which means it provides specific requirements that, if followed, establish that a transaction falls within the Section 4(a)(2) exemption. Rule 506 does not limit the amount of money a Company can raise or the number of accredited investors it can sell securities to, but to qualify for the safe harbor, a Company must:

1. Not use general solicitation or advertising to market the Securities.
2. No sell Securities to more than 35 non-accredited investors (unlike Rule 505, all non-accredited investors, either alone or with a purchaser representative, must meet the legal standard of having sufficient knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of the prospective investment);
3. Give "*non-accredited investors*" specified disclosure documents that generally contain the same information as provided in registered offerings (*the Company is not required to provide specified disclosure documents to accredited investors, but, if it does provide information to accredited investors, it must also make this information available to the non-accredited investors as well*);
4. Be available to answer questions from prospective purchasers who are non-accredited investors; and
5. Provide the same financial statement information as required under Rule 505.

Purchasers receive "restricted securities" in a Rule 506 Offering. Therefore, they may not freely trade the Securities after the Offering, as explained on the "Resales of Restricted Securities" page at [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com).

Section 18 of the Securities Act provides a Federal preemption of exemption from State registration and review of private offerings that are exempt under Rule 506. The States still have authority, however, to investigate and bring enforcement actions for fraud, impose State Notice Requirements and collect State Fees.

*Special Note for 506 Offerings: The JOBS Act requires the SEC to eliminate the prohibition on using general solicitation and advertising to qualify for the Rule 506 Safe Harbor where all purchasers of the Securities are accredited investors and the issuer takes reasonable steps to verify that the purchasers are accredited investors. This not provision is not yet effective.*

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## **An ISSUERS OBLIGATION TO INVESTORS TO HAVE SECURITIES LISTED ON [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com)**

- **Financial Reporting** – All companies listed on [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) are REQUIRED to submit un-audited financial reports signed by the Company CEO and/or CFO, dated within 60 days of listing on [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com). Companies are also required to submit to Alternative Securities Markets Group for listing on the Company page at [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) a complete set of un-audited financial reports signed by the Company CEO and/or CFO within 30 days of the close of each business quarter and a complete set of fully audited financial statements within 60 days of the close of each business calendar year. All audited financial reports must be completed by a Alternative Securities Markets Group approved Certified Public Accounting Firm.
- **State of the Company Updates** – All companies listed on [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) are REQUIRED to have a quarterly web conference or phone conference call in which a principal member of the company is required to give an update to all current investors and potential new investors (including financial analysts) who wish to participate. Members of the Company are required to allow for ample time for questions from conference call participants. Company CEO's are also required to draft a letter once per month to update investors on the current State of the Company. Both web conference / phone conference call, along with the CEO Letters on the State of the Company will be published on the Company's page at [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com).
- **Corporate Actions** – Companies listed on [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) are required to report certain corporate actions, including dividends, stock splits, reverse splits, name changes, mergers, acquisitions, dissolutions, bankruptcies, liquidations, issuances of any new securities not currently disclosed, any new debts incurred by the Company and any changes in management, atleast TEN DAYS prior to the record date. All of these notices will be listed on the Company page at [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com).

### **Acknowledgement and Signature.**

**This Agreement, together with the "New Investor Questionnaire", "User Agreement", "Privacy Policy", "Investor Agreement", "Statement of Understanding of Securities Offered" and "Issuers Obligation to Investor", sets forth the entire understanding and agreement between Alternative Securities Markets Group and yourself, with respect to the subject matters hereof. By signing this agreement below, you state that you understand all the subject matter and terms of this entire agreement.**

\_\_\_\_\_  
Signed

\_\_\_\_\_  
Printed Name

**EXHIBIT D**

## Interim Form for Funding Portals

If you intend to act as a funding portal under the JOBS Act, you may voluntarily submit this form to inform us about your future funding portal business. Your voluntary submission of the requested information will help FINRA better understand the funding portal community and help us develop rules specific to funding portals. FINRA will accord confidential treatment to the information that you submit.

Although a further filing will be needed before FINRA will be able to grant you membership, we intend to prepopulate for you a future funding portal membership form with the information that you submit on this form. FINRA membership will be made available after the SEC has adopted funding portal registration and other rules, and has approved FINRA's funding portal rules.

Please feel free to supplement the information that we request on this form with any additional information that you believe would be helpful.

Please submit the form to: [fundingportals@finra.org](mailto:fundingportals@finra.org). If you have any questions, please contact us at (212) 858-4000 and select "option 5."

### Contact Information

Please provide us a contact person whom we can ask follow-up questions.

#### Contact person

First name	Steven Joseph
Last name	Muehler
Email address	Legal@AlternativeSecuritiesMarket.com
Phone number	213-407-4386
Fax number	None

#### Mailing address

Company name	Alternative Securities Markets Group Corp.
Street address, line 1	4050 Glencoe Avenue
Street address, line 2	Click here to enter text.
City	Marina Del Rey
State	California
Country	Los Angeles
Postal code	90292

## Information About Your Business

### I. General Information

- a. Full Name of Funding Portal ("FP")

Alternative Securities Market

- b. Any Other Name(s) Under Which Business Is or Will Be Conducted

None

- c. Business Address

4050 Glencoe Avenue, Marina Del Rey, California 90292

- d. All Website Addresses Where Business Is or Will Be Conducted

<http://www.AlternativeSecuritiesMarket.com>

- e. Legal Status of FP (e.g., Corporation, Limited Liability Company ("LLC"), Partnership, Sole Proprietorship or Other)

California Stock Corporation

- f. State/Country of Formation

California

- g. Date of Formation

October 2014

### II. Ownership

- a. Please use the schedule below to identify the *direct* owners of the FP. Please include, as applicable:

- i. any shareholder that directly owns 5 percent or more of a class of a voting security of the FP, unless the FP is a public reporting company (that is, subject to Sections 12 or 15(d) of the Securities Exchange Act of 1934 (the "Act"));
- ii. all general partners and those limited and special partners that have the right to receive upon dissolution, or have contributed, 5 percent or more of the partnership's capital;
- iii. any trust, and each trustee, that directly owns 5 percent or more of a class of voting security of the FP, or has the right to receive upon dissolution, or has contributed, 5 percent or more of the FP's capital; and
- iv. all members of an FP that is a LLC that have the right to receive upon dissolution, or have contributed, 5 percent or more of the LLC's capital.

b. Please use the schedule below to identify the *indirect* owners of the FP. Regarding each direct owner provided in response to the above question, please complete the schedule below as follows:

- i. in the case of an owner that is a corporation, each of its shareholders that beneficially owns, has the right to vote, or has the power to sell or direct the sale of, 25 percent or more of a class of a voting security of that corporation; (Note: For purposes of this schedule, a person beneficially owns any securities (i) owned by his/her child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, sharing the same residence; or (ii) that he/she has the right to acquire, within 60 days, through the exercise of any option, warrant or right to purchase the security);
- ii. in the case of an owner that is a partnership, all general partners and those limited and special partners that have the right to receive upon dissolution, or have contributed, 25 percent or more of the partnership's capital;
- iii. in the case of an owner that is a trust, the trust and each trustee; and
- iv. in the case of an owner that is an LLC, (i) those members that have the right to receive upon dissolution, or have contributed, 25 percent or more of the LLC's capital, and (ii) if managed by elected managers, all elected managers.

(Note: Continue up the chain of ownership listing all 25 percent owners at each level. Once a public reporting company (a company subject to Sections 12 or 15(d) of the Act) is reached, no further ownership information up the chain is required.)

Full Legal Name	Domestic or Foreign Entity or Individual	Entity in Which Interest Owned	Percentage of Interest in Entity Owned	CRD number, SSN or Tax ID
Mr. Steven Joseph Muehler, Founder & Chief Executive Officer	Individual	Alternative Securities Markets Group Corporation	100%	47-2050153
Click here to enter text.	Choose an item.	Click here to enter text.	Click here to enter text.	Click here to enter text.
Click here to enter text.	Choose an item.	Click here to enter text.	Click here to enter text.	Click here to enter text.
Click here to enter text.	Choose an item.	Click here to enter text.	Click here to enter text.	Click here to enter text.
Click here to enter text.	Choose an item.	Click here to enter text.	Click here to enter text.	Click here to enter text.

(If additional space is needed, please submit a separate document as an additional attachment containing the information and identifying the question to which the information pertains.)

- c. Identify (i) all subsidiaries of the FP and (ii) any affiliated entities with which the FP will engage in a business relationship in connection with its funding portal activities. Please identify any of these entities that are broker-dealers.

None

**III. Funding**

- a. Source of Funding

Please identify below all contributions of equity capital or debt financing made to the FP's business.

Date	Name of Source	Recipient	Amount	Type (Equity or Debt)
October 2014	Mr. Steven J. Muehler	Alternative Securities Markets Group Corporation	\$10,000 opening balance	Equity
Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.	Choose an item.
Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.	Choose an item.
Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.	Choose an item.
Click here to enter text.	Click here to enter text.	Click here to enter text.	Click here to enter text.	Choose an item.

(If additional space is needed, please submit a separate document as an additional attachment containing the information and identifying the question to which the information pertains.)

**IV. Management and Disclosure**

- a. Please identify by name, title and, if applicable, CRD number, each person associated with the FP who is or will be engaged in the management, direction or supervision of the FP's business.

Mr. Steven Joseph Muehler, Founder and Chief Executive Officer

- b. Statutory Disqualifications

Is the FP or any person identified in response to questions II.a. or IV.a. subject to statutory disqualification pursuant to Section 3(a)(39) of the Act? (FINRA notes that we may expand this question to include additional persons in the future funding portal membership form.)

Yes  No

[If 'Yes' indicated above] As applicable to the FP and each person, identify the nature of the disqualifying event, provide CRD number (if applicable) and describe the anticipated role with the FP.

None

- c. Other Disclosure History (FINRA notes that we may expand this question to include additional persons and events in the future funding portal membership form.) Is or has the FP or any person identified in response to questions II.a. or IV.a. been the subject of the following (or is any of the following otherwise true with respect to the FP or such person(s) identified): (i) any permanent or temporary adverse action by a state or federal authority, or a self-regulatory organization, with respect to a registration or licensing determination regarding the FP or any person identified in response to questions II.a. or IV.a.; (ii) a pending, adjudicated or settled regulatory action or investigation by the SEC, the CFTC, a federal, state or foreign regulatory agency, or a self-regulatory organization; (iii) an adjudicated or settled investment-related private civil action for damages or an injunction; (iv) a criminal action (other than a minor traffic violation) that is pending, adjudicated, or that has resulted in a guilty or no contest plea; (v) the FP or any person identified in response to questions II.a. or IV.a. is subject to unpaid arbitration awards, other adjudicated customer awards, or unpaid arbitration settlements; (vi) any person identified in response to questions II.a. or IV.a. was terminated for cause or permitted to resign after an investigation of an alleged violation of a federal or state securities law, a rule or regulation thereunder, a self-regulatory organization rule or an industry standard of conduct; or (vii) a state or federal authority or self-regulatory organization has imposed a remedial action, such as special training, continuing education requirements, or heightened supervision, on any person identified in response to questions II.a. or IV.a..

Yes  No

[If 'Yes' indicated above] As applicable to the FP and each person identified, provide CRD number (if applicable), the person's role with the FP and a description of the event(s).

Mr. Steven Joseph Muehler - See attached "California Cease and Desist" order and the Notes on Page 1 and the Underlined Section on the Second to Last Page.

## V. Business Relationships, Business Model and Compensation

### a. Certain Business Relationships

Please describe all business and contractual relationships the FP will maintain, as applicable, with the following:

- i. Escrow agents, transfer agents, and custodians of investor funds and securities
- ii. Securities brokers and dealers
- iii. Recordkeeping

See Attachments:

1. Business Description
2. U.S. Investor Suitability Questionnaire

- 3. Non-U.S. Investor Suitability Questionnaire
- 4. Institutional Investor Questionnaire

b. Please describe the FP's business model (e.g., the types of securities to be presented to investors, any limitations on the types of issuers, how issuers will be presented to investors).

- See Attachment
- 1. Business Description
  - 2. U.S. Investor Suitability Questionnaire
  - 3. Non-U.S. Investor Suitability Questionnaire
  - 4. Institutional Investor Questionnaire

c. Please describe the forms and sources of compensation that the FP and persons associated with the FP expect to receive (e.g., transaction-based, referral-based, flat fee, from issuers, from investors).

See Attached Business Description

d. Do you plan to use any pre-dispute arbitration agreements?

Yes  No

e. Please describe how the FP addresses the requirements for funding portals under the JOBS Act. In particular, please describe how the FP would (i) address investor education; (ii) take measures to reduce the risk of fraud with respect to funding portal transactions; (iii) ensure adherence to the aggregate selling limits; and (iv) protect the privacy of information collected from investors.

- See attachments:
- 1. Business Description
  - 2. U.S. Investor Suitability Questionnaire
  - 3. Non-U.S. Investor Suitability Questionnaire
  - 4. Institutional Investor Questionnaire

# Alternative Securities Markets Group

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<http://www.AlternativeSecuritiesMarket.com>

Financial Industry Regulatory Authority  
CrowdFunding Web Portal Registration  
1735 K Street  
Washington, D.C. 20006

Dear FINRA;

Enclosed you will find a Pre-CrowdFunding Web Portal Registration for "Alternative Securities Markets Group Corporation" ([www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com)). Also part of this submission, you will find the "Registered Investment Advisor" ADV 1 & 2 for the "Alternative Securities Markets Group Corporation" and Mr. Steven J. Muehler. The Alternative Securities Markets Group Corporation is currently in the process of filing as a Five State Registered Investment Advisory Firm. Mr. Muehler is currently scheduled to take the Series 65 Securities Law Exam in late November or early December 2014.

The Alternative Securities Market ("ASM") aims to be the First CrowdFunding Primary and Secondary Market for Regulation A Securities. The Alternative Securities Market is a *Private*, Transparent Equity and Debt Marketplace that offers market participants a comprehensive range of services to meet both the the needs of issuers and investors. These services include a facility for "Direct Initial Public Offerings" for Qualified Regulation A Securities, Self-Directed IRAs, as well as a Private Secondary Resale Facility for the resale of Regulation A Securities (The "Ebay Style" Secondary Market is a portal where a Seller can post an "ask", and a Buyer can post a "Bid" to buy. The communications are only between a seller and a buyer. All sales are ONLY directly between a buyer and a seller. A seller pays a posting fee at the time of posting the ASK. There are no sales compensations).

The Alternative Securities Markets Group Corporation ("ASMG") is the operator of the Alternative Securities Market.

**There are four market segments of the Alternative Securities Market:**

1. ASM Venture Market:
  - a. U.S. & Canadian Companies Only
  - b. Securities are issued pursuant to Regulation A and Regulation S
  - c. Minimum Offering: \$100,000
  - d. Maximum Offering: \$1,000,000
  - e. Equity, Debt (asset backed) & Convertible Preferred
  - f. Additional Details available at: <http://www.AlternativeSecuritiesMarket.com>
  - g. See Mandatory Reporting Requirements below for Companies listed on the Alternative Securities Market
2. ASM Main Market:
  - a. U.S. & Canadian Companies Only
  - b. Securities are issued pursuant to Regulation A and Regulation S
  - c. Minimum Offering: \$1,000,001
  - d. Maximum Offering: \$5,000,000
  - e. Maximum Offering: upon enactment of Regulation A Plus, Tier II, the maximum Offering will increase to \$50,000,000
  - f. Equity, Debt (asset backed) & Convertible Preferred
  - g. Additional Details available at: <http://www.AlternativeSecuritiesMarket.com>
  - h. See Mandatory Reporting Requirements below for Companies listed on the Alternative Securities Market
3. ASM Global Private Market:
  - a. U.S., Canadian & International Companies
  - b. Securities are issued pursuant to Regulation D Rule 506
  - c. Minimum Offering: \$1,000,000
  - d. Maximum Offering: No Maximum
  - e. Equity, Debt (asset backed) & Convertible Preferred (others may be considered)
  - f. Additional Details available at: <http://www.AlternativeSecuritiesMarket.com>
  - g. See Mandatory Reporting Requirements below for Companies listed on the Alternative Securities Market

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<http://www.AlternativeSecuritiesMarket.com>

#### 4. ASM Pooled Funds Market:

- a. Private Pooled Investment Funds (Real Estate Funds, Private Equity Funds, Hedge Funds, Etc.)
- b. Securities Issued pursuant to Regulation D or Regulation A (if available)
- c. Minimum Offering: \$100,000
- d. Maximum Offering: \$No Maximum
- e. Equity, Debt and Convertible Preferred (others may be considered)
- f. Additional Details available at: <http://www.AlternativeSecuritiesMarket.com>
- g. See Mandatory Reporting Requirements below for Companies listed on the Alternative Securities Market

Mandatory Public Reporting Requirements for Companies listed on the Alternative Securities Markets Group are listed starting at the bottom of this page. Though these requirements may differ from those required of the Securities & Exchange Commission or by any State Securities Regulator, it is the Alternative Securities Markets Group Corporation's determination that these mandatory public reporting requirements are in the best interest of the investing public, and are mandatory for all companies listed on the Alternative Securities Market. The Alternative Securities Markets Group Corporation's policy is not to engage or list any company on the Alternative Securities Market that does not fully agree to, and keep current on the below public reporting requirements. Any company who fails to supply the below listed public reporting items, shall be 'delisted' from the Alternative Securities Market and that Company's unrestricted securities held by investors, will not be allowed to be posted on the Alternative Securities Markets Group Secondary Resale Market ("*Alternative Securities Markets Group's Securities Clearinghouse*").

The Alternative Securities Markets Group's Securities Clearinghouse is essentially an "Ebay Style" of an online auction board where a holder of an unrestricted security of a company listed on the Alternative Securities Market can post an "ask" for the sale of shares, and a potential buyer can post a "bid" to buy the shares. The transaction is ONLY between a seller and a buyer, and a seller pays a nominal fee to post an "ask" on the "*Alternative Securities Markets Group's Securities Clearinghouse*". There are no sales commissions or "spreads" paid to the Alternative Securities Markets Group Corporation, and trades are only closed during a two hour window per week, which will be part of the Company's weekly "*concentrated trade volume*" (*though "asks" can be posted 24/7, and "bids" can be submitted 24/7*). The Alternative Securities Markets Group Corporation's only compensation is from the seller, and that is paid at the time of the seller posting the "ask", it is not dependent on whether the seller is successful in selling their securities or not. There is no compensation paid by the buyer.

The Mandatory Public Reporting Requirements of all Companies listed on the Alternative Securities Market are as follows:

- o **Quarterly Un-audited Financial Statements:** Company Agrees to furnish Alternative Securities Markets Group a complete set of un-audited financial statements within 30 days of the close of each business quarter. Company financials shall be emailed to [LEGAL@ASMMarketsGroup.com](mailto:LEGAL@ASMMarketsGroup.com) and will also posted at [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) where approved investors, potential new investors and investment banking professionals with issued usernames and passwords will have access to view the Company's Financial Statements. All un-audited financial statements will be signed as "*true and accurate*" by the Chief Executive Officer and/or the Chief Financial Officer of the Company.
- o **Annual Audited Financial Statements:** Company Agrees to furnish Alternative Securities Markets Group a complete set of AUDITED financial statements within 60 days of the close of each business fiscal year. Company financials shall be emailed to [LEGAL@ASMMarketsGroup.com](mailto:LEGAL@ASMMarketsGroup.com) and will also posted at [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) where approved investors, potential new investors and investment banking professionals with issued usernames and passwords will have access to view the Company's Financial Statements.
- o **Quarterly Conference Calls:** Company agrees that the Company's Chief Executive Officer will participate in a Quarterly Conference Call with current investors, potential new investors and/or financial professionals that chose to participate in the conference call. During this Quarterly Conference Call with the CEO of the Company, the CEO will detail the "*current status of the company*" and detail where the CEO is taking the company in the future. Conference call will take place no sooner than ten days, and no greater than 30 days, from the release of the Company's quarterly financial release. CEO take make ample time to answer questions

# Alternative Securities Markets Group

Corporate: 4050 Glencoe Avenue, Marina Del Rey, California 90292  
Office: (213) 407 - 4386 / Email: [Legal@AlternativeSecuritiesMarket.com](mailto:Legal@AlternativeSecuritiesMarket.com)  
<http://www.AlternativeSecuritiesMarket.com>

from conference call participants. Company agrees that the quarterly conference calls with the Company's CEO will be posted on the Company's private page at [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) where they may be heard by registered users of [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com).

- **Monthly Status of the Company Report:** Company agrees that the Company's Chief Executive Officer will publish a monthly "State of the Company Letter" and email the "State of the Company Letter" to all investors of the Company and to Alternative Securities Markets Group. The "State of the Company Letter" should detail the current operational status of the Company, detail any information that the CEO feels is necessary for investors to know and include information on the path the CEO of the Company is looking at taking the company in the short-term and in the long-term. Company agrees that the "State of the Company Letter" will be posted on the Company's private page at [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) where they may be viewed by registered users of [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com).
- **Corporate Actions:** Certain corporate actions must be disclosed to all investors and to Alternative Securities Markets Group. These include: All Dividends, Stock Splits, New Stock Issues, Reverse Splits, Name Changes, Mergers, Acquisitions, Dissolutions, Bankruptcies or Liquidations. All must be reported to the Investors and to Alternative Securities Markets Group no less than TEN CALENDAR DAYS prior to record date. All Corporate Actions will be published on the Company's page at [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com).

The Alternative Securities Markets Group is further broken-down into EIGHTEEN MARKET SEGMENTS. Each of the below Market Segments were formed to: (1) operate as both an Independent Primary and Secondary Market Segment of the Alternative Securities Market for the Direct Initial Public Offering of Securities to the investing public and for the establishment of a Secondary Resale / Trading market for the direct resale of securities for companies listed on the Alternative Securities Market and current on all public reporting requirements, and (2) to act as a Private Equity Capital Partner to early and growth stage companies listed on one of the below listed market segments.

1. The Alternative Securities Markets Group Aviation and Aerospace Market
2. The Alternative Securities Markets Group Biofuels Market
3. The Alternative Securities Markets Group California Water Rights Market
4. The Alternative Securities Markets Group Commercial Mortgage Clearinghouse
5. The Alternative Securities Markets Group Energy Market
6. The Alternative Securities Markets Group Entertainment and Media Market
7. The Alternative Securities Markets Group Fashion & Textiles Market
8. The Alternative Securities Markets Group Financial Services Market
9. The Alternative Securities Markets Group Food and Beverage Market
10. The Alternative Securities Markets Group Hotel and Hospitality Market
11. The Alternative Securities Markets Group Life Settlement Market
12. The Alternative Securities Markets Group Medical Device and Pharmaceuticals Market
13. The Alternative Securities Markets Group Mining & Mineral Rights Market
14. The Alternative Securities Markets Group Oil and Natural Gas Market
15. The Alternative Securities Markets Group Residential Mortgage Clearinghouse
16. The Alternative Securities Markets Group Restaurant and Nightclub Market
17. The Alternative Securities Markets Group Retail and E-Commerce Market
18. The Alternative Securities Markets Group New Technologies Market

Each of the above are Limited Liability Companies (*either existing or pending registration*) of the Alternative Securities Markets Group Corporation. Each of the above LLCs make "micro investments" in each company listed on its Market Segment. These "micro investments" in each Company are made through the payment of State or Federal Fees and/or services rendered. These fees and/or services are detailed below (*but are not limited to*):

1. SEC Form 1-A Legal Drafting and Legal Compliance - \$2,750
2. SEC CIK Number Issuance - \$0.00
3. International Stock Identification Number: \$500

# Alternative Securities Markets Group

Corporate: 4050 Glencoe Avenue, Marina Del Rey, California 90292  
Office: (213) 407 - 4386 / Email: Legal@AlternativeSecuritiesMarket.com  
<http://www.AlternativeSecuritiesMarket.com>

4. SEC Form 1-A Filing with the SEC (each submission of seven copies, includes: printing, binding, binding materials, paper materials, ink / toner and postage): \$50
5. NASAA Coordinated Review Submission - \$450 for NINE States
6. State Registration and Filing Fees for Direct Initial Public Offering:
  - a. California: \$200 plus 1/5 of 1% of the Offering
  - b. New York: \$300 (\$500,000 or less) to \$1,200 (\$500,001 or more)
  - c. Florida: \$1,000
  - d. Texas: \$100 plus 1/10<sup>th</sup> of 1% of the Offering
  - e. New Jersey: \$1,000
  - f. Pennsylvania: \$500 Plus 1/20<sup>th</sup> of 1% of the Offering
  - g. Nevada: 0.02% of the Offering (Min: \$200 / Max: \$2,000)
  - h. Arizona: 1/10<sup>th</sup> of 1% of the Offering (Min: \$200 / Max: \$2,000)

NOTE: The costs detailed above are either earned or paid by the Alternative Securities Markets Group Corporation, and are considered a debt of the Company. The Company issues a "Debt Note" to the Alternative Securities Markets Group Corporation upon each expenditure, or at qualification of the Regulation A by the SEC. Each debt note shall have an annualized rate of interest of 12%, with no monthly interest payments due, and all debt notes have a maturity of twelve months from the date of issuance. The Alternative Securities Markets Group recovers these expenditures from the "Cost of Offering" of each Company's Public Offering, and debt notes are paid as the Company gains capitalization on the Alternative Securities Market. If after 365 days from the date of issue, if any debt notes have not been paid in full (repurchased by the Company) from the "costs of offering proceeds", the entire debt note shall be voided and no further attempts to collect the funds will be made by the Alternative Securities Markets Group.

NOTE: Though the Company's on the Alternative Securities Market estimate a "Cost of Offering" of roughly 5% of offering amount, ABSOLUTELY NONE OF THESE FUNDS ABOVE THOSE POSTED ABOVE ARE PAID TO THE ALTERNATIVE SECURITIES MARKETS GROUP CORPORATION OR ANY AFFILIATES OR SUBSIDIARIES OF THE ALTERNATIVE SECURITIES MARKETS GROUP CORPORATION. It is estimated that Company legal fees, Company accounting expenses, Company Marketing and Advertising expenses 'could' potentially reach 5% of the gross offering amount. All of the costs and fees are at the discretion of the Company, and not the Alternative Securities Markets Group.

#### ***Alternative Securities Markets Group's Compensation:***

- All companies pay a monthly "Public Reporting fee" to the Alternative Securities Markets Group per month. This monthly revolving fee is between \$35 and \$75 per month. This fee starts at the execution of the agreement and continues until the company is quoted on an OTC Market or a Regulated Stock Market, chooses to leave the Alternative Securities Market.
  - This Monthly Fee is paid for the following services:
    - Public Reporting of the Company's Monthly, Quarterly, Annual and other periodic reports
    - Company Listing on the Alternative Securities Market
    - Ensuring the Company's "Back Office" page is current and correct
- The Alternative Securities Markets Group Corporation, or a Market Segment Subsidiary, receives a fully diluted equity position in each Company listed on the Alternative Securities Market. In lieu of charging each company \$15,000 to \$50,000 for services to be rendered, it is the position of the Alternative Securities Markets Group that cash liquidity is essential to health of each company listed on the Alternative Securities Market, and has chosen to take an equity position in each company as opposed to burdening each of our early stage and growth stage companies with a heavy financial burden. The diluted equity position in each company ranges from 1% to 5% depending on many varying factors.
- Debt Investment interest made in each company during the registration process of the Regulation A is detailed earlier in this document.

**What the Alternative Securities Market does and does not do:**

#### **DOES (for the Company):**

- Prepares all Regulation A SEC submissions on SEC Form 1-A
- Prepares and Submits SEC Form ID for SEC Edgar Access and CIK Number

# Alternative Securities Markets Group

Corporate: 4050 Glencoe Avenue, Marina Del Rey, California 90292  
Office: (213) 407 - 4386 / Email: [Legal@AlternativeSecuritiesMarket.com](mailto:Legal@AlternativeSecuritiesMarket.com)  
<http://www.AlternativeSecuritiesMarket.com>

- Assists Companies in all responses to comments received on Regulation A Submissions
- Lists the Company's general company and offering details on the appropriate Alternative Securities Market Tier and Market Segment
- Provides an online PDF copy of the current Regulation A submission along with a link to the Company's SEC Edgar page.
- Provides an online subscription agreement (username and password protected, and only made available to investors who have completed the Alternative Securities Markets Group Investor qualification questionnaire. NOTE: No member of the Alternative Securities Markets Group is able to accept any subscription agreements. ONLY the Investor and a member of the Company can sign and accept a subscription agreement).
- Provides all companies with a "Username and Password Protected Securities Compliance Back Office" that contains (but is not limited to):
  - Copies of all State, Federal and International Securities Filings
    - SEC Filings
    - NASAA / State Filings
  - Copies of all Subscription Agreements Completed
  - Copies of Investment Wires or Checks (these are provided to ASMG by the Company)
  - Excel Spreadsheet detailed current and past shareholder of the Company, number of units owned, amounts paid

## **DOES NOT (for the Company):**

- No Member of the Alternative Securities Markets Group in any way promotes or solicits investments for Companies listed on the market.
- No Member of the Alternative Securities Markets Group distributes an Investment Prospectus for a company.
- No Member of the Alternative Securities Markets Group speaks to an investor about a particular company's securities or offerings. If ASMG is contacted by a Potential Investor or Investor wishing to speak about a particular offering or inquiring details about a company listed on the Alternative Securities Market, the Investors or Potential Investors are forwarded to a representative of the Company. The Alternative Securities Markets Group Corporation is an equitable interest owner in each company listed on the Alternative Securities Market (in exchange for the services detailed above), it, nor any of its members or affiliates, engage in any conversations about the Companies listed on the Alternative Securities Market or their securities. The only interaction the Alternative Securities Markets Group Corporation provides is online content about a company and their offerings, and a link to the Company's SEC Form 1-A (Regulation A) filings and subscription agreement.
- Does not act as an escrow company, and NEVER has any access to any investor funds for the Company. All investor funds are deposited directly into the Company's bank account (Investor to Company Direct).
- We do not Give any legal advice.
- We Do Not Advertise a Company or their Offerings! All marketing and advertisements paid for by the Alternative Securities Markets Group Corporation are ONLY for the promotion of the Alternative Securities Market and its services to investors. Any marketing or advertising done that promotes a company or their offerings is completed by the Company and paid by with their funds. The Alternative Securities Markets Group does provide "Preferred Media Partner Contacts" with members of print, digital, and broadcast media professionals with whom we have an existing relationship. The Alternative Securities Markets Group Corporation in no way is compensated for these referrals by the Company or by the Advertising Company.

## **DISCLAIMER IN ALL MARKETING PIECES TO COMPANIES SEEKING CAPITAL:**

***"The Alternative Securities Markets Group IN NO WAY accepts any form of cash commission or successful funding fees for the sale of any securities. No member of Alternative Securities Markets Group (or any subsidiaries) will in any way accept and fees related to the sale of any securities. No member of Alternative Securities Group (or any subsidiaries) will in any way market, advertise or solicit an investment from an investor for your Company. All Alternative Securities Markets Group's marketing and advertising efforts are made to attract private and institutional investors to the Alternative Securities Market. The Alternative Securities Market does issue press releases and alerts to "market participants" when a new company is listed, and about certain news related events about a Company through our News Wire Service, but we DO NOT in any way make any direct attempts to sell, or make an offer to sell any securities of the Company. All interactions with an investor regarding a Company's securities are between a "seller" (issuer or holder of a stock) and a "buyer". ALL INVESTORS FUNDS GO DIRECTLY TO THE SELL OF A SECURITY, NEVER TO THE ALTERNATIVE SECURITIES MARKETS GROUP!***

# Alternative Securities Markets Group

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Corporate: 4050 Glencoe Avenue, Marina Del Rey, California 90292  
Office: (213) 407 - 4386 / Email: [Legal@AlternativeSecuritiesMarket.com](mailto:Legal@AlternativeSecuritiesMarket.com)  
<http://www.AlternativeSecuritiesMarket.com>

Thank you for taking the time to review this entire document describing the relationship between the Alternative Securities Market and the Company.

Thank you,

*Steven J. Muehler*

Mr. Steven J. Muehler  
Founder and Chief Executive Officer  
Alternative Securities Markets Group  
9107 Wilshire Blvd.  
Beverly Hills, California 90210  
Direct: (213) 407-4386  
Email: [Legal@ASMMarketsGroup.com](mailto:Legal@ASMMarketsGroup.com)  
Web: <http://www.AlternativeSecuritiesMarket.com>

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STATE OF CALIFORNIA  
BUSINESS, TRANSPORTATION AND HOUSING AGENCY  
DEPARTMENT OF CORPORATIONS

TO: Steven J. Muehler  
LA Investment Capital, LLC - *Not operating*  
9107 Wilshire Blvd., Unit 450  
Beverly Hills, California 90210

4139 Via Marina, Suite 1208  
Marina Del Rey, California 90292

LA Investment Capital Alternative Investment Fund I, LLC - *Not operating*  
9107 Wilshire Blvd., Unit 450  
Beverly Hills, California 90210

4050 Glencoe Ave., Suite 210  
Marina Del Rey, California 90292

LA Investment Capital BioFuels Fund I, LLC - *Not operating*  
9107 Wilshire Blvd., Unit 450  
Beverly Hills, California 90292

4050 Glencoe Ave., Suite 210  
Marina Del Rey, California 90292

LA Investment Capital Energy Fund I, LLC - *Not operating*  
9107 Wilshire Blvd., Unit 450  
Beverly Hills, California 90210

4050 Glencoe Ave., Suite 210  
Marina Del Rey, California 90292

LA Investment Capital Entertainment & Media Fund, LLC - *Not operating*  
9107 Wilshire Blvd., Unit 450  
Beverly Hills, California 90210  
*Does not exist*

LA Investment Capital Oil & Natural Gas Fund I, LLC - *Not operating*  
9107 Wilshire Blvd., Unit 450  
Beverly Hills, California 90210

LA Investment Capital Real Estate Fund I, LLC - *Not operating*  
9107 Wilshire Blvd., Unit 450  
Beverly Hills, California 90210

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**DESIST AND REFRAIN ORDER**

**(For violations of section 25110 of the Corporations Code)**

The California Corporations Commissioner finds that:

1. At all relevant times, LA Investment Capital, LLC ("LA Investment Capital"), a California limited liability company, conducted business at 9107 Wilshire Blvd., Unit 450, Beverly Hills, California and/or 4139 Via Marina, Suite 1208, Marina Del Rey, California. LA Investment Capital was a purported Los Angeles-based high-performance, commercial real estate, energy, biofuels, oil and natural gas investment banking firm. LA Investment Capital acted as the managing member of several private equity funds, named below.

2. Steven J. Muehler ("Muehler") was the founder of LA Investment Capital.

3. LA Investment Capital maintained a website at [www.lainvestmentbanc.com](http://www.lainvestmentbanc.com).

4. At all relevant times, LA Investment Capital Alternative Investment Fund I, LLC ("Alternative Investment Fund"), a California limited liability company, conducted business at 9107 Wilshire Blvd., Unit 450, Beverly Hills, California and/or 4050 Glencoe Avenue, Suite 210, Marina Del Rey, California. Alternative Investment Fund was an investment fund formed for the purpose of operating as an early and growth stage worldwide mining and mineral rights investment. The Alternative Investment Fund was to act as a private equity provider to small and middle market worldwide mining and mineral rights companies throughout the United States. According to its offering materials, LA Investment Capital acted as Alternative Investment Fund's managing member.

5. At all relevant times, LA Investment Capital BioFuels Fund I, LLC ("BioFuels Fund"), a California limited liability company, conducted business at 9107 Wilshire Blvd., Unit 450, Beverly Hills, California and/or 4050 Glencoe Avenue, Suite 210, Marina Del Rey, California. BioFuels Fund was an investment fund formed for the purpose of operating as an early and growth stage biofuels investment. The BioFuels Fund was to act as a private equity provider to small and middle market biofuels companies throughout the United States. According to its offering materials, LA Investment Capital acted as the BioFuels Fund's managing member.

6. At all relevant times, LA Investment Capital Energy Fund I, LLC ("Energy Fund"), a California limited liability company, conducted business at 9107 Wilshire Blvd., Unit 450, Beverly

1 Hills, California and/or 4050 Glencoe Avenue, Suite 210, Marina Del Rey, California. Energy Fund  
2 was an investment fund formed for the purpose of operating as an early and growth stage green  
3 energy investment. The Energy Fund was to act as a private equity provider to small and middle  
4 market green energy companies throughout the United States. According to its offering materials,  
5 LA Investment Capital acted as the Energy Fund's managing member.

6 7. At all relevant times, LA Investment Capital Entertainment & Media Fund, LLC  
7 ("Entertainment & Media Fund"), a purported California limited liability company, conducted  
8 business at 9107 Wilshire Blvd., Unit 450, Beverly Hills, California. Entertainment & Media Fund  
9 was an investment fund formed for the purpose of operating as an early and growth stage  
10 entertainment investment. The Entertainment & Media Fund was to act as a private equity provider  
11 to small and middle market entertainment companies throughout Los Angeles. According to its  
12 offering materials, LA Investment Capital acted as the Entertainment & Media Fund's managing  
13 member.

14 8. At all relevant times, LA Investment Capital Oil & Natural Gas Fund I, LLC ("Oil &  
15 Natural Gas Fund"), a purported California limited liability company, conducted business at 9107  
16 Wilshire Blvd., Unit 450, Beverly Hills, California. Oil & Natural Gas Fund was an investment fund  
17 formed for the purpose of operating as an early and growth stage oil and natural gas investment. The  
18 Oil & Natural Gas Fund was to act as a private equity provider to small and middle market oil and  
19 natural gas companies throughout the United States. According to its offering materials, LA  
20 Investment Capital acted as the Oil & Natural Gas Fund's managing member.

21 9. At all relevant times, LA Investment Capital Real Estate Fund I, LLC ("Real Estate  
22 Fund"), a purported Nevada limited liability company, conducted business at 9107 Wilshire Blvd.,  
23 Unit 450, Beverly Hills, California. Real Estate Fund was an investment fund formed for the purpose  
24 of operating as an early and growth stage real estate investment. The Real Estate Fund was to act as a  
25 private equity provider to small and middle market real estate companies throughout the United  
26 States. According to its offering materials, LA Investment Capital acted as the Real Estate Fund's  
27 managing member.

28 ///

1           10.    Beginning in at least January 2010, Muehler and LA Investment Capital offered  
2 interests in limited liability companies and/or investment contracts to at least one California investor  
3 in the form of "membership units" in LA Investment Capital and the Alternative Investment Fund,  
4 BioFuels Fund, Energy Fund, Entertainment & Media Fund, Oil & Natural Gas Fund, and the Real  
5 Estate Fund.

6           11.    Muehler and LA Investment Capital solicited the investor by means of the Internet.

7           12.    These membership units were offered in this state in issuer transactions. The  
8 Department of Corporations has not issued a permit or other form of qualification authorizing any  
9 person to offer or sell these securities in this state.

10           Based upon the foregoing findings, the California Corporations Commissioner is of the  
11 opinion that these interests in limited liability companies, investment contracts and/or membership  
12 units are subject to qualification under the California Corporate Securities Law of 1968 and are being  
13 or have been offered without first being qualified. Pursuant to Section 25532 of the Corporate  
14 Securities Law of 1968, Steven J. Muehler; LA Investment Capital, LLC; LA Investment Capital  
15 Alternative Investment Fund I, LLC; LA Investment Capital BioFuels Fund I, LLC; LA Investment  
16 Capital Energy Fund I, LLC; LA Investment Capital Entertainment & Media Fund, LLC; LA  
17 Investment Capital Oil & Natural Gas Fund I, LLC; and LA Investment Capital Real Estate Fund I,  
18 LLC are hereby ordered to desist and refrain from the further offer or sale of securities, in the State of  
19 California, including but not limited to interests in limited liability companies, investment contracts,  
20 and/or membership units unless and until qualification has been made under said law or unless  
21 exempt.

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This Order is necessary, in the public interest, for the protection of investors and consistent with the purposes, policies, and provisions of the Corporate Securities Law of 1968.

Dated: August 25, 2010  
Los Angeles, California

PRESTON DuFAUCHARD  
California Corporations Commissioner

By \_\_\_\_\_  
ALAN S. WEINGER  
Deputy Commissioner  
Enforcement Division

# FORM ADV (Paper Version)

- **UNIFORM APPLICATION FOR INVESTMENT ADVISER REGISTRATION AND**
- **REPORT BY EXEMPT REPORTING ADVISERS**

## PART 1A

**WARNING:** Complete this form truthfully. False statements or omissions may result in denial of your application, revocation of your registration, or criminal prosecution. You must keep this form updated by filing periodic amendments. See Form ADV General Instruction 4.

Check the box that indicates what you would like to do (check all that apply):

### SEC or State Registration:

- Submit an initial application to register as an investment adviser with the SEC.
- Submit an initial application to register as an investment adviser with one or more states.
- Submit an *annual updating amendment* to your registration for your fiscal year ended \_\_\_\_\_.
- Submit an other-than-annual amendment to your registration.

### SEC or State Report by *Exempt Reporting Advisers*:

- Submit an initial report to the SEC.
- Submit a report to one or more *state securities authorities*.
- Submit an *annual updating amendment* to your report for your fiscal year ended \_\_\_\_\_.
- Submit an other-than-annual amendment to your report.
- Submit a final report.

## Item 1 Identifying Information

Responses to this Item tell us who you are, where you are doing business, and how we can contact you.

A. Your full legal name (if you are a sole proprietor, your last, first, and middle names):  
Muehler, Steven Joseph

B. Name under which you primarily conduct your advisory business, if different from Item 1.A.  
Alternative Securities Markets Group Corporation

*List on Section 1.B. of Schedule D any additional names under which you conduct your advisory business.*

C. If this filing is reporting a change in your legal name (Item 1.A.) or primary business name (Item 1.B.), enter the new name and specify whether the name change is of  your legal name or  your primary business name:  
\_\_\_\_\_

D. (1) If you are registered with the SEC as an investment adviser, your SEC file number: 801- \_\_\_\_\_

(2) If you report to the SEC as an *exempt reporting adviser*, your SEC file number: 802- \_\_\_\_\_

E. If you have a number ("CRD Number") assigned by the *FINRA's CRD* system or by the *IARD* system, your *CRD* number: \_\_\_\_\_

Your Name Muehler, Steven Joseph  
Date \_\_\_\_\_

CRD Number \_\_\_\_\_  
SEC 801- or 802 Number \_\_\_\_\_

*If your firm does not have a CRD number, skip this Item 1.E. Do not provide the CRD number of one of your officers, employees, or affiliates.*

**F. Principal Office and Place of Business**

(1) Address (do not use a P.O. Box):

4050 Glencoe Avenue, Unit 210  
\_\_\_\_\_  
(number and street)  
Marina Del Rey California 90292  
\_\_\_\_\_  
(city) (state/country) (zip+4/postal code)

If this address is a private residence, check this box:

*List on Section 1.F. of Schedule D any office, other than your principal office and place of business, at which you conduct investment advisory business. If you are applying for registration, or are registered, with one or more state securities authorities, you must list all of your offices in the state or states to which you are applying for registration or with whom you are registered. If you are applying for SEC registration, if you are registered only with the SEC, or if you are reporting to the SEC as an exempt reporting adviser, list the largest five offices in terms of numbers of employees.*

(2) Days of week that you normally conduct business at your *principal office and place of business*:

Monday - Friday  Other: 8:30AM to 5:00 PM PST

Normal business hours at this location: \_\_\_\_\_

(3) Telephone number at this location: 213-407-4386  
\_\_\_\_\_  
(area code) (telephone number)

(4) Facsimile number at this location: \_\_\_\_\_  
\_\_\_\_\_  
(area code) (facsimile number)

**G. Mailing address, if different from your *principal office and place of business* address:**

4050 Glencoe Avenue, Unit 210  
\_\_\_\_\_  
(number and street)  
Marina Del Rey CA 90292  
\_\_\_\_\_  
(city) (state/country) (zip+4/postal code)

If this address is a private residence, check this box:

**H. If you are a sole proprietor, state your full residence address, if different from your *principal office and place of business* address in Item 1.F.:**

\_\_\_\_\_  
\_\_\_\_\_  
(number and street)  
\_\_\_\_\_  
(city) (state/country) (zip+4/postal code)

**FORM ADV**

Part 1A

Page 3 of 19

Your Name \_\_\_\_\_

Date \_\_\_\_\_

CRD Number \_\_\_\_\_

SEC 801- or 802 Number \_\_\_\_\_

- I. Do you have one or more websites? Yes  No

*If "yes," list all website addresses on Section 1.I. of Schedule D. If a website address serves as a portal through which to access other information you have published on the web, you may list the portal without listing addresses for all of the other information. Some advisers may need to list more than one portal address. Do not provide individual electronic mail (e-mail) addresses in response to this Item.*

- J. Provide the name and contact information of your Chief Compliance Officer: If you are an *exempt reporting adviser*, you must provide the contact information for your Chief Compliance Officer, if you have one. If not, you must complete Item 1.K. below.

Mr. Steven Joseph Muehler

(name)

Chief Executive Officer

(other titles, if any)

213 407-4386

(area code) (telephone number) (area code) (facsimile number)

4050 Glencoe Avenue, Unit 210

(number and street)

Marina Del Rey

California

90292

(city)

(state/country)

(zip+4/postal code)

Legal@AlternativeSecuritiesMarket.com

(electronic mail (e-mail) address, if Chief Compliance Officer has one)

- K. Additional Regulatory Contact Person: If a person other than the Chief Compliance Officer is authorized to receive information and respond to questions about this Form ADV, you may provide that information here.

Mr. Steven Joseph Muehler

(name)

Chief Executive Officer

(titles)

213 407-4386

(area code) (telephone number) (area code) (facsimile number)

4050 Glencoe Avenue, Unit 210

(number and street)

Marina Del Rey

California

90292

(city)

(state/country)

(zip+4/postal code)

Legal@AlternativeSecuritiesMarket.com

(electronic mail (e-mail) address, if contact person has one)

- L. Do you maintain some or all of the books and records you are required to keep under Section 204 of the Advisers Act, or similar state law, somewhere other than your *principal office and place of business*?

Yes  No 

*If "yes," complete Section 1.L. of Schedule D.*

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- M. Are you registered with a *foreign financial regulatory authority*? Yes  No

*Answer "no" if you are not registered with a foreign financial regulatory authority, even if you have an affiliate that is registered with a foreign financial regulatory authority. If "yes," complete Section 1.M. of Schedule D.*

- N. Are you a public reporting company under Sections 12 or 15(d) of the Securities Exchange Act of 1934?

Yes  No

If "yes," provide your CIK number (Central Index Key number that the SEC assigns to each public reporting company): \_\_\_\_\_

- O. Did you have \$1 billion or more in assets on the last day of your most recent fiscal year?

Yes  No

- P. Provide your *Legal Entity Identifier* if you have one: \_\_\_\_\_

*A legal entity identifier is a unique number that companies use to identify each other in the financial marketplace. In the first half of 2011, the legal entity identifier standard was still in development. You may not have a legal entity identifier.*

## Item 2

## SEC Registration

Responses to this Item help us (and you) determine whether you are eligible to register with the SEC. Complete this Item 2.A. only if you are applying for SEC registration or submitting an *annual updating amendment* to your SEC registration.

- A. To register (or remain registered) with the SEC, you must check **at least one** of the Items 2.A.(1) through 2.A.(12), below. If you are submitting an *annual updating amendment* to your SEC registration and you are no longer eligible to register with the SEC, check Item 2.A.(13). Part 1A Instruction 2 provides information to help you determine whether you may affirmatively respond to each of these items.

You (the adviser):

- (1) are a **large advisory firm** that either:

(a) has regulatory assets under management of \$100 million (in U.S. dollars) or more, or

(b) has regulatory assets under management of \$90 million (in U.S. dollars) or more at the time of filing its most recent *annual updating amendment* and is registered with the SEC;

- (2) are a **mid-sized advisory firm** that has regulatory assets under management of \$25 million (in U.S. dollars) or more but less than \$100 million (in U.S. dollars) and you are either:

(a) not required to be registered as an adviser with the *state securities authority* of the state where you maintain your *principal office and place of business*, or

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- (b) not subject to examination by the *state securities authority* of the state where you maintain your *principal office and place of business*;

Click **HERE** for a list of states in which an investment adviser, if registered, would not be subject to examination by the state securities authority.

- (3) have your *principal office and place of business in Wyoming* (which does not regulate advisers);
- (4) have your *principal office and place of business outside the United States*;
- (5) are an **investment adviser (or sub-adviser) to an investment company** registered under the Investment Company Act of 1940;
- (6) are an **investment adviser to a company which has elected to be a business development company** pursuant to section 54 of the Investment Company Act of 1940 and has not withdrawn the election, and you have at least \$25 million of regulatory assets under management;
- (7) are a **pension consultant** with respect to assets of plans having an aggregate value of at least \$200,000,000 that qualifies for the exemption in rule 203A-2(a);
- (8) are a **related adviser** under rule 203A-2(b) that *controls, is controlled by, or is under common control* with, an investment adviser that is registered with the SEC, and your *principal office and place of business* is the same as the registered adviser;

*If you check this box, complete Section 2.A.(8) of Schedule D.*

- (9) are a **newly formed adviser** relying on rule 203A-2(c) because you expect to be eligible for SEC registration within 120 days;

*If you check this box, complete Section 2.A.(9) of Schedule D.*

- (10) are a **multi-state adviser** that is required to register in 15 or more states and is relying on rule 203A-2(d);

*If you check this box, complete Section 2.A.(10) of Schedule D.*

- (11) are an **Internet adviser** relying on rule 203A-2(e);

- (12) have **received an SEC order** exempting you from the prohibition against registration with the SEC;

*If you check this box, complete Section 2.A.(12) of Schedule D.*

- (13) are **no longer eligible** to remain registered with the SEC.

### SEC Reporting by *Exempt Reporting Advisers*

- B. Complete this Item 2.B. only if you are reporting to the SEC as an *exempt reporting adviser*. Check all that apply. You:

- (1) **qualify for the exemption from registration as an adviser solely to one or more venture capital funds**;

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- (2) qualify for the exemption from registration because you act solely as an adviser to *private funds* and have assets under management in the United States of less than \$150 million;
- (3) act solely as an adviser to *private funds* but you are no longer eligible to check box 2.B.(2) because you have assets under management in the United States of \$150 million or more.

If you check box (2) or (3), complete Section 2.B. of Schedule D.

### State Securities Authority Notice Filings and State Reporting by Exempt Reporting Advisers

- C. Under state laws, SEC-registered advisers may be required to provide to *state securities authorities* a copy of the Form ADV and any amendments they file with the SEC. These are called *notice filings*. In addition, *exempt reporting advisers* may be required to provide *state securities authorities* with a copy of reports and any amendments they file with the SEC. If this is an initial application or report, check the box(es) next to the state(s) that you would like to receive notice of this and all subsequent filings or reports you submit to the SEC. If this is an amendment to direct your *notice filings* or reports to additional state(s), check the box(es) next to the state(s) that you would like to receive notice of this and all subsequent filings or reports you submit to the SEC. If this is an amendment to your registration to stop your *notice filings* or reports from going to state(s) that currently receive them, uncheck the box(es) next to those state(s).

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

If you are amending your registration to stop your notice filings or reports from going to a state that currently receives them and you do not want to pay that state's notice filing or report filing fee for the coming year, your amendment must be filed before the end of the year (December 31).

### Item 3 Form of Organization

- A. How are you organized?

Corporation     Sole Proprietorship     Limited Liability Partnership (LLP)  
 Partnership     Limited Liability Company (LLC)     Limited Partnership (LP)  
 Other (specify): \_\_\_\_\_

If you are changing your response to this Item, see Part 1A Instruction 4.

- B. In what month does your fiscal year end each year? December
- C. Under the laws of what state or country are you organized? California

If you are a partnership, provide the name of the state or country under whose laws your partnership was formed. If you are a sole proprietor, provide the name of the state or country where you reside.

If you are changing your response to this Item, see Part 1A Instruction 4.

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**Item 4 Successions**

A. Are you, at the time of this filing, succeeding to the business of a registered investment adviser?

 Yes No*If "yes," complete Item 4.B. and Section 4 of Schedule D.*B. Date of Succession: \_\_\_\_\_  
(mm/dd/yyyy)*If you have already reported this succession on a previous Form ADV filing, do not report the succession again. Instead, check "No." See Part 1A Instruction 4.***Item 5 Information About Your Advisory Business**

Responses to this Item help us understand your business, assist us in preparing for on-site examinations, and provide us with data we use when making regulatory policy. Part 1A Instruction 5.a. provides additional guidance to newly formed advisers for completing this Item 5.

**Employees**

*If you are organized as a sole proprietorship, include yourself as an employee in your responses to Item 5.A and Items 5.B.(1), (2), (3), (4), and (5). If an employee performs more than one function, you should count that employee in each of your responses to Items 5.B.(1), (2), (3), (4) and (5).*

A. Approximately how many *employees* do you have? Include full- and part-time *employees* but do not include any clerical workers.1

B.

(1) Approximately how many of the *employees* reported in 5.A. perform investment advisory functions (including research)?1(2) Approximately how many of the *employees* reported in 5.A. are registered representatives of a broker-dealer?0(3) Approximately how many of the *employees* reported in 5.A. are registered with one or more *state securities authorities* as *investment adviser representatives*?1(4) Approximately how many of the *employees* reported in 5.A. are registered with one or more *state securities authorities* as *investment adviser representatives* for an investment adviser other than you?0(5) Approximately how many of the *employees* reported in 5.A. are licensed agents of an insurance company or agency?0



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(m) Other: \_\_\_\_\_

(2) Indicate the approximate amount of your regulatory assets under management (reported in Item 5.F. below) attributable to each of the following type of *client*. If a *client* fits into more than one category, check all that apply.

	<u>None</u>	<u>Up to 25%</u>	<u>Up to 50%</u>	<u>Up to 75%</u>	<u>&gt;75%</u>
(a) Individuals (other than <i>high net worth individuals</i> )	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(b) <i>High net worth individuals</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(c) Banking or thrift institutions	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(d) Investment companies	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(e) Business development companies	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(f) Pooled investment vehicles (other than investment companies)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(g) Pension and profit sharing plans (but not the plan participants)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(h) Charitable organizations	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(i) Corporations or other businesses not listed above	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(j) State or municipal <i>government entities</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(k) Other investment advisers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(l) Insurance companies	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
(m) Other: _____	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Compensation Arrangements

E. You are compensated for your investment advisory services by (check all that apply):

- (1) A percentage of assets under your management
- (2) Hourly charges
- (3) Subscription fees (for a newsletter or periodical)
- (4) Fixed fees (other than subscription fees)
- (5) Commissions
- (6) *Performance-based fees*
- (7) Other (specify): Equity Crowdfunding Securities Consultation for Investors and Issuers

Regulatory Assets Under Management

F. (1) Do you provide continuous and regular supervisory or management services to securities portfolios?  Yes  No

(2) If yes, what is the amount of your regulatory assets under management and total number of accounts?

	U.S. Dollar Amount	Total Number of Accounts
Discretionary:	(a) \$ _____ .00	(d) _____

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Non-Discretionary: (b) \$ \_\_\_\_\_ .00 (e) \_\_\_\_\_

Total: (c) \$ \_\_\_\_\_ .00 (f) \_\_\_\_\_

*Part 1A Instruction 5.b. explains how to calculate your regulatory assets under management. You must follow these instructions carefully when completing this Item.*

**Advisory Activities**

G. What type(s) of advisory services do you provide? Check all that apply.

- (1) Financial planning services
- (2) Portfolio management for individuals and/or small businesses
- (3) Portfolio management for investment companies (as well as "business development companies" that have made an election pursuant to section 54 of the Investment Company Act of 1940)
- (4) Portfolio management for pooled investment vehicles (other than investment companies)
- (5) Portfolio management for businesses (other than small businesses) or institutional *clients* (other than registered investment companies and other pooled investment vehicles)
- (6) Pension consulting services
- (7) Selection of other advisers (including *private fund* managers)
- (8) Publication of periodicals or newsletters
- (9) Security ratings or pricing services
- (10) Market timing services
- (11) Educational seminars/workshops
- (12) Other (specify): Equity CrowdFunding Securities Consultation for Investors and Issuers

*Do not check Item 5.G.(3) unless you provide advisory services pursuant to an investment advisory contract to an investment company registered under the Investment Company Act of 1940, including as a subadviser. If you check Item 5.G.(3), report the 811 or 814 number of the investment company or investment companies to which you provide advice in Section 5.G. of Schedule D.*

H. If you provide financial planning services, to how many *clients* did you provide these services during your last fiscal year?

- 0     1-10     11-25     26-50     51-100     101-250     251 – 500
- More than 500    If more than 500, how many? \_\_\_\_\_ (round to the nearest 500)

*In your responses to this Item 5.H., do not include as "clients" the investors in a private fund you advise, unless you have a separate advisory relationship with those investors.*

I. If you participate in a *wrap fee program*, do you (check all that apply):

- (1) *sponsor* the *wrap fee program*?
- (2) act as a portfolio manager for the *wrap fee program*?

*If you are a portfolio manager for a wrap fee program, list the names of the programs and their sponsors in Section 5.I.(2) of Schedule D.*

*If your involvement in a wrap fee program is limited to recommending wrap fee programs to your clients, or you advise a mutual fund that is offered through a wrap fee program, do not check either Item 5.I.(1) or 5.I.(2).*

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- J. In response to Item 4.B. of Part 2A of Form ADV, do you indicate that you provide investment advice only with respect to limited types of investments?  Yes  No

**Item 6 Other Business Activities**

In this Item, we request information about your firm's other business activities.

- A. You are actively engaged in business as a (check all that apply):

- (1) broker-dealer (registered or unregistered)  
 (2) registered representative of a broker-dealer  
 (3) commodity pool operator or commodity trading advisor (whether registered or exempt from registration)  
 (4) futures commission merchant  
 (5) real estate broker, dealer, or agent  
 (6) insurance broker or agent  
 (7) bank (including a separately identifiable department or division of a bank)  
 (8) trust company  
 (9) registered municipal advisor  
 (10) registered security-based swap dealer  
 (11) major security-based swap participant  
 (12) accountant or accounting firm  
 (13) lawyer or law firm  
 (14) other financial product salesperson (specify): \_\_\_\_\_

*If you engage in other business using a name that is different from the names reported in Items 1.A. or 1.B, complete Section 6.A. of Schedule D.*

- B. (1) Are you actively engaged in any other business not listed in Item 6.A. (other than giving investment advice)?  Yes  No
- (2) If yes, is this other business your primary business?  Yes  No

*If "yes," describe this other business on Section 6.B.(2) of Schedule D, and if you engage in this business under a different name, provide that name.*

- (3) Do you sell products or provide services other than investment advice to your advisory clients?  
 Yes  No

*If "yes," describe this other business on Section 6.B.(3) of Schedule D, and if you engage in this business under a different name, provide that name.*

**Item 7 Financial Industry Affiliations and Private Fund Reporting**

In this Item, we request information about your financial industry affiliations and activities. This information identifies areas in which conflicts of interest may occur between you and your *clients*.

- A. This part of Item 7 requires you to provide information about you and your *related persons*, including foreign affiliates. Your *related persons* are all of your *advisory affiliates* and any person that is under common *control* with you.

You have a *related person* that is a (check all that apply):

- (1) broker-dealer, municipal securities dealer, or government securities broker or dealer (registered

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- or unregistered)
- (2) other investment adviser (including financial planners)
- (3) registered municipal advisor
- (4) registered security-based swap dealer
- (5) major security-based swap participant
- (6) commodity pool operator or commodity trading advisor (whether registered or exempt from registration)
- (7) futures commission merchant
- (8) banking or thrift institution
- (9) trust company
- (10) accountant or accounting firm
- (11) lawyer or law firm
- (12) insurance company or agency
- (13) pension consultant
- (14) real estate broker or dealer
- (15) sponsor or syndicator of limited partnerships (or equivalent), excluding pooled investment vehicles
- (16) sponsor, general partner, managing member (or equivalent) of pooled investment vehicles

*For each related person, including foreign affiliates that may not be registered or required to be registered in the United States, complete Section 7.A. of Schedule D.*

*You do not need to complete Section 7.A. of Schedule D for any related person if: (1) you have no business dealings with the related person in connection with advisory services you provide to your clients; (2) you do not conduct shared operations with the related person; (3) you do not refer clients or business to the related person, and the related person does not refer prospective clients or business to you; (4) you do not share supervised persons or premises with the related person; and (5) you have no reason to believe that your relationship with the related person otherwise creates a conflict of interest with your clients.*

*You must complete Section 7.A. of Schedule D for each related person acting as qualified custodian in connection with advisory services you provide to your clients (other than any mutual fund transfer agent pursuant to rule 206(4)-2(b)(1)), regardless of whether you have determined the related person to be operationally independent under rule 206(4)-2 of the Advisers Act.*

B. Are you an adviser to any private fund?  Yes  No

*If "yes," then for each private fund that you advise, you must complete a Section 7.B.(1) of Schedule D, except in certain circumstances described in the next sentence and in Instruction 6 of the Instructions to Part 1A. If another adviser reports this information with respect to any such private fund in Section 7.B.(1) of Schedule D of its Form ADV (e.g., if you are a subadviser), do not complete Section 7.B.(1) of Schedule D with respect to that private fund. You must, instead, complete Section 7.B.(2) of Schedule D.*

*In either case, if you seek to preserve the anonymity of a private fund client by maintaining its identity in your books and records in numerical or alphabetical code, or similar designation, pursuant to rule 204-2(d), you may identify the private fund in Section 7.B.(1) or 7.B.(2) of Schedule D using the same code or designation in place of the fund's name.*

## Item 8 Participation or Interest in Client Transactions

In this Item, we request information about your participation and interest in your clients' transactions. This information identifies additional areas in which conflicts of interest may occur between you and your clients.

Like Item 7, Item 8 requires you to provide information about you and your *related persons*, including foreign affiliates.

Proprietary Interest in Client Transactions

- |  | <u>Yes</u>                          | <u>No</u>                           |
|--|-------------------------------------|-------------------------------------|
| A. Do you or any <i>related person</i> :   |                                     |                                     |
| (1) buy securities for yourself from advisory <i>clients</i> , or sell securities you own to advisory <i>clients</i> (principal transactions)?   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| (2) buy or sell for yourself securities (other than shares of mutual funds) that you also recommend to advisory <i>clients</i> ?   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| (3) recommend securities (or other investment products) to advisory <i>clients</i> in which you or any <i>related person</i> has some other proprietary (ownership) interest (other than those mentioned in Items 8.A.(1) or (2))? | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |

Sales Interest in Client Transactions

- |  | <u>Yes</u>                          | <u>No</u>                           |
|--|-------------------------------------|-------------------------------------|
| B. Do you or any <i>related person</i> :   |                                     |                                     |
| (1) as a broker-dealer or registered representative of a broker-dealer, execute securities trades for brokerage customers in which advisory <i>client</i> securities are sold to or bought from the brokerage customer (agency cross transactions)?        | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| (2) recommend purchase of securities to advisory <i>clients</i> for which you or any <i>related person</i> serves as underwriter, general or managing partner, or purchaser representative?  | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |
| (3) recommend purchase or sale of securities to advisory <i>clients</i> for which you or any <i>related person</i> has any other sales interest (other than the receipt of sales commissions as a broker or registered representative of a broker-dealer)? | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |

Investment or Brokerage Discretion

- |  | <u>Yes</u>                          | <u>No</u>                           |
|--|-------------------------------------|-------------------------------------|
| C. Do you or any <i>related person</i> have <i>discretionary authority</i> to determine the:         |                                     |                                     |
| (1) securities to be bought or sold for a <i>client's</i> account?                                   | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| (2) amount of securities to be bought or sold for a <i>client's</i> account?                         | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| (3) broker or dealer to be used for a purchase or sale of securities for a <i>client's</i> account?  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| (4) commission rates to be paid to a broker or dealer for a <i>client's</i> securities transactions? | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| D. If you answer "yes" to C.(3) above, are any of the brokers or dealers <i>related persons</i> ?    | <input type="checkbox"/>            | <input type="checkbox"/>            |
| E. Do you or any <i>related person</i> recommend brokers or dealers to <i>clients</i> ?              | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |

- F. If you answer "yes" to E above, are any of the brokers or dealers *related persons*?
- G. (1) Do you or any *related person* receive research or other products or services other than execution from a broker-dealer or a third party ("soft dollar benefits") in connection with *client securities* transactions?
- (2) If "yes" to G.(1) above, are all the "soft dollar benefits" you or any *related persons* receive eligible "research or brokerage services" under section 28(e) of the Securities Exchange Act of 1934?
- H. Do you or any *related person*, directly or indirectly, compensate any *person* for *client referrals*?
- I. Do you or any *related person*, directly or indirectly, receive compensation from any *person* for *client referrals*?

*In responding to Items 8.H and 8.I., consider all cash and non-cash compensation that you or a related person gave to (in answering Item 8.H) or received from (in answering Item 8.I) any person in exchange for client referrals, including any bonus that is based, at least in part, on the number or amount of client referrals.*

## Item 9 Custody

In this Item, we ask you whether you or a *related person* has *custody* of *client* (other than *clients* that are investment companies registered under the Investment Company Act of 1940) assets and about your custodial practices.

- A. (1) Do you have *custody* of any advisory *clients*': Yes  No
- (a) cash or bank accounts?
- (b) securities?

*If you are registering or registered with the SEC, answer "No" to Item 9.A.(1)(a) and (b) if you have custody solely because (i) you deduct your advisory fees directly from your clients' accounts, or (ii) a related person has custody of client assets in connection with advisory services you provide to clients, but you have overcome the presumption that you are not operationally independent (pursuant to Advisers Act rule 206(4)-(2)(d)(5)) from the related person.*

- (2) If you checked "yes" to Item 9.A.(1)(a) or (b), what is the approximate amount of *client* funds and securities and total number of *clients* for which you have *custody*:

U.S. Dollar Amount

Total Number of *Clients*

(a) \$ \_\_\_\_\_

(b) \_\_\_\_\_

*If you are registering or registered with the SEC and you have custody solely because you deduct your advisory fees directly from your clients' accounts, do not include the amount of those assets and the number of those clients in your response to Item 9.A.(2). If your related person has custody of client assets in connection with advisory services you provide to clients, do not include the amount of those assets and the number of those clients in your response to Item 9.A.(2). Instead, include that information in your response to Item 9.B.(2).*

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Date \_\_\_\_\_

SEC 801- or 802 Number \_\_\_\_\_

B. (1) In connection with advisory services you provide to *clients*, do any of your *related persons* have custody of any of your advisory *clients*? Yes  No

(a) cash or bank accounts?  (b) securities?  

*You are required to answer this item regardless of how you answered Item 9.A.(1)(a) or (b).*

(2) If you checked "yes" to Item 9.B.(1)(a) or (b), what is the approximate amount of *client* funds and securities and total number of *clients* for which your *related persons* have custody:

U.S. Dollar Amount

Total Number of *Clients*

(a) \$ \_\_\_\_\_

(b) \_\_\_\_\_

C. If you or your *related persons* have custody of *client* funds or securities in connection with advisory services you provide to *clients*, check all the following that apply:

- (1) A qualified custodian(s) sends account statements at least quarterly to the investors in the pooled investment vehicle(s) you manage.
- (2) An *independent public accountant* audits annually the pooled investment vehicle(s) that you manage and the audited financial statements are distributed to the investors in the pools.
- (3) An *independent public accountant* conducts an annual surprise examination of *client* funds and securities.
- (4) An *independent public accountant* prepares an internal control report with respect to custodial services when you or your *related persons* are qualified custodians for *client* funds and securities.

*If you checked Item 9.C.(2), C.(3) or C.(4), list in Section 9.C. of Schedule D the accountants that are engaged to perform the audit or examination or prepare an internal control report. (If you checked Item 9.C.(2), you do not have to list auditor information in Section 9.C. of Schedule D if you already provided this information with respect to the private funds you advise in Section 7.B.(1) of Schedule D).*

D. Do you or your *related person(s)* act as qualified custodians for your *clients* in connection with advisory services you provide to *clients*?

(1) you act as a qualified custodian Yes  No (2) your *related person(s)* act as qualified custodian(s)  

*If you checked "yes" to Item 9.D.(2), all related persons that act as qualified custodians (other than any mutual fund transfer agent pursuant to rule 206(4)-2(b)(1)) must be identified in Section 7.A. of Schedule D, regardless of whether you have determined the related person to be operationally independent under rule 206(4)-2 of the Advisers Act.*

E. If you are filing your *annual updating amendment* and you were subject to a surprise examination by an *independent public accountant* during your last fiscal year, provide the date (MM/YYYY) the examination commenced: \_\_\_\_\_

- F. If you or your *related persons* have *custody of client* funds or securities, how many *persons*, including, but not limited to, you and your *related persons*, act as qualified custodians for your *clients* in connection with advisory services you provide to *clients*? \_\_\_\_\_

## Item 10 Control Persons

In this Item, we ask you to identify every *person* that, directly or indirectly, *controls* you.

If you are submitting an initial application or report, you must complete Schedule A and Schedule B. Schedule A asks for information about your direct owners and executive officers. Schedule B asks for information about your indirect owners. If this is an amendment and you are updating information you reported on either Schedule A or Schedule B (or both) that you filed with your initial application or report, you must complete Schedule C.

- A. Does any *person* not named in Item 1.A. or Schedules A, B, or C, directly or indirectly, *control* your management or policies?  Yes  No

*If yes, complete Section 10.A. of Schedule D.*

- B. If any *person* named in Schedules A, B, or C or in Section 10.A. of Schedule D is a public reporting company under Sections 12 or 15(d) of the Securities Exchange Act of 1934, please complete Section 10.B. of Schedule D.

## Item 11 Disclosure Information

In this Item, we ask for information about your disciplinary history and the disciplinary history of all your *advisory affiliates*. We use this information to determine whether to grant your application for registration, to decide whether to revoke your registration or to place limitations on your activities as an investment adviser, and to identify potential problem areas to focus on during our on-site examinations. One event may result in "yes" answers to more than one of the questions below.

Your *advisory affiliates* are: (1) all of your current *employees* (other than *employees* performing only clerical, administrative, support or similar functions); (2) all of your officers, partners, or directors (or any *person* performing similar functions); and (3) all *persons* directly or indirectly *controlling* you or *controlled* by you. If you are a "separately identifiable department or division" (SID) of a bank, see the Glossary of Terms to determine who your *advisory affiliates* are.

*If you are registered or registering with the SEC or if you are an exempt reporting adviser, you may limit your disclosure of any event listed in Item 11 to ten years following the date of the event. If you are registered or registering with a state, you must respond to the questions as posed; you may, therefore, limit your disclosure to ten years following the date of an event only in responding to Items 11.A.(1), 11.A.(2), 11.B.(1), 11.B.(2), 11.D.(4), and 11.H(1)(a). For purposes of calculating this ten-year period, the date of an event is the date the final order, judgment, or decree was entered, or the date any rights of appeal from preliminary orders, judgments, or decrees lapsed.*

You must complete the appropriate Disclosure Reporting Page ("DRP") for "yes" answers to the questions in this Item 11.

Do any of the events below involve you or any of your *supervised persons*?

Yes  No

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Part 1A

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Your Name \_\_\_\_\_

Date \_\_\_\_\_

CRD Number \_\_\_\_\_

SEC 801- or 802 Number \_\_\_\_\_

For "yes" answers to the following questions, complete a Criminal Action DRP:

- |   | <u>Yes</u>               | <u>No</u>                           |
|---|--------------------------|-------------------------------------|
| A. In the past ten years, have you or any <i>advisory affiliate</i> :   |                          |                                     |
| (1) been convicted of or pled guilty or nolo contendere ("no contest") in a domestic, foreign, or military court to any <i>felony</i> ? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (2) been <i>charged</i> with any <i>felony</i> ?  | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

*If you are registered or registering with the SEC, or if you are reporting as an exempt reporting adviser, you may limit your response to Item 11.A.(2) to charges that are currently pending.*

- |   |                          |                                     |
|---|--------------------------|-------------------------------------|
| B. In the past ten years, have you or any <i>advisory affiliate</i> :   |                          |                                     |
| (1) been convicted of or pled guilty or nolo contendere ("no contest") in a domestic, foreign, or military court to a <i>misdemeanor</i> involving: investments or an <i>investment-related</i> business, or any fraud, false statements, or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (2) been <i>charged</i> with a <i>misdemeanor</i> listed in Item 11.B.(1)?  | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

*If you are registered or registering with the SEC, or if you are reporting as an exempt reporting adviser, you may limit your response to Item 11.B.(2) to charges that are currently pending.*

For "yes" answers to the following questions, complete a Regulatory Action DRP:

- |  | <u>Yes</u>                          | <u>No</u>                           |
|--|-------------------------------------|-------------------------------------|
| C. Has the SEC or the Commodity Futures Trading Commission (CFTC) ever:  |                                     |                                     |
| (1) <i>found</i> you or any <i>advisory affiliate</i> to have made a false statement or omission?  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| (2) <i>found</i> you or any <i>advisory affiliate</i> to have been <i>involved</i> in a violation of SEC or CFTC regulations or statutes?  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| (3) <i>found</i> you or any <i>advisory affiliate</i> to have been a cause of an <i>investment-related</i> business having its authorization to do business denied, suspended, revoked, or restricted? | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| (4) entered an <i>order</i> against you or any <i>advisory affiliate</i> in connection with <i>investment-related</i> activity?  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| (5) imposed a civil money penalty on you or any <i>advisory affiliate</i> , or <i>ordered</i> you or any <i>advisory affiliate</i> to cease and desist from any activity?                              | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| D. Has any other federal regulatory agency, any state regulatory agency, or any <i>foreign financial regulatory authority</i> :  |                                     |                                     |
| (1) ever <i>found</i> you or any <i>advisory affiliate</i> to have made a false statement or omission, or been dishonest, unfair, or unethical?  | <input type="checkbox"/>            | <input checked="" type="checkbox"/> |
| (2) ever <i>found</i> you or any <i>advisory affiliate</i> to have been <i>involved</i> in a violation of <i>investment-related</i> regulations or statutes?   | <input checked="" type="checkbox"/> | <input type="checkbox"/>            |

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Part 1A

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Your Name Muehler, Steven Joseph

Date \_\_\_\_\_

CRD Number \_\_\_\_\_

SEC 801- or 802 Number \_\_\_\_\_

- |  | <u>Yes</u>               | <u>No</u>                           |
|--|--------------------------|-------------------------------------|
| (3) ever found you or any advisory affiliate to have been a cause of an investment-related business having its authorization to do business denied, suspended, revoked, or restricted?   | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (4) in the past ten years, entered an order against you or any advisory affiliate in connection with an investment-related activity?   | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (5) ever denied, suspended, or revoked your or any advisory affiliate's registration or license, or otherwise prevented you or any advisory affiliate, by order, from associating with an investment-related business or restricted your or any advisory affiliate's activity?         | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| <b>E. Has any self-regulatory organization or commodities exchange ever:</b>   |                          |                                     |
| (1) found you or any advisory affiliate to have made a false statement or omission?  | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (2) found you or any advisory affiliate to have been involved in a violation of its rules (other than a violation designated as a "minor rule violation" under a plan approved by the SEC)?  | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (3) found you or any advisory affiliate to have been the cause of an investment-related business having its authorization to do business denied, suspended, revoked, or restricted?  | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (4) disciplined you or any advisory affiliate by expelling or suspending you or the advisory affiliate from membership, barring or suspending you or the advisory affiliate from association with other members, or otherwise restricting your or the advisory affiliate's activities? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| F. Has an authorization to act as an attorney, accountant, or federal contractor granted to you or any advisory affiliate ever been revoked or suspended?  | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| G. Are you or any advisory affiliate now the subject of any regulatory proceeding that could result in a "yes" answer to any part of Item 11.C., 11.D., or 11.E.?  | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

For "yes" answers to the following questions, complete a Civil Judicial Action DRP:

- |  | <u>Yes</u>               | <u>No</u>                           |
|--|--------------------------|-------------------------------------|
| H. (1) Has any domestic or foreign court:  |                          |                                     |
| (a) in the past ten years, enjoined you or any advisory affiliate in connection with any investment-related activity?  | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (b) ever found that you or any advisory affiliate were involved in a violation of investment-related statutes or regulations?  | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (c) ever dismissed, pursuant to a settlement agreement, an investment-related civil action brought against you or any advisory affiliate by a state or foreign financial regulatory authority? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

- (2) Are you or any *advisory affiliate* now the subject of any civil *proceeding* that could result in a "yes" answer to any part of Item 11.H(1)?

**Item 12 Small Businesses**

The SEC is required by the Regulatory Flexibility Act to consider the effect of its regulations on small entities. In order to do this, we need to determine whether you meet the definition of "small business" or "small organization" under rule 0-7.

Answer this Item 12 only if you are registered or registering with the SEC and you indicated in response to Item 5.F.(2)(c) that you have regulatory assets under management of less than \$25 million. You are not required to answer this Item 12 if you are filing for initial registration as a state adviser, amending a current state registration, or switching from SEC to state registration.

For purposes of this Item 12 only:

- **Total Assets** refers to the total assets of a firm, rather than the assets managed on behalf of *clients*. In determining your or another *person's* total assets, you may use the total assets shown on a current balance sheet (but use total assets reported on a consolidated balance sheet with subsidiaries included, if that amount is larger).
- **Control** means the power to direct or cause the direction of the management or policies of a *person*, whether through ownership of securities, by contract, or otherwise. Any *person* that directly or indirectly has the right to vote 25 percent or more of the voting securities, or is entitled to 25 percent or more of the profits, of another *person* is presumed to *control* the other *person*.

- |  | <u>Yes</u>               | <u>No</u>                           |
|--|--------------------------|-------------------------------------|
| A. Did you have total assets of \$5 million or more on the last day of your most recent fiscal year? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |

If "yes," you do not need to answer Items 12.B. and 12.C.

- |   |                          |                                     |
|---|--------------------------|-------------------------------------|
| B. Do you:  |                          |                                     |
| (1) <i>control</i> another investment adviser that had regulatory assets under management (calculated in response to Item 5.F.(2)(c) of Form ADV) \$25 million or more on the last day of its most recent fiscal year?  | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (2) <i>control</i> another <i>person</i> (other than a natural person) that had total assets of \$5 million or more on the last day of its most recent fiscal year?   | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| C. Are you:   |                          |                                     |
| (1) <i>controlled by</i> or under common <i>control</i> with another investment adviser that had regulatory assets under management (calculated in response to Item 5.F.(2)(c) of Form ADV) of \$25 million or more on the last day of its most recent fiscal year? | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| (2) <i>controlled by</i> or under common <i>control</i> with another <i>person</i> (other than a natural person) that had total assets of \$5 million or more on the last day of its most recent fiscal year?   | <input type="checkbox"/> | <input checked="" type="checkbox"/> |







**FORM ADV**

Schedule D

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Your Name Muehler, Steven Joseph

Date \_\_\_\_\_

CRD Number \_\_\_\_\_

SEC 801- or 802 Number \_\_\_\_\_

Certain items in Part 1A of Form ADV require additional information on Schedule D. Use this Schedule D to report details for items listed below. Report only new information or changes/updates to previously submitted information. Do not repeat previously submitted information.

This is an  INITIAL or  AMENDED Schedule D

**SECTION 1.B. Other Business Names**

List your other business names and the jurisdictions in which you use them. You must complete a separate Schedule D Section 1.B. for each business name.

Check only one box:  Add  Delete  Amend

Name \_\_\_\_\_ Jurisdictions \_\_\_\_\_

**SECTION 1.F. Other Offices**

Complete the following information for each office, other than your *principal office and place of business*, at which you conduct investment advisory business. You must complete a separate Schedule D Section 1.F. for each location. If you are applying for SEC registration, if you are registered only with the SEC, or if you are an *exempt reporting adviser*, list only the largest five offices (in terms of numbers of *employees*).

Check only one box:  Add  Delete

4050 Glencoe Avenue, Unit 210

(number and street)

Marina Del Rey, California 90210

(city)

(state/country)

(zip+4/postal code)

If this address is a private residence, check this box:

213 407-4386  
(area code) (telephone number)

213 \_\_\_\_\_  
(area code) (facsimile number)

**SECTION 1.I. Website Addresses**

List your website addresses. You must complete a separate Schedule D Section 1.I. for each website address.

Check only one box:  Add  Delete

Website Address: www.AlternativeSecuritiesMarket.com / www.AlternativeSecuritiesMarketsGroup.com / www.SteveMuehler.com

**SECTION 1.L. Location of Books and Records**

Complete the following information for each location at which you keep your books and records, other than your *principal office and place of business*. You must complete a separate Schedule D Section 1.L. for each location.

Check only one box:  Add  Delete  Amend

Name of entity where books and records are kept: Alternative Securities Markets Group Corporation

4050 Glencoe Avenue, Unit 210

(number and street)

Marina Del Rey, California 90210

(city)

(state/country)

(zip+4/postal code)

If this address is a private residence, check this box:

213 407-4386  
(area code) (telephone number)

\_\_\_\_\_ (area code) (facsimile number)

This is (check one):  one of your branch offices or affiliates.  
 a third-party unaffiliated recordkeeper.  
 other.

Briefly describe the books and records kept at this location. \_\_\_\_\_

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Your Name Muehler, Steven Joseph

Date \_\_\_\_\_

CRD Number \_\_\_\_\_

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Certain items in Part 1A of Form ADV require additional information on Schedule D. Use this Schedule D to report details for items listed below. Report only new information or changes/updates to previously submitted information. Do not repeat previously submitted information.

This is an  INITIAL or  AMENDED Schedule D

**SECTION 1.M. Registration with Foreign Financial Regulatory Authorities**

List the name and country, in English, of each *foreign financial regulatory authority* with which you are registered. You must complete a separate Schedule D Section 1.M. for each *foreign financial regulatory authority* with whom you are registered.

Check only one box:  Add  Delete

Name of *Foreign Financial Regulatory Authority* \_\_\_\_\_

Name of Country \_\_\_\_\_

**SECTION 2.A.(8) Related Adviser**

If you are relying on the exemption in rule 203A-2(b) from the prohibition on registration because you *control*, are *controlled* by, or are under common *control* with an investment adviser that is registered with the SEC and your *principal office and place of business* is the same as that of the registered adviser, provide the following information:

Name of Registered Investment Adviser \_\_\_\_\_

CRD Number of Registered Investment Adviser \_\_\_\_\_

SEC Number of Registered Investment Adviser 801- \_\_\_\_\_

**SECTION 2.A.(9) Newly Formed Adviser**

If you are relying on rule 203A-2(c), the newly formed adviser exemption from the prohibition on registration, you are required to make certain representations about your eligibility for SEC registration. By checking the appropriate boxes, you will be deemed to have made the required representations. You must make both of these representations:

- I am not registered or required to be registered with the SEC or a *state securities authority* and I have a reasonable expectation that I will be eligible to register with the SEC within 120 days after the date my registration with the SEC becomes effective.
- I undertake to withdraw from SEC registration if, on the 120th day after my registration with the SEC becomes effective, I would be prohibited by Section 203A(a) of the Advisers Act from registering with the SEC.

**SECTION 2.A.(10) Multi-State Adviser**

If you are relying on rule 203A-2(d), the multi-state adviser exemption from the prohibition on registration, you are required to make certain representations about your eligibility for SEC registration. By checking the appropriate boxes, you will be deemed to have made the required representations.

If you are applying for registration as an investment adviser with the SEC, you must make both of these representations:

- I have reviewed the applicable state and federal laws and have concluded that I am required by the laws of 15 or more states to register as an investment adviser with the *state securities authorities* in those states.
- I undertake to withdraw from SEC registration if I file an amendment to this registration indicating that I would be required by the laws of fewer than 15 states to register as an investment adviser with the *state securities authorities* of those states.

If you are submitting your *annual updating amendment*, you must make this representation:

- Within 90 days prior to the date of filing this amendment, I have reviewed the applicable state and federal laws and have concluded that I am required by the laws of at least 15 states to register as an investment adviser with the *state securities authorities* in those states.

FORM ADV Schedule D Page 3 of 13	Your Name <u>Muehler, Steven Joseph</u>	CRD Number _____
	Date _____	SEC 801- or 802 Number _____

Certain items in Part 1A of Form ADV require additional information on Schedule D. Use this Schedule D to report details for items listed below. Report only new information or changes/updates to previously submitted information. Do not repeat previously submitted information.

This is an  INITIAL or  AMENDED Schedule D

SECTION 2.A.(12) SEC Exemptive Order

If you are relying upon an SEC order exempting you from the prohibition on registration, provide the following information:

Application Number: 803- \_\_\_\_\_ Date of order: \_\_\_\_\_  
(mm/dd/yyyy)

SECTION 2.B. Private Fund Assets

If you check Item 2.B.(2) or (3), what is the amount of the private fund assets that you manage? 0.00

NOTE: "Private fund assets" has the same meaning here as it has under rule 203(m)-1. If you are an investment adviser with its principal office and place of business outside of the United States only include private fund assets that you manage at a place of business in the United States.

SECTION 4 Successions

Complete the following information if you are succeeding to the business of a currently registered investment adviser. If you acquired more than one firm in the succession you are reporting on this Form ADV, you must complete a separate Schedule D Section 4 for each acquired firm. See Part 1A Instruction 4.

Name of Acquired Firm \_\_\_\_\_

Acquired Firm's SEC File No. (if any) 801- \_\_\_\_\_ Acquired Firm's CRD Number (if any) \_\_\_\_\_

SECTION 5.G.(3) Advisers to Registered Investment Companies and Business Development Companies

If you check Item 5.G (3), what is the SEC file number (811 or 814 number) of each of the registered investment companies and business development companies to which you act as an adviser pursuant to an advisory contract? You must complete a separate Schedule D Section 5.G.(3) for each registered investment company and business development company to which you act as an adviser.

Check only one box:  Add  Delete

SEC File Number 811- or 814- \_\_\_\_\_

SECTION 5.I.(2) Wrap Fee Programs

If you are a portfolio manager for one or more wrap fee programs, list the name of each program and its sponsor. You must complete a separate Schedule D Section 5.I.(2) for each wrap fee program for which you are a portfolio manager.

Check only one box:  Add  Delete  Amend

Name of Wrap Fee Program \_\_\_\_\_

Name of Sponsor \_\_\_\_\_

**FORM ADV**

Schedule D

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Your Name Muehler, Steven Joseph

Date \_\_\_\_\_

CRD Number \_\_\_\_\_

SEC 801- or 802 Number \_\_\_\_\_

Certain items in Part 1A of Form ADV require additional information on Schedule D. Use this Schedule D to report details for items listed below. Report only new information or changes/updates to previously submitted information. Do not repeat previously submitted information.

This is an  INITIAL or  AMENDED Schedule D

**SECTION 6.A. Names of Your Other Businesses**

If you are actively engaged in other business using a different name, provide that name and the other line(s) of business.

Add  Delete  Amend

Other Business Name: \_\_\_\_\_

Other line(s) of business in which you engage using this name: (check all that apply)

- (1) broker-dealer (registered or unregistered)
- (2) registered representative of a broker-dealer
- (3) commodity pool operator or commodity trading advisor (whether registered or exempt from registration)
- (4) futures commission merchant
- (5) real estate broker, dealer, or agent
- (6) insurance broker or agent
- (7) bank (including a separately identifiable department or division of a bank)
- (8) trust company
- (9) registered municipal advisor
- (10) registered security-based swap dealer
- (11) major security-based swap participant
- (12) accountant or accounting firm
- (13) lawyer or law firm
- (14) other financial product salesperson (specify): \_\_\_\_\_

**SECTION 6.B.(2) Description of Primary Business**

Describe your primary business (not your investment advisory business):

See Attachment

If you engage in that business under a different name, provide that name:

**SECTION 6.B.(3) Description of Other Products and Services**

Describe other products or services you sell to your client. You may omit products and services that you listed in Section 6.B.2. above.

See Attachment

If you engage in that business under a different name, provide that name:

**SECTION 7.A. Financial Industry Affiliations**

Complete a separate Schedule D Section 7.A. for each *related person* listed in Item 7.A.

Check only one box:  Add  Delete  Amend

**FORM ADV**Schedule D  
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CRD Number \_\_\_\_\_

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Certain items in Part 1A of Form ADV require additional information on Schedule D. Use this Schedule D to report details for items listed below. Report only new information or changes/updates to previously submitted information. Do not repeat previously submitted information.

This is an  INITIAL or  AMENDED Schedule D

1. Legal Name of *Related Person*: \_\_\_\_\_

2. Primary Business Name of *Related Person*: \_\_\_\_\_

3. *Related Person's* SEC File Number (if any) (e.g., 801-, 8-, 866-, 802-) \_\_\_\_\_

4. *Related Person's* CRD Number (if any): \_\_\_\_\_

5. *Related Person* is: (check all that apply)

- (a) broker-dealer, municipal securities dealer, or government securities broker or dealer
- (b) other investment adviser (including financial planners)
- (c) registered municipal advisor
- (d) registered security-based swap dealer
- (e) major security-based swap participant
- (f) commodity pool operator or commodity trading advisor (whether registered or exempt from registration)
- (g) futures commission merchant
- (h) banking or thrift institution
- (i) trust company
- (j) accountant or accounting firm
- (k) lawyer or law firm
- (l) insurance company or agency
- (m) pension consultant
- (n) real estate broker or dealer
- (o) sponsor or syndicator of limited partnerships (or equivalent), excluding pooled investment vehicles
- (p) sponsor, general partner, managing member (or equivalent) of pooled investment vehicles

6. Do you *control* or are you *controlled* by the *related person*?  Yes  No

7. Are you and the *related person* under common *control*?  Yes  No

8. (a) Does the *related person* act as a qualified custodian for your *clients* in connection with advisory services you provide to *clients*?  Yes  No

(b) If you are registering or registered with the SEC and you have answered "yes" to question 8.(a) above, have you overcome the presumption that you are not operationally independent (pursuant to rule 206(4)-(2)(d)(5)) from the *related person* and thus are not required to obtain a surprise examination for your *clients'* funds or securities that are maintained at the *related person*?  Yes  No

(c) If you have answered "yes" to question 8.(a) above, provide the location of the *related person's* office responsible for *custody* of your *clients'* assets:

\_\_\_\_\_  
(number and street)

\_\_\_\_\_  
(city) (state/country) (zip+4/postal code)

9. (a) If the *related person* is an investment adviser, is it exempt from registration?  Yes  No

(b) If the answer is yes, under what exemption? \_\_\_\_\_

10. (a) Is the *related person* registered with a *foreign financial regulatory authority*?  Yes  No

(b) If the answer is yes, list the name and country, in English, of each *foreign financial regulatory authority* with which the *related person* is registered. \_\_\_\_\_

11. Do you and the *related person* share any *supervised persons*?  Yes  No

**FORM ADV**

Schedule D

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Your Name Muehler, Steven Joseph

Date \_\_\_\_\_

CRD Number \_\_\_\_\_

SEC 801- or 802 Number \_\_\_\_\_

Certain items in Part 1A of Form ADV require additional information on Schedule D. Use this Schedule D to report details for items listed below. Report only new information or changes/updates to previously submitted information. Do not repeat previously submitted information.

This is an  INITIAL or  AMENDED Schedule D

12. Do you and the *related person* share the same physical location?

Yes  No

**SECTION 7.B.(1) Private Fund Reporting**

Check only one box:  Add  Delete  Amend

**A. PRIVATE FUND****Information About the Private Fund**

1. (a) Name of the *private fund*: See Attached

(b) *Private fund* identification number: See Attached

2. Under the laws of what state or country is the *private fund* organized: California

3. Name(s) of General Partner, Manager, Trustee, or Directors (or persons serving in a similar capacity):

Check only one box:  Add  Delete  Amend

Mr. Steven Joseph Muehler

4. The *private fund* (check all that apply; you must check at least one):

(1) qualifies for the exclusion from the definition of investment company under section 3(c)(1) of the Investment Company Act of 1940

(2) qualifies for the exclusion from the definition of investment company under section 3(c)(7) of the Investment Company Act of 1940

5. List the name and country, in English, of each *foreign financial regulatory authority* with which the *private fund* is registered.

Check only one box:  Add  Delete  Amend

English Name of *Foreign Financial Regulatory Authority* \_\_\_\_\_ Name of Country \_\_\_\_\_

6. (a) Is this a "master fund" in a master-feeder arrangement?  Yes  No

(b) If yes, what is the name and *private fund* identification number (if any) of the feeder funds investing in this *private fund*?

Check only one box:  Add  Delete  Amend

(c) Is this a "feeder fund" in a master-feeder arrangement?  Yes  No

(d) If yes, what is the name and *private fund* identification number (if any) of the master fund in which this *private fund* invests?

Check only one box:  Add  Delete  Amend

NOTE: You must complete question 6 for each master-feeder arrangement regardless of whether you are filing a single Schedule D, Section 7.B.(1) for the master-feeder arrangement or reporting on the funds separately.

Certain items in Part 1A of Form ADV require additional information on Schedule D. Use this Schedule D to report details for items listed below. Report only new information or changes/updates to previously submitted information. Do not repeat previously submitted information.

This is an  INITIAL or  AMENDED Schedule D

7. If you are filing a single Schedule D, Section 7.B.(1) for a master-feeder arrangement according to the instructions to this Section 7.B.(1), for each of the feeder funds answer the following questions:

Check only one box:  Add  Delete  Amend

(a) Name of the *private fund*: <sup>See Attached</sup> \_\_\_\_\_

(b) *Private fund* identification number: See Attached

(c) Under the laws of what state or country is the *private fund* organized: California

(d) Name(s) of General Partner, Manager, Trustee, or Directors (or persons serving in a similar capacity):

Check only one box:  Add  Delete  Amend

(e) The *private fund* (check all that apply; you must check at least one):

(1) qualifies for the exclusion from the definition of investment company under section 3(c)(1) of the Investment Company Act of 1940

(2) qualifies for the exclusion from the definition of investment company under section 3(c)(7) of the Investment Company Act of 1940

(f) List the name and country, in English, of each *foreign financial regulatory authority* with which the *private fund* is registered.

Check only one box:  Add  Delete  Amend

English Name of *Foreign Financial Regulatory Authority* \_\_\_\_\_ Name of Country \_\_\_\_\_

NOTE: For purposes of questions 6 and 7, in a master-feeder arrangement, one or more funds ("feeder funds") invest all or substantially all of their assets in a single fund ("master fund"). A fund would also be a "feeder fund" investing in a "master fund" for purposes of this question if it issued multiple classes (or series) of shares or interests, and each class (or series) invests substantially all of its assets in a single master fund.

8. (a) Is this *private fund* a "fund of funds"?  Yes  No

(b) If yes, does the *private fund* invest in funds managed by you or by a *related person*?  Yes  No

NOTE: For purposes of this question only, answer "yes" if the fund invests 10 percent or more of its total assets in other pooled investment vehicles, whether or not they are also *private funds*, or registered investment companies.

9. During your last fiscal year, did the *private fund* invest in securities issued by investment companies registered under the Investment Company Act of 1940 (other than "money market funds," to the extent provided in Instruction 6.e.)?  Yes  No

10. What type of fund is the *private fund*?

hedge fund  liquidity fund  private equity fund  real estate fund  securitized asset fund  venture capital fund

Other *private fund*: \_\_\_\_\_

NOTE: For funds of funds, refer to the funds in which the *private fund* invests. For definitions of these fund types, please see Instruction 6 of the Instructions to Part 1A.

11. Current gross asset value of the *private fund*: \$ 0.00

Certain items in Part 1A of Form ADV require additional information on Schedule D. Use this Schedule D to report details for items listed below. Report only new information or changes/updates to previously submitted information. Do not repeat previously submitted information.

This is an  INITIAL or  AMENDED Schedule D

**Ownership**

12. Minimum investment commitment required of an investor in the *private fund*: \$ 1,000

NOTE: Report the amount routinely required of investors who are not your *related persons* (even if different from the amount set forth in the organizational documents of the fund).

13. Approximate number of the *private fund's* beneficial owners: 1

14. What is the approximate percentage of the *private fund* beneficially owned by you and your *related persons*:  
100 %

15. What is the approximate percentage of the *private fund* beneficially owned (in the aggregate) by funds of funds:  
0 %

16. What is the approximate percentage of the *private fund* beneficially owned by *non-United States persons*:  
0 %

**Your Advisory Services**

17. (a) Are you a subadviser to this *private fund*?  Yes  No

(b) If the answer to question 17(a) is "yes," provide the name and SEC file number, if any, of the adviser of the *private fund*. If the answer to question 17(a) is "no," leave this question blank. \_\_\_\_\_

18. (a) Do any other investment advisers advise the *private fund*?  Yes  No

(b) If the answer to question 18(a) is "yes," provide the name and SEC file number, if any, of the other advisers to the *private fund*. If the answer to question 18(a) is "no," leave this question blank.

Check only one box:  Add  Delete  Amend

\_\_\_\_\_

19. Are your *clients* solicited to invest in the *private fund*?  Yes  No

20. Approximately what percentage of your *clients* has invested in the *private fund*? 0 %

**Private Offering**

21. Does the *private fund* rely on an exemption from registration of its securities under Regulation D of the Securities Act of 1933?  
 Yes  No

22. If yes, provide the *private fund's* Form D file number (if any):

Check only one box:  Add  Delete  Amend

021- See Attached

Certain items in Part 1A of Form ADV require additional information on Schedule D. Use this Schedule D to report details for items listed below. Report only new information or changes/updates to previously submitted information. Do not repeat previously submitted information.

This is an  INITIAL or  AMENDED Schedule D

**B. SERVICE PROVIDERS**

Check this box if you are filing this Form ADV through the IARD system and want the IARD system to create a new Schedule D, Section 7.B.(1) with the same service provider information you have given here in Questions 23 - 28 for a new *private fund* for which you are required to complete Section 7.B.(1) If you check the box, the system will pre-fill those fields for you, but you will be able to manually edit the information after it is pre-filled and before you submit your filing.

**Auditors**

23. (a) (1) Are the *private fund's* financial statements subject to an annual audit?  Yes  No  
(2) Are the financial statements prepared in accordance with U.S. GAAP?  Yes  No

If the answer to 23(a)(1) is "yes," respond to questions (b) through (f) below. If the *private fund* uses more than one auditing firm, you must complete questions (b) through (f) separately for each auditing firm.

Check only one box:  Add  Delete  Amend

- (b) Name of the auditing firm: TBD  
(c) The location of the auditing firm's office responsible for the *private fund's* audit (city, state and country): TBD  
(d) Is the auditing firm an *independent public accountant*?  Yes  No  
(e) Is the auditing firm registered with the Public Company Accounting Oversight Board?  Yes  No  
(f) If "yes" to (e) above, is the auditing firm subject to regular inspection by the Public Company Accounting Oversight Board in accordance with its rules?  Yes  No  
(g) Are the *private fund's* audited financial statements distributed to the *private fund's* investors?  Yes  No  
(h) Does the report prepared by the auditing firm contain an unqualified opinion?  Yes  No  Report Not Yet Received

If you check "Report Not Yet Received," you must promptly file an amendment to your Form ADV to update your response when the report is available.

**Prime Broker**

24. (a) Does the *private fund* use one or more prime brokers?  Yes  No

If the answer to 24(a) is "yes," respond to questions (b) through (e) below for each prime broker the *private fund* uses. If the *private fund* uses more than one prime broker, you must complete questions (b) through (e) separately for each prime broker.

Check only one box:  Add  Delete  Amend

- (b) Name of the prime broker: \_\_\_\_\_  
(c) If the prime broker is registered with the SEC, its registration number: 8- \_\_\_\_\_  
(d) Location of prime broker's office used principally by the *private fund* (city, state and country): \_\_\_\_\_  
(e) Does this prime broker act as custodian for some or all of the *private fund's* assets?  Yes  No

**Custodian**

25. (a) Does the *private fund* use any custodians (including the prime brokers listed above) to hold some or all of its assets?  Yes  No

If the answer to 25(a) is "yes," respond to questions (b) through (f) below for each custodian the *private fund* uses. If the *private fund* uses more than one custodian, you must complete questions (b) through (f) separately for each custodian.

**FORM ADV**Schedule D  
Page 10 of 13Your Name Muehler, Steven Joseph  
Date \_\_\_\_\_CRD Number \_\_\_\_\_  
SEC 801- or 802 Number \_\_\_\_\_

Certain items in Part 1A of Form ADV require additional information on Schedule D. Use this Schedule D to report details for items listed below. Report only new information or changes/updates to previously submitted information. Do not repeat previously submitted information.

This is an  INITIAL or  AMENDED Schedule D

Check only one box:  Add  Delete  Amend

- (b) Legal name of custodian: \_\_\_\_\_
- (c) Primary business name of custodian: \_\_\_\_\_
- (d) The location of the custodian's office responsible for custody of the private fund's assets (city, state and country): \_\_\_\_\_
- (e) Is the custodian a related person of your firm?  Yes  No
- (f) If the custodian is a broker-dealer, provide its SEC registration number (if any) 8- \_\_\_\_\_

**Administrator**

26. (a) Does the private fund use an administrator other than your firm?  Yes  No

If the answer to 26(a) is "yes," respond to questions (b) through (f) below. If the private fund uses more than one administrator, you must complete questions (b) through (f) separately for each administrator.

Check only one box:  Add  Delete  Amend

- (b) Name of administrator: \_\_\_\_\_
- (c) Location of administrator (city, state and country): \_\_\_\_\_
- (d) Is the administrator a related person of your firm?  Yes  No
- (e) Does the administrator prepare and send investor account statements to the private fund's investors?  
 Yes (provided to all investors)  Some (provided to some but not all investors)  No (provided to no investors)
- (f) If the answer to 26(e) is "no" or "some," who sends the investor account statements to the (rest of the) private fund's investors? If investor account statements are not sent to the (rest of the) private fund's investors, respond "not applicable."  
\_\_\_\_\_

27. During your last fiscal year, what percentage of the private fund's assets (by value) was valued by a person, such as an administrator, that is not your related person?

\_\_\_\_\_ %

Include only those assets where (i) such person carried out the valuation procedure established for that asset, if any, including obtaining any relevant quotes, and (ii) the valuation used for purposes of investor subscriptions, redemptions or distributions, and fee calculations (including allocations) was the valuation determined by such person.

**Marketers**

28. (a) Does the private fund use the services of someone other than you or your employees for marketing purposes?  Yes  No

You must answer "yes" whether the person acts as a placement agent, consultant, finder, introducer, municipal advisor or other solicitor, or similar person. If the answer to 28(a) is "yes", respond to questions (b) through (g) below for each such marketer the private fund uses. If the private fund uses more than one marketer, you must complete questions (b) through (g) separately for each marketer.

Check only one box:  Add  Delete  Amend

Your Name Muehler, Steven Joseph  
Date \_\_\_\_\_

CRD Number \_\_\_\_\_  
SEC 801- or 802 Number \_\_\_\_\_

Certain items in Part 1A of Form ADV require additional information on Schedule D. Use this Schedule D to report details for items listed below. Report only new information or changes/updates to previously submitted information. Do not repeat previously submitted information.

This is an  INITIAL or  AMENDED Schedule D

- (b) Is the marketer a *related person* of your firm?  Yes  No
- (c) Name of the marketer: \_\_\_\_\_
- (d) If the marketer is registered with the SEC, its file number (e.g., 801-, 8-, or 866-): \_\_\_\_\_ and CRD Number (if any) \_\_\_\_\_
- (e) Location of the marketer's office used principally by the *private fund* (city, state and country):  
\_\_\_\_\_
- (f) Does the marketer market the *private fund* through one or more websites?  Yes  No
- (g) If the answer to 28(f) is "yes," list the website address(es): \_\_\_\_\_

SECTION 7.B.(2) *Private Fund Reporting*

- (1) Name of the *private fund* See Attached
- (2) *Private fund* identification number See Attached
- (3) Name and SEC File number of adviser that provides information about this *private fund* in Section 7.B.(1) of Schedule D of its Form ADV filing \_\_\_\_\_, 801- \_\_\_\_\_ or 802- \_\_\_\_\_
- (4) Are your *clients* solicited to invest in this *private fund*?  Yes  No

In answering this question, disregard feeder funds' investment in a master fund. For purposes of this question, in a master-feeder arrangement, one or more funds ("feeder funds") invest all or substantially all of their assets in a single fund ("master fund"). A fund would also be a "feeder fund" investing in a "master fund" for purposes of this question if it issued multiple classes (or series) of shares or interests, and each class (or series) invests substantially all of its assets in a single master fund.

SECTION 9.C. *Independent Public Accountant*

You must complete the following information for each *independent public accountant* engaged to perform a surprise examination, perform an audit of a pooled investment vehicle that you manage, or prepare an internal control report. You must complete a separate Schedule D Section 9.C. for each *independent public accountant*.

Check only one box:  Add  Delete  Amend

- (1) Name of the *independent public accountant*: TVD
- (2) The location of the *independent public accountant's* office responsible for the services provided:

4050 Glencoe Avenue, Unit 210  
\_\_\_\_\_  
(number and street)  
Marina Del Rey California 90292  
\_\_\_\_\_  
(city) (state/country) (zip+4/postal code)

- (3) Is the *independent public accountant* registered with the Public Company Accounting Oversight Board?  Yes  No
- (4) If yes to (3) above, is the *independent public accountant* subject to regular inspection by the Public Company Accounting Oversight Board in accordance with its rules?  Yes  No
- (5) The *independent public accountant* is engaged to:

**FORM ADV**Schedule D  
Page 12 of 13Your Name Muehler, Steven Joseph  
Date \_\_\_\_\_CRD Number \_\_\_\_\_  
SEC 801- or 802 Number \_\_\_\_\_

Certain items in Part 1A of Form ADV require additional information on Schedule D. Use this Schedule D to report details for items listed below. Report only new information or changes/updates to previously submitted information. Do not repeat previously submitted information.

This is an  INITIAL or  AMENDED Schedule D

- A.  audit a pooled investment vehicle  
 B.  perform a surprise examination of *clients'* assets  
 C.  prepare an internal control report

- (6) Does any report prepared by the *independent public accountant* that audited the pooled investment vehicle or that examined internal controls contain an unqualified opinion?  Yes  No  Report Not Yet Received

*If you check "Report Not Yet Received," you must promptly file an amendment to your Form ADV to update your response when the accountant's report is available.*

**SECTION 10.A. Control Persons**

You must complete a separate Schedule D Section 10.A. for each *control person* not named in Item 1.A. or Schedules A, B, or C that directly or indirectly *controls* your management or policies.

Check only one box:  Add  Delete  Amend

- (1) Firm or Organization Name \_\_\_\_\_

(2) CRD Number (if any) \_\_\_\_\_ Effective Date \_\_\_\_\_ Termination Date \_\_\_\_\_  
mm/dd/yyyy mm/dd/yyyy

- (3) Business Address:  
4050 Glencoe Avenue, Unit 210

\_\_\_\_\_ (number and street)  
 Marina Del Rey California 90292  
(city) (state/country) (zip+4/postal code)

If this address is a private residence, check this box:

- (4) Individual Name (if applicable) (Last, First, Middle) \_\_\_\_\_

(5) CRD Number (if any) \_\_\_\_\_ Effective Date \_\_\_\_\_ Termination Date \_\_\_\_\_  
mm/dd/yyyy mm/dd/yyyy

- (6) Business Address:  
4050 Glencoe Avenue, Unit 210

\_\_\_\_\_ (number and street)  
 Marina Del Rey California 90292  
(city) (state/country) (zip+4/postal code)

If this address is a private residence, check this box:

- (7) Briefly describe the nature of the *control*:  
 \_\_\_\_\_  
 \_\_\_\_\_

**SECTION 10.B. Control Person Public Reporting Companies**

If any person named in Schedules A, B, or C, or in Section 10 A. of Schedule D is a public reporting company under Sections 12 or 15(d) of the Securities Exchange Act of 1934, please provide the following information (you must complete a separate Schedule D Section 10.B. for each public reporting company):

**FORM ADV**

Schedule D

Page 13 of 13

Your Name Muehler, Steven Joseph

Date \_\_\_\_\_

CRD Number \_\_\_\_\_

SEC 801- or 802 Number \_\_\_\_\_

Certain items in Part 1A of Form ADV require additional information on Schedule D. Use this Schedule D to report details for items listed below. Report only new information or changes/updates to previously submitted information. Do not repeat previously submitted information.

This is an  INITIAL or  AMENDED Schedule D

(1) Full legal name of the public reporting company: \_\_\_\_\_

(2) The public reporting company's CIK number (Central Index Key number that the SEC assigns to each reporting company):  
\_\_\_\_\_

Miscellaneous

You may use the space below to explain a response to an Item or to provide any other information.

See Attachments

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

CRIMINAL DISCLOSURE REPORTING PAGE (ADV)

GENERAL INSTRUCTIONS

This Disclosure Reporting Page (DRP ADV) is an  INITIAL OR  AMENDED response used to report details for affirmative responses to Items 11.A. or 11.B. of Form ADV.

Check item(s) being responded to:  11.A(1)  11.A(2)  11.B(1)  11.B(2)

Use a separate DRP for each event or proceeding. The same event or proceeding may be reported for more than one person or entity using one DRP. File with a completed Execution Page.

Multiple counts of the same charge arising out of the same event(s) should be reported on the same DRP. Unrelated criminal actions, including separate cases arising out of the same event, must be reported on separate DRPs. Use this DRP to report all charges arising out of the same event. One event may result in more than one affirmative answer to the items listed above.

PART I

A. The person(s) or entity(ies) for whom this DRP is being filed is (are):

- You (the advisory firm)
 You and one or more of your advisory affiliates
 One or more of your advisory affiliates

If this DRP is being filed for an advisory affiliate, give the full name of the advisory affiliate below (for individuals, Last name, First name, Middle name).

If the advisory affiliate has a CRD number, provide that number. If not, indicate "non-registered" by checking the appropriate box.

Your Name Muehler, Steven Joseph Your CRD Number non-registered

ADV DRP - ADVISORY AFFILIATE

CRD Number This advisory affiliate is Registered:  a firm  an individual  Yes  No

Name (For individuals, Last, First, Middle)

- This DRP should be removed from the ADV record because the advisory affiliate(s) is no longer associated with the adviser.
 This DRP should be removed from the ADV record because: (1) the event or proceeding occurred more than ten years ago or (2) the adviser is registered or applying for registration with the SEC and the event was resolved in the adviser's or advisory affiliate's favor.
 This DRP should be removed from the ADV record because it was filed in error, such as due to a clerical or data-entry mistake. Explain the circumstances:

\_\_\_\_\_
\_\_\_\_\_
\_\_\_\_\_

B. If the advisory affiliate is registered through the IARD system or CRD system, has the advisory affiliate submitted a DRP (with Form ADV, BD or U-4) to the IARD or CRD for the event? If the answer is "Yes," no other information on this DRP must be provided.
 Yes  No

NOTE: The completion of this form does not relieve the advisory affiliate of its obligation to update its IARD or CRD records.

(continued)

**CRIMINAL DISCLOSURE REPORTING PAGE (ADV)**  
*(continuation)*

**PART II**

1. If charge(s) were brought against an organization over which you or an *advisory affiliate* exercise(d) control: Enter organization name, whether or not the organization was an *investment-related* business and your or the *advisory affiliate's* position, title, or relationship.

2. Formal Charge(s) were brought in: (include name of Federal, Military, State or Foreign Court, Location of Court - City or County and State or Country, Docket/Case number).

3. Event Disclosure Detail (Use this for both organizational and individual charges.)

A. Date First Charged (MM/DD/YYYY):   Exact  Explanation

If not exact, provide explanation: \_\_\_\_\_

B. Event Disclosure Detail (include Charge(s)/Charge Description(s), and for each charge provide: (1) number of counts, (2) *felony* or *misdemeanor*, (3) plea for each charge, and (4) product type if charge is *investment-related*).

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C. Did any of the Charge(s) within the Event involve a *felony*?  Yes  No

D. Current status of the Event?  Pending  On Appeal  Final

E. Event Status Date (complete unless status is Pending) (MM/DD/YYYY):

Exact  Explanation

If not exact, provide explanation: \_\_\_\_\_

4. Disposition Disclosure Detail: Include for each charge (a) Disposition Type (e.g., convicted, acquitted, dismissed, pretrial, etc.), (b) Date, (c) Sentence/Penalty, (d) Duration (if sentence-suspension, probation, etc.), (e) Start Date of Penalty, (f) Penalty/Fine Amount, and (g) Date Paid.

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(continued)



**REGULATORY ACTION DISCLOSURE REPORTING PAGE (ADV)**

*GENERAL INSTRUCTIONS*

This Disclosure Reporting Page (DRP ADV) is an  INITIAL *OR*  AMENDED response used to report details for affirmative responses to Items 11.C., 11.D., 11.E., 11.F. or 11.G. of Form ADV.

Check item(s) being responded to:

- |                                  |                                  |                                  |                                  |                                  |
|----------------------------------|----------------------------------|----------------------------------|----------------------------------|----------------------------------|
| <input type="checkbox"/> 11.C(1) | <input type="checkbox"/> 11.C(2) | <input type="checkbox"/> 11.C(3) | <input type="checkbox"/> 11.C(4) | <input type="checkbox"/> 11.C(5) |
| <input type="checkbox"/> 11.D(1) | <input type="checkbox"/> 11.D(2) | <input type="checkbox"/> 11.D(3) | <input type="checkbox"/> 11.D(4) | <input type="checkbox"/> 11.D(5) |
| <input type="checkbox"/> 11.E(1) | <input type="checkbox"/> 11.E(2) | <input type="checkbox"/> 11.E(3) | <input type="checkbox"/> 11.E(4) |                                  |
| <input type="checkbox"/> 11.F.   | <input type="checkbox"/> 11.G.   |                                  |                                  |                                  |

Use a separate DRP for each event or *proceeding*. The same event or *proceeding* may be reported for more than one *person* or entity using one DRP. File with a completed Execution Page.

One event may result in more than one affirmative answer to Items 11.C., 11.D., 11.E., 11.F. or 11.G. Use only one DRP to report details related to the same event. If an event gives rise to actions by more than one regulator, provide details for each action on a separate DRP.

**PART I**

A. The *person(s)* or entity(ies) for whom this DRP is being filed is (are):

- You (the advisory firm)
- You and one or more of your *advisory affiliates*
- One or more of your *advisory affiliates*

If this DRP is being filed for an *advisory affiliate*, give the full name of the *advisory affiliate* below (for individuals, Last name, First name, Middle name).

If the *advisory affiliate* has a *CRD* number, provide that number. If not, indicate "non-registered" by checking the appropriate box.

Your Name **Muehler, Steven Joseph**

Your *CRD* Number **non-registered**

**ADV DRP - ADVISORY AFFILIATE**

*CRD* Number

This *advisory affiliate* is  a firm  an individual  
Registered:  Yes  No

Name (For individuals, Last, First, Middle)

- This DRP should be removed from the ADV record because the *advisory affiliate(s)* is no longer associated with the adviser.
- This DRP should be removed from the ADV record because: (1) the event or *proceeding* occurred more than ten years ago or (2) the adviser is registered or applying for registration with the SEC and the event was resolved in the adviser's or *advisory affiliate's* favor.

If you are registered or registering with a *state securities authority*, you may remove a DRP for an event you reported only in response to Item 11.D(4), and only if that event occurred more than ten years ago. If you are registered or registering with the SEC, you may remove a DRP for any event listed in Item 11 that occurred more than ten years ago.

- This DRP should be removed from the ADV record because it was filed in error, such as due to a clerical or data-entry mistake. Explain the circumstances:

B. If the *advisory affiliate* is registered through the IARD system or *CRD* system, has the *advisory affiliate* submitted a DRP (with Form ADV, BD or U-4) to the IARD or *CRD* for the event? If the answer is "Yes," no other information on this DRP must be provided.

- Yes  No

NOTE: The completion of this form does not relieve the *advisory affiliate* of its obligation to update its IARD or *CRD* records. (continued)

**REGULATORY ACTION DISCLOSURE REPORTING PAGE (ADV)**  
*(continuation)*

**PART II**

1. Regulatory Action initiated by:  
 SEC  Other Federal  State  SRO  Foreign

(Full name of regulator, foreign financial regulatory authority, federal, state or SRO)

See Attachments

2. Principal Sanction (check appropriate item):

- |  |                                       |   |
|--|---------------------------------------|---|
| <input type="checkbox"/> Civil and Administrative Penalty(ies)/Fine(s) | <input type="checkbox"/> Disgorgement | <input type="checkbox"/> Restitution                    |
| <input type="checkbox"/> Bar   | <input type="checkbox"/> Expulsion    | <input type="checkbox"/> Revocation                     |
| <input checked="" type="checkbox"/> Cease and Desist                   | <input type="checkbox"/> Injunction   | <input type="checkbox"/> Suspension                     |
| <input type="checkbox"/> Censure                                       | <input type="checkbox"/> Prohibition  | <input type="checkbox"/> Undertaking                    |
| <input type="checkbox"/> Denial  | <input type="checkbox"/> Reprimand    | <input type="checkbox"/> Other <u>Private Placement</u> |

Other Sanctions:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

3. Date Initiated (MM/DD/YYYY):   Exact  Explanation

If not exact, provide explanation: \_\_\_\_\_

4. Docket/Case Number:

See Attached

5. *Advisory Affiliate* Employing Firm when activity occurred which led to the regulatory action (if applicable):

See Attached

6. Principal Product Type (check appropriate item):

- |  |  |  |
|--|--|--|
| <input type="checkbox"/> Annuity(ies) - Fixed    | <input type="checkbox"/> Derivative(s)                               | <input type="checkbox"/> Investment Contract(s)                    |
| <input type="checkbox"/> Annuity(ies) - Variable | <input type="checkbox"/> Direct Investment(s) - DPP & LP Interest(s) | <input type="checkbox"/> Money Market Fund(s)                      |
| <input type="checkbox"/> CD(s)                   | <input type="checkbox"/> Equity - OTC                                | <input type="checkbox"/> Mutual Fund(s)                            |
| <input type="checkbox"/> Commodity Option(s)     | <input type="checkbox"/> Equity Listed (Common & Preferred Stock)    | <input type="checkbox"/> No Product                                |
| <input type="checkbox"/> Debt - Asset Backed     | <input type="checkbox"/> Futures - Commodity                         | <input type="checkbox"/> Options                                   |
| <input type="checkbox"/> Debt - Corporate        | <input type="checkbox"/> Futures - Financial                         | <input type="checkbox"/> Penny Stock(s)                            |
| <input type="checkbox"/> Debt - Government       | <input type="checkbox"/> Index Option(s)                             | <input type="checkbox"/> Unit Investment Trust(s)                  |
| <input type="checkbox"/> Debt - Municipal        | <input type="checkbox"/> Insurance                                   | <input checked="" type="checkbox"/> Other <u>Private Placement</u> |

Other Product Types:

\_\_\_\_\_  
\_\_\_\_\_

(continued)

**REGULATORY ACTION DISCLOSURE REPORTING PAGE (ADV)**  
*(continuation)*

7. Describe the allegations related to this regulatory action (your response must fit within the space provided):

One instance of an unsolicited email being sent for a Regulation D Offering. The Offering(s) was / were terminated with no shares ever being sold. Companies were terminated.

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8. Current status?       Pending       On Appeal       Final

9. If on appeal, regulatory action appealed to (SEC, SRO, Federal or State Court) and Date Appeal Filed:

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If Final or On Appeal, complete all items below. For Pending Actions, complete Item 13 only.

10. How was matter resolved (check appropriate item):

- |  |  |   |
|--|--|---|
| <input checked="" type="checkbox"/> Acceptance, Waiver & Consent (AWC) | <input type="checkbox"/> Dismissed               | <input type="checkbox"/> Vacated                        |
| <input type="checkbox"/> Consent                                       | <input type="checkbox"/> Order                   | <input type="checkbox"/> Withdrawn                      |
| <input type="checkbox"/> Decision                                      | <input type="checkbox"/> Settled                 | <input type="checkbox"/> Other <u>Private Placement</u> |
| <input type="checkbox"/> Decision & Order of Offer of Settlement       | <input type="checkbox"/> Stipulation and Consent |   |

11. Resolution Date (MM/DD/YYYY):        Exact       Explanation

If not exact, provide explanation:

12. Resolution Detail:

A. Were any of the following Sanctions *Ordered* (check all appropriate items)?

- Monetary/Fine       Revocation/Expulsion/Denial       Disgorgement/Restitution
- Amount: \$        Censure       Cease and Desist/Injunction       Bar       Suspension

B. Other Sanctions *Ordered*:

None

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Sanction detail: if suspended, *enjoined* or barred, provide duration including start date and capacities affected (General Securities Principal, Financial Operations Principal, etc.). If requalification by exam/retraining was a condition of the sanction, provide length of time given to requalify/retrain, type of exam required and whether condition has been satisfied. If disposition resulted in a fine, penalty, restitution, disgorgement or monetary compensation, provide total amount, portion levied against you or an *advisory affiliate*, date paid and if any portion of penalty was waived:

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(continued)



**CIVIL JUDICIAL ACTION DISCLOSURE REPORTING PAGE (ADV)**

**GENERAL INSTRUCTIONS**

This Disclosure Reporting Page (DRP ADV) is an  INITIAL **OR**  AMENDED response used to report details for affirmative responses to Item 11.H. of Part 1A and Item 2.F. of Part 1B of Form ADV.

Check Part 1A item(s) being responded to:  11.H(1)(a)     11.H(1)(b)     11.H(1)(c)     11.H(2)  
 Check Part 1B item(s) being responded to:  2.F(1)     2.F(2)     2.F(3)     2.F(4)     2.F(5)

Use a separate DRP for each event or *proceeding*. The same event or *proceeding* may be reported for more than one *person* or entity using one DRP. File with a completed Execution Page.

One event may result in more than one affirmative answer to Item 11.H. of Part 1A or Item 2.F. of Part 1B. Use only one DRP to report details related to the same event. Unrelated civil judicial actions must be reported on separate DRPs.

**PART I**

A. The *person(s)* or entity(ies) for whom this DRP is being filed is (are):

- You (the advisory firm)
- You and one or more of your *advisory affiliates*
- One or more of your *advisory affiliates*

If this DRP is being filed for an *advisory affiliate*, give the full name of the *advisory affiliate* below (for individuals, Last name, First name, Middle name).

If the *advisory affiliate* has a CRD number, provide that number. If not, indicate "non-registered" by checking the appropriate box.

Your Name <b>Muehler, Steven Joseph</b>	Your CRD Number <b>non-registered</b>
---	---------------------------------------

**ADV DRP - ADVISORY AFFILIATE**

CRD Number	This <i>advisory affiliate</i> is Registered:	<input type="checkbox"/> a firm <input type="checkbox"/> Yes	<input type="checkbox"/> an individual <input type="checkbox"/> No
------------	---	---	---

Name (For individuals, Last, First, Middle)

- This DRP should be removed from the ADV record because the *advisory affiliate(s)* is no longer associated with the adviser.
- This DRP should be removed from the ADV record because: (1) the event or *proceeding* occurred more than ten years ago or (2) the adviser is registered or applying for registration with the SEC and the event was resolved in the adviser's or *advisory affiliate's* favor.

If you are registered or registering with a *state securities authority*, you may remove a DRP for an event you reported only in response to Item 11.H.(1)(a), and only if that event occurred more than ten years ago. If you are registered or registering with the SEC, you may remove a DRP for any event listed in Item 11 that occurred more than ten years ago.

- This DRP should be removed from the ADV record because it was filed in error, such as due to a clerical or data-entry mistake. Explain the circumstances:  
 \_\_\_\_\_  
 \_\_\_\_\_

B. If the *advisory affiliate* is registered through the IARD system or CRD system, has the *advisory affiliate* submitted a DRP (with Form ADV, BD or U-4) to the IARD or CRD for the event? If the answer is "Yes," no other information on this DRP must be provided.

Yes     No

NOTE: The completion of this form does not relieve the *advisory affiliate* of its obligation to update its IARD or CRD records.

(continued)

**CIVIL JUDICIAL ACTION DISCLOSURE REPORTING PAGE (ADV)**  
*(continuation)*

**PART II**

1. Court Action initiated by: (Name of regulator, foreign financial regulatory authority, SRO, commodities exchange, agency, firm, private plaintiff, etc.)

2. Principal Relief Sought (check appropriate item):

- |   |                                       |  |   |
|---|---------------------------------------|--|---|
| <input type="checkbox"/> Cease and Desist           | <input type="checkbox"/> Disgorgement | <input type="checkbox"/> Money Damages (Private/Civil Complaint) | <input type="checkbox"/> Restraining Order                      |
| <input type="checkbox"/> Civil Penalty(ies)/Fine(s) | <input type="checkbox"/> Injunction   | <input type="checkbox"/> Restitution                             | <input type="checkbox"/> Other <small>Private Placement</small> |

Other Relief Sought:

3. Filing Date of Court Action (MM/DD/YYYY):   Exact  Explanation

If not exact, provide explanation:

4. Principal Product Type (check appropriate item):

- |  |  |   |
|--|--|---|
| <input type="checkbox"/> Annuity(ies) - Fixed    | <input type="checkbox"/> Derivative(s)                               | <input type="checkbox"/> Investment Contract(s)                 |
| <input type="checkbox"/> Annuity(ies) - Variable | <input type="checkbox"/> Direct Investment(s) - DPP & LP Interest(s) | <input type="checkbox"/> Money Market Fund(s)                   |
| <input type="checkbox"/> CD(s)                   | <input type="checkbox"/> Equity - OTC                                | <input type="checkbox"/> Mutual Fund(s)                         |
| <input type="checkbox"/> Commodity Option(s)     | <input type="checkbox"/> Equity Listed (Common & Preferred Stock)    | <input type="checkbox"/> No Product                             |
| <input type="checkbox"/> Debt - Asset Backed     | <input type="checkbox"/> Futures - Commodity                         | <input type="checkbox"/> Options                                |
| <input type="checkbox"/> Debt - Corporate        | <input type="checkbox"/> Futures - Financial                         | <input type="checkbox"/> Penny Stock(s)                         |
| <input type="checkbox"/> Debt - Government       | <input type="checkbox"/> Index Option(s)                             | <input type="checkbox"/> Unit Investment Trust(s)               |
| <input type="checkbox"/> Debt - Municipal        | <input type="checkbox"/> Insurance                                   | <input type="checkbox"/> Other <small>Private Placement</small> |

Other Product Types:

5. Formal Action was brought in (include name of Federal, State or Foreign Court, Location of Court - City or County and State or Country, Docket/Case Number):

6. *Advisory Affiliate* Employing Firm when activity occurred which led to the civil judicial action (if applicable):

(continued)

**CIVIL JUDICIAL ACTION DISCLOSURE REPORTING PAGE (ADV)**  
**(continuation)**

7. Describe the allegations related to this civil action (your response must fit within the space provided):

--

8. Current status?       Pending     On Appeal       Final

9. If on appeal, action appealed to (provide name of court) and Date Appeal Filed (MM/DD/YYYY):

--

10. If pending, date notice/process was served (MM/DD/YYYY):   Exact     Explanation

If not exact, provide explanation:

If Final or On Appeal, complete all items below. For Pending Actions, complete Item 14 only.

11. How was matter resolved (check appropriate item):

Consent                       Judgment Rendered                       Settled  
 Dismissed                       Opinion                       Withdrawn                       Other \_\_\_\_\_

12. Resolution Date (MM/DD/YYYY):   Exact     Explanation

If not exact, provide explanation:

13. Resolution Detail:

A. Were any of the following Sanctions Ordered or Relief Granted (check appropriate items)?

Monetary/Fine                       Revocation/Expulsion/Denial                       Disgorgement/Restitution  
Amount: \$   Censure                       Cease and Desist/Injunction                       Bar     Suspension

B. Other Sanctions:

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(continued)



**Part 2A: The Brochure:** This brochure discloses information about the qualifications and business practices of "Alternative Securities Markets Group Corporation", for the benefit of its clients and prospective clients. Please note that the terms "Registered Investment Adviser" or "Registered" do not imply a certain level of skill or training. If the Adviser uses a wrap fee program, it is found in Appendix #1. If you have any questions about the contents of this brochure, please contact us at the contacts given below. **Part 2B: The Brochure Supplement** discloses information about persons providing advice.

**2A: ITEM 1: COVER PAGE FOR:**

**ALTERNATIVE SECURITIES MARKETS GROUP CORPORATION  
4050 GLENCOE AVENUE, UNIT 210  
MARINA DEL REY, CALIFORNIA 90292**

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

**EMAIL: LEGAL@ALTERNATIVESECURITIESMARKET.COM**

**WEBSITE: http://www.AlternativeSecuritiesMarket.com**

**WEBSITE: http://www.AlternativeSecuritiesMarketsGroup.com**

**WEBSITE: http://www.SteveMuehler.com**

Please note that this Brochure has not been approved by the Securities & Exchange Commission or by any State Securities Authority. This firm plans to register with the United States Securities & Exchange Commission within 120 days of the date of the document, and notice will be filed in one or more States; **REGISTRATION DOES NOT MEAN APPROVAL OR VERIFICATION BY THOSE REGULATORS.** More information about the firm will be available at Investment Adviser Public Disclosure: [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**2A: Brochure: Item 2: Material Changes:** If we amend this disclosure brochure, we are to send you either a new copy of the brochure or at least this Item 2 describing the changes made so you can decide if you want us to send you a complete, new copy. A summary of material change is:

- Attached as an exhibit to, or  
 Included here as part of this updated brochure (initial filing)

***The changes made are:***

- NONE: This is our initial filing

**2A: Brochure: Item 3: Table of Contents:** Information that Investment Advisers must provide to prospective clients and to existing clients annually: 18 disclosure items that describe this firm's advisory business, and (if applicable) Appendix 1 with disclosures required for a "wrap fee" program brochure (a specialized brochure).

<b>ITEM #</b>	<b>DETAILS / TOPIC</b>	<b>PAGE #</b>
ITEM 1	Cover Page	01
ITEM 2	Material Changes	01
ITEM 3	Table of Contents	02
ITEM 4	This Advisory Firm's Business	03
ITEM 5	Fees and Compensation	05
ITEM 6	Performance – Based Fees and Side-by-Side Management	06
ITEM 7	Types of Clients	06
ITEM 8	Methods of Analysis, Investment Strategies and Risk of Loss	07
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ITEM 10	Other Financial Industry Activities and Affiliations	10
ITEM 11	Code of Ethics	13
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ITEM 14	Client Referrals and Other Compensation	15
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ITEM 19	State-Registered Investment Adviser(s)	17

**2A: Brochure: Items 4-18:**

**Item 4. This Advisory Firm's Business:**

**4.A:** Alternative Securities Markets Group Corporation is a California Stock Corporation that is registered as an Investment Advisory Firm. Alternative Securities Markets Group Corporation (or "the Firm" or "the Adviser") is currently registering in the States of:

- California
- New York
- Florida
- Texas
- Arizona
- Nevada

Note: The use of the phrase "Registered Investment Adviser" or the term "Registered" do not imply a certain level of skill or training.

The Firm's owner(s) are / is:

- **Mr. Steven Joseph Muehler**, the Firm's Founder and Chief Executive Officer

In addition to the examinations any given state requires each Investment Adviser Representative to pass in order to give investment advice in that State, the Alternative Securities Markets Group Corporation requires its advisers to have at least a college education or FIVE YEARS of related industry experience. Along with this, they must demonstrate a history of being in compliance with all industry regulations.

The Alternative Securities Markets Group Corporation maintains business hours of 8:30 AM to 5:00 PM PST.

**4.B:** Alternative Securities Markets Group Corporation ("the Firm" or "the Adviser") provides "Alternative Securities Investment Advisory Services" to Investor Clients and Issuer Clients; as well as Financial Planning for Investor Clients. Alternative Securities Markets Group Corporation works on a contractual basis with all clients to clearly outline the mutually agreed upon services to be offered.

The Firm first conducts an interview with a prospective Investor and Issuer Client, in some cases using a standard questionnaire, to assist in determining a client's needs, goals and general risk tolerance.

If an Investor Client wishes to engage the Firm / Adviser for Investment Advisory Services for Alternative Securities Investment Advisory and/or for Financial Planning Services, a services agreement will be executed by both parties that clearly outlines the mutually agreed upon Financial Advisory Services to be offered. The Agreement must be determine what risk tolerance the client is able to withstand. The level of risk a client agrees to will primarily dictate which portfolio or what market segment of the Alternative Securities Market the Adviser will advise the client about. In addition to the risk profile, clients may also be provided an investment policy statement which further confirms the agreed upon allocation and outlines the roles each party will play. The Firm at this time will not be establishing any types of discretionary or non-discretionary accounts for any clients. Unless the services are clearly outlined in the signed agreement, the Firm / Adviser cannot be held responsible nor be expected to offer advice or input on anything outside the scope of the agreement. The Firm / Adviser is not a law firm or a CPA Firm. Therefore, we do not offer any tax or legal advice. We strongly recommend the client discuss all aspects of any plan with their CPA or attorney before implementing it. The implementation of any planning discussed with the client it at the sole discretion of the client.

The Alternative Securities Markets Group Corporation's Financial Advisory Service to Investor Clients and Issuer Clients will be solely in regards to the following types of Securities:

- Private Corporate Debt Securities
- Regulation D Securities
- Regulation S Securities
- Regulation A Securities
- Certain Intra-State Exempt Securities
- Oil and Gas Interests
- Certain Real Estate Investments
- Certain over-the-counter securities
- Foreign Issuers
- Certificates of Deposit
- Private Placements
- Mortgage Loans
- Equity CrowdFunding
- Life Settlement

The Alternative Securities Markets Group Corporation will not offer Financial Advisory Services to any Client for the following Securities:

- Exchange Listed Securities
- Municipal Securities
- Variable Life Insurance
- Variable Annuities
- Mutual Fund Shares
- U.S Government Securities
- Options Contracts

4.C. Do we tailor our Advisory Services to a client's individual needs and how do we do so? Can client's impose restrictions on investing in certain securities or types of securities?

By their nature, financial planning services for Investors must be based on each client's individual needs to have any useful validity. As the Alternative Securities Markets Group Corporation does not manage accounts, an Investment Adviser of Alternative Securities Markets Group Corporation can only make recommendations that the Adviser feels are in the client's own best interest, based on an individual's stated and/or established, individual needs, goals, risk tolerance and investment time horizon. The firm seeks to establish this personal dimension through a careful, fact-finding interview and series of discussions with each client.

As Investment clients make investments from their own accounts at their own direction, and that the Alternative Securities Markets Group Corporation is not a manager of accounts (no fiduciary controls), there is no restrictions that need to be imposed.

**Item 5. Fees and Compensation:**

**5.A:** A description of the range of fees our Firm Charges.

**Alternative Securities Financial Review or Consultation (Investors)**

For client's desiring on a Financial Review or Consultation about a portfolio of Alternative Securities, or a Consultation about a potential purchase of Alternative Securities, the Firm charges a maximum charge of \$250 per hour, charged in six minute increments. A qualified Principal of the Alternative Securities Markets Group Corporation has the ability to authorize a lower hourly fee.

**Offering of Alternative Securities (Issuer)**

For an Issuer Clients desiring a Consultation for a potential or current Alternative Securities Offering, the Firm charges a maximum fee of \$350 per hour, charged in six minute increments. A qualified Principal of the Alternative Securities Markets Group Corporation has the ability to authorize a lower hourly fee

For Issuer clients desiring "on-going" Alternative Securities Consultation about a current Alternative Securities Offering, the Firm charges a maximum fee of \$350 per hour, charged in six minute increments, to be paid on a monthly basis, or a set percentage of equity securities in the client's company in exchange for "on-going" Alternative Securities Consultation for the duration of the Offering, and after the Offering. Only a qualified Principal of the Alternative Securities Markets Group Corporation has the ability to authorize a lower hourly fee or to negotiate an equity ownership interest in a client's company.

**5.B-D:** Does our Firm Bill its Clients for the incurred advisory fees?

Generally, our Firm's practice is charge each client an "upfront retainer" of a FIVE HOURS, and after the full retainer is depleted, the Firm's ongoing practice is through "direct billing", in which we send a monthly invoice to each client for the advisory fees charged by the firm.

The Alternative Securities Markets Group Corporation receives no additional compensation for its Advisory Services.

**5.E:** Does the Firm or any of its supervised persons accept compensation for the sale of any securities or other investment products, including asset-based sales charges or service fees from the sale of any products?

No, the Alternative Securities Markets Group Corporation is not a Broker Dealer, and receives no compensation from the sale of any securities.

**Disclosure 5.E.1:** No member of the Firm can earn a commission from the sale of any security.

**Disclosure 5.E.2:** The firm recommends no Broker Dealers for the purchase of any securities to any Investor Client, Affiliated or non-Affiliated.

**Disclosure 5.E.3:** The Firm Receives No Revenues through Commissions or other sales-based compensation.

**Item 6. Performance Based Fees:**

Does our Firm Charge Performance-Based Fees (fees based on a portfolio's increase in asset value)?

No, it does not.

**Item 7. Types of Clients:**

**INVESTOR CLIENTS:** Typically our clients will include high net worth individuals, homeowners with home equity greater than 30% equity in their property, corporations and other businesses. We are prepared to provide services to charitable organizations, estates, and trusts as well. We do not impose a minimum dollar amount any investor may be able to invest for our services.

**ISSUER CLIENTS:** Typically our clients will include Private U.S. Companies with an equity value less than \$250 Million, which we refer to as "micro-cap companies". These Issuer Clients

will be seeking to engaged in some form of a securities offering utilizing one or more of the securities types detailed in Part II, Item 4.

**Item 8. Methods of Analysis:**

- A. An Adviser must describe its methods of analysis and investment strategies used in formulating its investment advice. It must explain in detail any unusual risks.

**CAUTION:  
INVESTING IN ALTERNATIVE SECURITIES  
INVOLVES RISK OF LOSS**

An Adviser must explain the material risks involved for each significant investment, investment strategy, or method of analysis used and particular type of security recommended, with more detail if those risks are significant or unusual (i.e., not otherwise apparent from reading this brochure). A strategy or method of analysis is significant if the adviser uses the strategy or method in advising “more than a small portion of the adviser’s client’s assets.”

Alternative Securities Markets Group Corporation follows an “open architecture” approach to building a diversified portfolio of Alternative Securities portfolios for clients. Though each portfolio will differ based on the needs of the Investment Client, Alternative Securities Markets Group Corporation’s goal is to build Alternative Securities Portfolios for our Investment Advisory Clients that generate strong risk-adjusted returns and are consistent with the Investment Advisory Client’s stated objectives and risk tolerance. To create consistency with advisors and clients, we narrow the scope of investments down to those offerings the Firm’s Management feels offer the best options with certain asset classes of Alternative Securities. This process allows a level of due diligence to be performed on Alternative Securities Investments being presented to Investment Advisory Clients by Alternative Securities Markets Group Corporation’s Advisers.

- B. Alternative Securities Markets Group Corporation does not advise any strategy that involves “frequent trading”. The majority of the Alternative Securities that our Advisers recommend are either restricted from trade for a period of up to a minimum of one year, or do not have an established secondary market for the trade of the securities. The Alternative Securities Markets Group Corporation uses a “long term purchase approach” (holding for at least one year). The majority of the Firm’s Alternative Securities Portfolio of Offerings do not have liquidity events for shareholders for 1-5 years.
- C. Do we recommend primarily a particular type of security? What are the material risks involved with that type of security? Are those risks unusual or significant?

<b>Private Corporate Debt Securities</b>	Higher Risk than an Exchange Listed Corporate Bond, Generally Small Cap or Micro-cap Companies with Limited Operating History and Limited assets and revenues, May Lose Entire
--	--

	Amount, Not Covered by SIPC
<b>Regulation D Securities</b>	Restricted Securities, No Liquid Secondary Market, No Required Reporting Requirements, Generally Early Stage or Development Companies, May Lose Entire Amount, Not Covered by SIPC
<b>Regulation A Securities</b>	Unrestricted Securities, No Liquid Secondary Market, No Required Reporting Requirements, Generally Early Stage or Development Companies, May Lose Entire Amount, Not Covered by SIPC
<b>Over-the-Counter Securities</b>	More Susceptible to Market Fluctuations; Higher Risk than and Exchange Listed Company, May Lose Entire Amount, Not Covered by SIPC
<b>Intra-State Exempt Securities</b>	Restricted Securities, No Liquid Secondary Market, No Required Reporting Requirements, Generally Early Stage or Development Companies, May Lose Entire Amount, Not Covered by SIPC
<b>Oil and Gas Interests</b>	A Notably Volatile Industry Sector; Historically Prone to Bubble and After Effects; May Lose Entire Amount Invested; Not Covered by SIPC
<b>Real Estate</b>	A Notably Volatile Industry Sector; Historically Prone to Bubble and After Effects; May Lose Entire Amount Invested, Not Covered by SIPC
<b>Foreign Issuers</b>	May Not be Subject to U.S. Financial Reporting Standards, Higher Risk than an Exchange Listed Company, May Lose Entire Amount Invested, Not Covered by SIPC
<b>Certificates of Deposit</b>	Limited Liquidity
<b>Life Settlement</b>	Restricted Securities, No Liquid Secondary Market, No Required Reporting Requirements, Generally Long Term Investments, May Lose Entire Amount, Not Covered by SIPC

**Item 9. Disciplinary Information:**

What facts about any legal or disciplinary event involving our Firm or its personnel should you know of, because it is material to an evaluation of the integrity of our Firm or its Management Persons?

The SEC requires that we inform you, our Client, if our Firm or any of our Management Persons has been involved in any of the events listed below within the last ten years, and if there is any material fact about any legal or disciplinary event that you should know about in order to evaluate our integrity.

You may also see these same questions answered online at the Investment Adviser Public Disclosure Site (IAPD), in Part 1A, Item 11.

**HAS OUR FIRM OR ANY OF OUR MANAGEMENT PERSONS BEEN INVOLVED IN:**

A Criminal or Civil action in a domestic, foreign or military court of competent jurisdiction in which our Firm or a Management person:

- (1) Was Convicted of, or Pled Guilty or Nolo Contendere (“No Contest”) to:
  - a. Any Felony?
    - i. NO
  - b. A Misdemeanor that involved investments or an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, or extortion?
    - i. NO
  - c. A Conspiracy to commit any of these offenses?
    - i. NO
- (2) Is the named subject of a pending criminal proceeding that involves an investment-related business, fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses?
  - a. NO
- (3) Was found to have been involved in a violation of an investment-related statute or regulation?
  - a. NO
- (4) Was the subject of any order, judgment, or decree permanently or temporarily enjoining, or otherwise limiting, our Firm or a Management Person from engaging in any investment-related activity, or from violating any investment-related statute, rule, or order? NO

B. An Administrative proceeding before the SEC, any other Federal Regulatory Agency, any State Regulatory Agency, or any Foreign Financial Regulatory Authority in which our Firm or a Management Person –

- (1) Was found to have caused an investment-related business to lose its authorization to do business?
  - a. NO
- (2) Was found to have been involved in a violation of an investment-related statute or regulation and was the subject of an order by the agency or authority:
  - a. Denying, Suspending, or Revoking the authorization of your Firm or a Management Person to act in an investment-related business?

- i. NO
- b. Barring or suspending our Firm's, or a Management Person's, association with an investment-related business?
  - i. NO
- c. Otherwise significantly limiting our Firm's, or a Management Person's, investment-related activities?
  - i. NO
- d. Imposing a civil money penalty of more than \$2,500 on our Firm, or a Management Person?
  - i. NO

C. A Self-Regulatory Organization (SRO) proceeding in which our Firm or a Management person:

- (1) Was found to have caused an investment-related business to lose its authorization to do business?
  - a. NO
- (2) Was found to have been involved in a violation of the SRO's rules and was:
  - a. Barred or suspended from membership or from association with other members, or was expelled from membership?
    - i. NO
  - b. Otherwise significantly limited from investment-related activities?
    - i. NO
  - c. Fined more than \$2,500
    - i. NO

**NOTE: IN AUGUST OF 2010, A FIRM THAT MR. MUEHLER WAS MANAGING WAS SERVED A 'CEASE AND DESIST' ORDER IN THE MATTER OF 'PUBLIC SOLICITATION' OF A PRIVATE PLACEMENT (AN UN-SOLICITED EMAIL WAS SENT TO A POTENTIAL INVESTOR THAT STATED INVESTMENT TERMS AND CONDITIONS). THE FIRM THAT WAS SUBJECT OF THE CEASE AND DESIST ORDER CEASED OPERATIONS PRIOR TO THE SALE OF ANY SECURITIES TO ANY INVESTORS. A COPY OF THE 2010 ORDER IS ATTACHED AS AN EXHIBIT TO PART I OF THIS ADV FORM.**

**Item 10. Other Financial Industry Activities and Affiliations:** What material relationships does our Firm, or any of our Management Persons have, with related financial industry participants? What material conflicts of interest may arise from these relationships and how are these conflicts addressed?

- A. Have we, or has any of our Management Persons, registered as a broker-dealer or as a representative of a broker-dealer?
  - a. NO

- B. Have we, or has any of our Management Persons, registered as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of any of these entities named here?
- a. NO
- C. Do we have any “related person” – a person or a firm that we control or that controls us through ownership, or as an officer – with whom we have a material relationship, any arrangement that may cause a conflict of interest when providing our clients with Investment Advice?
- a. YES

Alternative Securities Markets Group Corporation

- Wholly owned Subsidiaries
  - Investment Funds (Private)
    - Alternative Securities Markets Group Corporation Fixed Income Fund, LLC (to be formed)
      - Open End Fixed Return Fund
    - ASMG Fixed Income Fund I, LLC (to be formed in 2014)
      - Closed Ended Fund
    - ASMG Fixed Income Fund II, LLC (to be formed in 2014)
      - Closed Ended Fund
    - ASMG Fixed Income Fund III, LLC (to be formed in 2014)
      - Closed Ended Fund
    - ASMG Fixed Income Fund IV, LLC (to be formed in 2014)
      - Closed Ended Fund
    - ASMG Fixed Income Fund V, LLC (to be formed in 2014)
      - Closed Ended Fund
  - Private Operating Companies (all to be formed in 2014)
    - Samba Brazilian Gourmet Pizza Corporation
    - Alternative Securities Market, Inc.
      - Alternative Securities Markets Group Aviation and Aerospace Market, LLC
      - Alternative Securities Markets Group Biofuels Market, LLC
      - Alternative Securities Markets Group California Water Rights Market, LLC
      - Alternative Securities Markets Group Commercial Mortgage Clearinghouse, LLC
      - Alternative Securities Markets Group Energy Market, LLC
      - Alternative Securities Markets Group Entertainment and Media Market, LLC
      - Alternative Securities Markets Group Fashion and Textiles Market, LLC
      - Alternative Securities Markets Group Financial Services Market, LLC
      - Alternative Securities Markets Group Food and Beverage Market, LLC

- Alternative Securities Markets Group Hotel and Hospitality Market, LLC
- Alternative Securities Markets Group Life Settlement Market, LLC
- Alternative Securities Markets Group Medical Device and Pharmaceuticals Market, LLC
- Alternative Securities Markets Group Mining and Mineral Rights Market, LLC
- Alternative Securities Markets Group Oil and Natural Gas Market, LLC
- Alternative Securities Markets Group Residential Mortgage Clearinghouse, LLC
- Alternative Securities Markets Group Restaurant and Nightclub Market, LLC
- Alternative Securities Markets Group Retail and E-Commerce Market, LLC
- Alternative Securities Markets Group New Technologies Market, LLC
- Minority Equity Ownership Interests
  - Alternative Securities Markets Group Corporation holds 2-10% minority equity positions in all companies listed on the Alternative Securities Market (<http://www.AlternativeSecuritiesMarket.com>)

NOTE: An Adviser's RELATED PERSONS are: (1) the Adviser's Officers, or Directors (or any person performing similar functions); (2) all persons directly or indirectly controlling, controlled by, or under common control with the Adviser; (3) all of the Adviser's current employees; and (4) any person providing investment advice on the Adviser's behalf.

**WE ADDRESS THIS ISSUE BY DISCLOSING THE RISKS TO OUR CLIENTS**

The Risk of a conflict of interest in any such arrangement lies in the compensation to be received; it creates an incentive to recommend the service.

**Otherwise, our Firm has not other related person that is a:**

- Municipal Securities Dealer
- Government Securities Dealer or Broker
- A Mutual Fund
- A Unit Investment Trust
- Offshore Fund
- Another Investment Adviser / Financial Planner
- A Futures Commission Merchant, Commodity Pool Operator or Commodity Trading Advisor
- A Bank or a Thrift Institution

- An Insurance Company or Agency
- A Pension Consultant
- A Real Estate Broker or Dealer
- A Sponsor or Syndicator of Limited Partnerships

D. Do we recommend or select other Investment Advisers for our Clients? NO, we do not. If an Adviser selects or recommends other advisers for a Client, the Adviser must disclose any compensation arrangements or other business relationships between the Advisory Firms that create material conflicts of interest between the adviser and its clients along with a discussion of the conflict and how they are addressed.

Do we receive compensation form other advisers for our referrals? NO, this does not apply. The compensation advisers may receive, clients should note, creates an incentive to make the recommendation and thereby an inherent risk of a conflict of interest. We address this possible conflict of interest first by bringing to our Clients' attention and by disclosing that this does not apply to our Firm.

De we have any other business relationships with advisers that could cause a conflict of interest, and if "yes", how do we address them? NO, we do not.

#### **Item 11. Code of Ethics:**

A. As required by the SEC Rule 204A-1 or similar state rules, our Firms has adopted a Code of Ethics. The Firm has created a Code of Ethics (November 2014) which addresses primarily issues involved in monitoring proprietary "investment" activities (there are no "trading activities" associated with Alternative Securities Markets Group Corporation). A Copy is available upon written request.

Please note that using any insider information, information that is not readily available to all participants in a securities marketplace (upon making a reasonable effort to obtain that information), for any person, ourselves or relatives or clients or any other person, is strictly illegal and punishable by fines and imprisonment.

#### **How Our Firm Controls Sensitive Information:**

- Building Security: Controlled Entrances, Visitor Screening, Security Monitoring devices, including (but not limited to); security cameras, motion detectors, pass codes, and alarms
- Office Door Locks
- Locked File Cabinets
- Password Protected Computer Screens and Databases; Computer "sleep" if left unused
- Fire Prevention Equipment
- Office area under continual supervision

- B. Does your Firm or a related person recommend to our Clients, or do we buy or sell for our Client" accounts, securities in which we or a related person has a material interest?
- a. Our Firm and/or its Associates:
    - i. Buy or Sell for the Firm or for themselves any securities that we also recommend to our Investment Advisory Clients
      - 1. WE DO NOT
    - ii. Invest or are permitted to invest in securities related to those we may recommend to Investment Advisory Clients?
      - 1. WE DO NOT
  - b. Our Firm and its Associates:
    - i. Buy Securities for the Firm or for themselves from Advisory Clients?
      - 1. WE DO NOT
    - ii. Sell Securities the Firm or its Associates own to Advisory Clients?
      - 1. The Firm may recommend securities of Private Funds that the Firm is a Manager and is a wholly owned subsidiary
    - iii. In their capacity as a broker / dealer agent, transact purchases or sales of any Investment Advisory Client's securities directly to any person?
      - 1. WE DO NOT
    - iv. Recommend securities to our advisory clients in which our Firm or any person or other firm related to our Firm has some other proprietary ownership or other financial interest
      - 1. The Firm may recommend securities of Private Funds that the Firm is a Manager and is a wholly owned subsidiary
      - 2. The Firm may recommend securities of companies associated with the Alternative Securities Market (<http://www.AlternativeSecuritiesMarket.com>), of which, the Company holds a minority equity ownership interest in each of these companies, though it receives no financial compensation for any investments made.
    - v. Act as an investment adviser to an investment company that we recommend to our Clients?
      - 1. WE DO NOT
- C. Personal Trading: There are no "Trading Activities" Associated with the Alternative Securities Markets Group Corporation
- D. Personal Trading: There are no "Trading Activities" Associated with the Alternative Securities Markets Group Corporation

**Item 12. Brokerage Practices:**

- A. Does our Firm select a broker / dealer for you?
  - a. NO WE DO NOT, THERE ARE NO ACTIVITIES OR SERVICES ASSOCIATED WITH THE ALTERNATIVE SECURITIES MARKETS GROUP CORPORATION THAT INVOLVE BROKER DEALERS, EXCEPT FOR 'ISSUER SERVICES'.

**Item 13. Review of Accounts:**

- A. Does someone in our Firm review investment account portfolios and how often?
  - a. The Alternative Securities Markets Group Corporation does not maintain investment accounts for our Investment Advisory Clients. Though, Mr. Steven J. Muehler, Founder and Chief Executive Officer of the Firm. At Mr. Muehler's discretion, he may delegate review of a client's "advisory portfolio of investments" to another qualified Registered Investment Adviser.
- B. What factors might trigger a review in addition to our periodic review?
  - a. Certain advisory portfolios may be reviewed in the event of significant changes in the markets or due to socio-political factors deemed to affect those portfolios or input provided through our own research. Changes to an Investment Advisory Client's expressed goals, needs, or financial condition may also trigger a review of a client's portfolio. Clients are encouraged to maintain regular contact with the Investment Adviser, especially to keep the Firm informed of any changes to the Client's status.
- C. What regular reports do we or other provide you? Are they written reports? What do they contain?
  - a. All Companies and Funds that we recommend will send confirmation of each transaction that the client chooses to complete, directly to the client. Each Company or Fund will send monthly or quarterly statements, unless the Company is a "non-reporting" company as defined by the Alternative Securities Market (<http://www.AlternativeSecuritiesMarket.com>).

**Item 14. Client Referrals and Other Compensation:**

- A. Does someone other than a Client of our Firm pay our Firm or related persons, or otherwise provide economic benefit to our Firm, for the investment advice we provide to Investment Advisory Clients?
  - a. Our Firm is not compensated in any way from third parties for our Investment Advisory.

B. Does our Firm or a firm related to us through some form of ownership pay someone, directly or indirectly, for client referrals?

a. NO WE DO NOT

**Item 15: Custody:**

A. Does our Firm have discretionary authority over Client Assets?

a. NO WE DO NOT, NO OPERATION OF THE ALTERNATIVE SECURITIES MARKETS GROUP CORPORATION INVOLVES ANY TYPE OF CUSTODY OF ANY OF A CLIENTS ASSETS

**Item 16: Investment Discretion:**

A. Does our Firm have Discretionary Authority over a Client's Assets?

a. NO WE DO NOT, NO OPERATION OF THE ALTERNATIVE SECURITIES MARKETS GROUP CORPORATION INVOLVES ANY TYPE OF CUSTODY OF ANY OF A CLIENTS ASSETS

**Item 17: Voting Client Securities:**

A. Does our Firm have, or will it accept authority, to vote Investment Advisory Client Securities?

a. NO. The Firm's policies and procedures manual, our agreements and this disclosure brochure will state:

i. *"Clients should note that the Adviser does not undertake to vote any proxies to the investments a client may choose to make, or have. It remains the Client's right to vote all proxies; voting proxies is an important means for the investor to understand the companies in whose securities he / she is invested."*

b. This is our policy and our procedure: THAT WE DO NOT VOTE PROXIES. Our Firm does not vote its Advisory Client's proxies. We state in our agreement and here in these disclosures. Our Firm urges our Clients to read and participate in the voting process tied to the shares they own in various companies as an excellent means for our clients to become familiar with those companies in which they are invested.

**Item 18: Financial Information:**

A. Does your Firm have Custody of Client Funds or Securities?

a. NO WE DO NOT

- B. Does our Firm have any financial condition that could reasonably seem likely to impair our ability to meet our contractual commitments to clients?
  - a. NO WE DO NOT
  
- C. Has our Firm been the subject of a bankruptcy during the last ten years?
  - a. No, it has not

**Item 19: State Registration Information:**

If you are registering or are registered with one or more State Securities Authorities, you must respond to the following additional items:

- A. Identify each of your Principal Executive Officers and Management Persons, and describe their formal education and business background.

Mr. Steven Joseph Muehler is the Founder and Chief Executive Officer of the Alternative Securities Markets Group Corporation, which opened the "Alternative Securities Market" to companies seeking both an initial public offering and a public listing of the Company's Securities in April of 2014, and is opening the market to the general investing public on January 1<sup>st</sup>, 2014.

Unlike the current "CrowdFunding" Sites over saturating the Alternative Securities Investment Industry today, the Alternative Securities Market is the FIRST and ONLY CrowdFunding Site that is open to ALL INVESTORS (U.S. Citizens, Non-U.S. Citizens, Accredited Investors, Non-Accredited Investors, Private Individual Investors, and Institutional Investors and Advisors).

The Alternative Securities Market is the First and Only Primary and Secondary Market for the initial issue and resale of Regulation A, Regulation S and Regulation D Securities (Regulation D, Regulation S, and certain Regulation A Securities of "shell companies" are restricted from resale for 6-12 months). The Alternative Securities Market operates as a private, transparent equity and debt securities marketplace, offering market participants a comprehensive range of services to meet their needs, including facilitating "initial public offerings" for Regulation A, Regulation S and Regulation D securities. The Alternative Securities Markets Group also supplies both market, industry and listed company data. The total product offering at the Alternative Securities Market includes: Common Stock, Preferred Stock, Convertible Preferred Stock, Debt Notes (asset backed & secured notes only) and Convertible Debt Notes.

Mr. Muehler has more than fifteen years investment banking industry and corporate finance industry experience, 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 and leading fund raising efforts for early stage to mid-cap companies. His areas of expertise are in Commercial and Residential Real Estate Securitizations, Energy, Biofuels, Mining and Mineral Rights, Oil and Natural Gas, Medical Device,

Pharmaceuticals and New Technology Market Capitalization and Management ranging from Fortune 100 companies to early stage ventures.

Prior to founding the Alternative Securities Markets Group in April of 2014, Mr. Muehler served as a corporation capitalization and securities advisor for both private and public securities offerings.

Before beginning his career in the Corporate Investment Banking Market, 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 Reverview Community Bank, WCI Communities and Allied Capital Corporation. It was with these companies, and during his time as an advisor, that Mr. Muehler gained valuable experience working with multinational finance and domestic 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.

During the last year, Mr. Muehler has served as the “counter point to CrowdFunding” on his weekly Radio and HDWebTV Series, “Steve Muehler, On the Corner of Main Street and Wall Street”. The Show returns on January 2<sup>nd</sup>, 2014 with a weekly 2-3 hour broadcast.

Mr. Muehler is also the Founder and Chief Executive Officer of “Samba Brazilian Gourmet Pizza Corporation”.

- B. Describe any business in which you are actively engaged (other than giving investment advice) and the approximate amount of time spent on that business.

Alternative Securities Markets Group Corporation (40-80 hours per week)

a. Wholly owned Subsidiaries

i. Investment Funds (Private)

1. Alternative Securities Markets Group Corporation Fixed Income Fund, LLC (to be formed)
  - a. Open End Fixed Return Fund
2. ASMG Fixed Income Fund I, LLC (to be formed in 2014)
  - a. Closed Ended Fund
3. ASMG Fixed Income Fund II, LLC (to be formed in 2014)
  - a. Closed Ended Fund
4. ASMG Fixed Income Fund III, LLC (to be formed in 2014)
  - a. Closed Ended Fund
5. ASMG Fixed Income Fund IV, LLC (to be formed in 2014)
  - a. Closed Ended Fund
6. ASMG Fixed Income Fund V, LLC (to be formed in 2014)
  - a. Closed Ended Fund

ii. Private Operating Companies (all to be formed in 2014)

1. Samba Brazilian Gourmet Pizza Corporation
2. Alternative Securities Market, Inc.
  - a. Alternative Securities Markets Group Aviation and Aerospace Market, LLC
  - b. Alternative Securities Markets Group Biofuels Market, LLC
  - c. Alternative Securities Markets Group California Water Rights Market, LLC
  - d. Alternative Securities Markets Group Commercial Mortgage Clearinghouse, LLC
  - e. Alternative Securities Markets Group Energy Market, LLC
  - f. Alternative Securities Markets Group Entertainment and Media Market, LLC
  - g. Alternative Securities Markets Group Fashion and Textiles Market, LLC
  - h. Alternative Securities Markets Group Financial Services Market, LLC
  - i. Alternative Securities Markets Group Food and Beverage Market, LLC
  - j. Alternative Securities Markets Group Hotel and Hospitality Market, LLC
  - k. Alternative Securities Markets Group Life Settlement Market, LLC
  - l. Alternative Securities Markets Group Medical Device and Pharmaceuticals Market, LLC
  - m. Alternative Securities Markets Group Mining and Mineral Rights Market, LLC
  - n. Alternative Securities Markets Group Oil and Natural Gas Market, LLC
  - o. Alternative Securities Markets Group Residential Mortgage Clearinghouse, LLC
  - p. Alternative Securities Markets Group Restaurant and Nightclub Market, LLC
  - q. Alternative Securities Markets Group Retail and E-Commerce Market, LLC
  - r. Alternative Securities Markets Group New Technologies Market, LLC

b. Minority Equity Ownership Interests

- i. Alternative Securities Markets Group Corporation holds 2-10% minority equity positions in all companies listed on the Alternative Securities Market (<http://www.AlternativeSecuritiesMarket.com>)

- C. In addition to the description of your fees in response to Item 5 of part 2A, if you or a supervised person are compensated for advisory services with performance-based fees, explain how these fees will be calculated. Disclose specifically that performance-based compensation may create an

incentive for the adviser to recommend an investment that may carry a higher degree of risk to the client.

- a. We receive not "performance based" compensation for any Investment Advisory Services.

D. If you or a management person has been involved in one of the events listed below, disclose all material facts regarding the event:

- a. An award or otherwise being found liable in an arbitration claim alleging damages in excess of \$2,500, involving any of the following:
  - i. An investment or an investment-related business or activity;
  - ii. Fraud, false statement(s), or omissions
  - iii. Theft, embezzlement, or other wrongful taking of property
  - iv. Bribery, forgery, counterfeiting, or extortion; or
  - v. Dishonest, unfair, or unethical practices.
  - vi. NO WE HAVE NOT TO ALL POINTS
- b. An award of otherwise being found liable in a civil, self-regulatory, or administrative proceeding involving any of the following:
  - i. An investment or an investment-related business activity;
  - ii. Fraud, False Statement(s), or omissions
  - iii. Theft, embezzlement, or other wrongful taking of property;
  - iv. Bribery, forgery, counterfeiting, or extortion; or
  - v. Dishonest, unfair, or unethical practices.
  - vi. NO WE HAVE NOT TO ALL POINTS

E. In addition to any relationship or arrangement described in response to Item 10.C of Part 2A, describe any relationship or arrangement that you or any of your Management Persons have with any issuer of securities that is not listed in Item 10.C of Part 2A

- a. NONE

**PART 2B: The Brochure Supplement:** Here we provide information about advisory personnel on whom you rely for Investment Advice. We must provide this supervised person's supplement to you, our client initially at or before the time when that specific supervised person begins to provide you with advisory services.

**MR. STEVEN JOSEPH MUEHLER**  
**Born August 11<sup>th</sup>, 1975**

**Item 2: Educational Background and Business Experience:**

Mr. Steven Joseph Muehler is the Firm's Founder and Chief Executive Officer. Mr. Muehler was born in August of 1975, and grew-up and attended High School in Wahpeton, North Dakota. After graduating from Wahpeton Senior High School in 1994, Mr. Muehler enlisted in the United States Marine Corps, and was honorably discharged from Active Duty in 1999.

While enlisted in the United States Marine Corps, Mr. Muehler began his college studies through the Marine Corps Distance Education Program. Mr. Muehler took college level courses and earned college credits from: The University of North Dakota, The University of Minnesota, The University of Minnesota, Brigham Young University, The University of Alabama and the University of South Carolina. Upon being honorably discharged from the United States Marine Corps in 1999, Mr. Muehler continued his college education at Charleston Southern University in North Charleston, South Carolina.

Mr. Muehler has more than fifteen years investment banking industry and corporate finance industry experience, 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 and leading fund raising efforts for early stage to mid-cap companies. His areas of expertise are in Commercial and Residential Real Estate Securitizations, Energy, Biofuels, Mining and Mineral Rights, Oil and Natural Gas, Medical Device, Pharmaceuticals and New Technology Market Capitalization and Management ranging from Fortune 100 companies to early stage ventures.

Prior to founding the Alternative Securities Markets Group in April of 2014, Mr. Muehler served as a corporation capitalization and securities advisor for both private and public securities offerings.

Before beginning his career in the Corporate Investment Banking Market, 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 Reverview Community Bank, WCI Communities and Allied Capital Corporation. It was with these companies, and during his time as an advisor, that Mr. Muehler gained valuable experience working with multinational finance and domestic 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.

During the last year, Mr. Muehler has served as the “counter point to CrowdFunding” on his weekly Radio and HDWebTV Series, “Steve Muehler, On the Corner of Main Street and Wall Street”. The Show returns on January 2<sup>nd</sup>, 2014 with a weekly 2-3 hour broadcast.

**Item 3. *Disciplinary Information:*** In the Investment Adviser Public Disclosure Site one may find the following disclosures regarding Mr. Muehler. “This Investment Adviser Representative is currently registered in ONE jurisdiction.

Is this Investment Adviser Representative currently suspended with any jurisdiction? **NO**

Are there events disclosed about this Investment Adviser Representative? **NO**

**Item 4: *Other Business Activities:*** As noted above and in ADV Part 2A, Mr. Steven J. Muehler is the Founder and Chief Executive Officer of the Alternative Securities Markets Group Corporation, and the sole shareholder of the Corporation. The Alternative Securities Markets Group Corporation has multiple subsidiaries and minority equity ownership interests as detailed in ADV Part 2A. Mr. Muehler, nor the Alternative Securities Markets Group Corporation, receives no commissions or financial compensation from Investment Advisory Clients who choose to invest in one of these companies.

**Item 5: *Additional Compensation:*** Mr. Muehler currently receives no other forms of income outside of the investment adviser counseling. Mr. Muehler in the future may receive advisory income from the wholly owned subsidiaries of the Alternative Securities Markets Group Corporation, as well as income from Samba Brazilian Gourmet Pizza Corporation. An amendment to this document will be filed and delivered to all Clients of the Alternative Securities Markets Group Corporation upon any change to Mr. Muehler’s income.

**Item 6: *Supervision:*** Mr. Muehler is the Firm’s Founder and Chief Executive Officer; he is largely his own supervisor. He maintains on file, in the Firm’s office reports, his formulation of his recommendations for the regulator to review at will.

**Item 7: *State Registration Requirements:*** Mr. Muehler is registering as a representative of the Advisory firm in California, Florida, New York, Nevada, and Arizona. None of the disciplinary or regulatory events noted under this item applies to Mr. Muehler. He has not been subject of a bankruptcy filing in the past ten years.

**EXHIBIT E**

# Alternative Securities Markets Group

Corporate:

4050 Glencoe Avenue, Marina Del Rey, California 90292  
 Direct: 213-407-4386 / Email: Info@AlternativeSecuritiesMarket.com  
<http://www.AlternativeSecuritiesMarket.com>

## ALTERNATIVE SECURITIES MARKETS GROUP CORPORATION LISTING OF DIRECT PUBLIC OFFERING AGREEMENT:

THIS AGREEMENT, dated as of the date executed by ALTERNATIVE SECURITIES MARKETS GROUP CORPORATION ("ASMG"), a California Stock Corporation, located at 4050 Glencoe Avenue, Marina Del Rey, California 90292, by and between ASMG and the COMPANY, as identified below.

The Company's eligibility to list securities on the Alternative Securities Markets Group Corporation's Primary and Secondary Private Alternative Securities Market at <http://www.AlternativeSecuritiesMarket.com> is more fully defined in, and is governed by, the ASMG Listing & Direct Public Offering Agreement, as amended from time to time, which, together with all attachments, appendices, addenda, cover sheets, amendments, exhibits, schedules and other materials referenced therein (collectively, the "Agreement"), are attached hereto and incorporated herein by reference in their entirety.

The Company requests to enter into a Securities Listing Agreement with ASMG and to have its securities listed on one of the following tiers of the Alternative Securities Markets at <http://www.AlternativeSecuritiesMarket.com>, as applicable, as evidenced by an authorized officer of the Company initialing and dating below next to the Alternative Securities Market Tier being requested:

### **MUST CHOOSE ONE ASM MARKET TIER BELOW:**

ASM MARKET	Initials	Date
<b>ASM VENTURE MARKET</b> <i>(Raising \$100,000 to \$1,000,000)</i>		
<b>ASM MAIN MARKET</b> <i>(Raising \$1,000,001 to \$5,000,000)</i>	X <u>        GJM        </u>	X <u>        11/9/14        </u>
<b>ASM GLOBAL PRIVATE MARKET</b>	Contact for Listing Details	Contact for Listing Details
<b>ASM POOLED FUNDS MARKET</b>	Not Available through this offer	Not Available through this offer

**SEE MARKET TIER LISTING REQUIREMENTS ON THE NEXT PAGE BEFORE CHOOSING A MARKET TIERM TO APPLY FOR LISTING:**

# Alternative Securities Markets Group

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Corporate:

4050 Glencoe Avenue, Marina Del Rey, California 90292  
Direct: 213-407-4386 / Email: [Info@AlternativeSecuritiesMarket.com](mailto:Info@AlternativeSecuritiesMarket.com)  
<http://www.AlternativeSecuritiesMarket.com>

## **ASM VENTURE MARKET:**

- U.S & Canadian Companies Only
- Securities are issued pursuant to Regulation A and Regulation S ONLY
- Market open to all U.S. Investors and International Investors (accredited and non-accredited)
- Regulation A Shares issued unrestricted (unless the Company is a shell) – Immediately free trading
- Regulation S Shares issued with 6-12 month restrictions on trade
- Minimum Offering: \$100,000 USD
- Maximum Offering: \$1,000,000 USD
- Un-audited Financial Statements required
- SEE MARKET TIER PUBLIC REPORTING REQUIREMENTS LISTED BELOW
- SEC Review and Qualification required prior to the marketing or sale of any securities. NASAA Coordinated Review will follow SEC review, comment and qualification.

## **ASM MAIN MARKET:**

- U.S & Canadian Companies Only
- Securities are issued pursuant to Regulation A and Regulation S ONLY
- Market open to all U.S. Investors and International Investors (accredited and non-accredited)
- Regulation A Shares issued unrestricted (unless the Company is a shell) – Immediately free trading
- Regulation S Shares issued with 6-12 month restrictions on trade
- Minimum Offering: \$1,000,001 USD
- Maximum Offering: \$5,000,000 USD
- Proposed New Maximum Offering: \$50,000,000 USD (upon enactment of Regulation A Plus / Tier II)
- Un-audited Financial Statements required
- SEE MARKET TIER PUBLIC REPORTING REQUIREMENTS LISTED BELOW
- SEC Review and Qualification required prior to the marketing or sale of any securities. NASAA Coordinated Review will follow SEC review, comment and qualification.

## **ASM GLOBAL PRIVATE MARKET:**

- U.S., Canadian and International Companies
- Securities are issued pursuant to Regulation D and Regulation S
- Market open to all U.S. Accredited Investors and International Investors (No non-accredited)
- Regulation D Shares issued with 6-12 month restrictions on trade
- Regulation S Shares issued with 6-12 month restrictions on trade
- U.S. and Canadian Company Minimum Offering: \$5,000,001 USD
- International Company Minimum Offering: \$1,000,001 USD
- Maximum Offering: Unlimited
- Un-audited Financial Statements required
- SEE MARKET TIER PUBLIC REPORTING REQUIREMENTS LISTED BELOW
- No SEC Comment or Review

## **ASM POOLED FUNDS MARKET:**

- By Invite Only

# Alternative Securities Markets Group

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Corporate:

4050 Glencoe Avenue, Marina Del Rey, California 90292  
Direct: 213-407-4386 / Email: [Info@AlternativeSecuritiesMarket.com](mailto:Info@AlternativeSecuritiesMarket.com)  
<http://www.AlternativeSecuritiesMarket.com>

All notices and other communications (except for invoices) are required to be given in writing under the Agreement shall be delivered to the address identified in the subsection (a) and (b) below and shall be deemed and have been duly provided (i) at the time of delivery, if sent by certified mail, return receipt requested, or any other delivery method that actually obtains a signed delivery receipt, to the following address or to such other address as any party hereto shall hereafter specify by prior written notice to the other party or parties below, or (ii) upon posting the notice or other communication on <http://www.AlternativeSecuritiesMarket.com>, or on any successor sites. If an email address is provided, ASMG may, in lieu of the above, give notice to or communicate with the Company by email addressed to the Persons identified in subsection (b) or to such other email address or Persons as the Company shall hereafter specify by prior written notice. The Company agrees that any receipt received by ASMG from the Company's service provider or Internet computer server indicating that the email was received at the address provided by the Company shall be deemed proof that the Company received the message.

(a) If to ASM Group,

Alternative Securities Markets Group Corporation  
Attn: Legal Dept  
4050 Glencoe Avenue  
Marina Del Rey, California 90292  
Direct: (213) 407-4386  
Email: [Legal@AlternativeSecuritiesMarket.com](mailto:Legal@AlternativeSecuritiesMarket.com)

(b) If to the Company,

Contact Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Address: \_\_\_\_\_  
Telephone: \_\_\_\_\_  
Email: \_\_\_\_\_

**REMAINDER OF PAGE LEFT BLANK INTENTIONALLY**

# Alternative Securities Markets Group

Corporate:

4050 Glencoe Avenue, Marina Del Rey, California 90292  
Direct: 213-407-4386 / Email: [Info@AlternativeSecuritiesMarket.com](mailto:Info@AlternativeSecuritiesMarket.com)  
<http://www.AlternativeSecuritiesMarket.com>

## **Terms of "Direct Public Offering":** *(Answer THREE QUESTIONS Below):*

1. **Total amount of Investment Capital to be Raised Through an Initial Public Offering on the Alternative Securities Market** *(\$5,000,000 Maximum. For amounts greater than \$5,000,000, call the Alternative Securities Markets Group Corporation for details).*

\$5,000,000

2. **Type of Direct Public Offering:** *(Choose One)*

Common Stock:

Preferred Stock:

Membership Units / Equity Interests:

Debt Note / Corporate Bond:

Royalty Interest:

Other: \_\_\_\_\_

3. **Type of Reporting:** *(Choose One of Three options below)*

**OPTION ONE: Public Reporting Company:**

- **Quarterly Un-audited Financial Statements:** Company Agrees to furnish Alternative Securities Markets Group a complete set of un-audited financial statements within 30 days of the close of each business quarter. Company financials shall be emailed to [LEGAL@AlternativeSecuritiesMarket.com](mailto:LEGAL@AlternativeSecuritiesMarket.com) and will also posted at [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) where approved investors, potential new investors and investment banking professionals with issued usernames and passwords will have access to view the Company's Financial Statements. All un-audited financial statements will be signed as "true and accurate" by the Chief Executive Officer and/or the Chief Financial Officer of the Company.
- **Annual Audited Financial Statements:** Company Agrees to furnish Alternative Securities Markets Group a complete set of AUDITED financial statements within 60 days of the close of each business fiscal year. Company financials shall be emailed to [LEGAL@AlternativeSecuritiesMarket.com](mailto:LEGAL@AlternativeSecuritiesMarket.com) and will also posted at [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) where approved investors, potential new investors and investment banking professionals with issued usernames and passwords will have access to view the Company's Financial Statements.

# Alternative Securities Markets Group

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Direct: 213-407-4386 / Email: [Info@AlternativeSecuritiesMarket.com](mailto:Info@AlternativeSecuritiesMarket.com)  
<http://www.AlternativeSecuritiesMarket.com>

- **Quarterly Conference Calls:** Company agrees that the Company's Chief Executive Officer will participate in a Quarterly Conference Call with current investors, potential new investors and/or financial professionals that chose to participate in the conference call. During this Quarterly Conference Call with the CEO of the Company, the CEO will detail the "*current status of the company*" and detail where the CEO is taking the company in the future. Conference call will take place no sooner than ten days, and no greater than 30 days, from the release of the Company's quarterly financial release. CEO take make ample time to answer questions from conference call participants. Company agrees that the quarterly conference calls with the Company's CEO will posted on the Company's private page at [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) where they may be heard by registered users of [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com).
- **Monthly Status of the Company Report:** Company agrees that the Company's Chief Executive Officer will publish a monthly "*State of the Company Letter*" and email the "*State of the Company Letter*" to all investors of the Company and to Alternative Securities Markets Group. The "*State of the Company Letter*" should detail the current operational status of the Company, detail any information that the CEO feels is necessary for investors to know and include information on the path the CEO of the Company is looking at taking the company in the short-term and in the long-ter. Company agrees that the "*State of the Company Letter*" will be posted on the Company's private page at [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) where they may be viewed by registered users of [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com).
- **Corporate Actions:** Certain corporate actions must be disclosed to all investors and to Alternative Securities Markets Group. These include: All Dividends, Stock Splits, New Stock Issues, Reverse Splits, Name Changes, Mergers, Acquisitions, Dissolutions, Bankruptcies or Liquidations. All must be reported to the Investors and to Alternative Securities Markets Group no less than TEN CALENDAR DAYS prior to record date. All Corporate Actions will be published on the Company's page at [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com).

# Alternative Securities Markets Group

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Corporate:

4050 Glencoe Avenue, Marina Del Rey, California 90292

Direct: 213-407-4386 / Email: [Info@AlternativeSecuritiesMarket.com](mailto:Info@AlternativeSecuritiesMarket.com)

<http://www.AlternativeSecuritiesMarket.com>

## **( X ) OPTION TWO: Limited Reporting Company:**

- **Quarterly Un-audited Financial Statements:** Company Agrees to furnish Alternative Securities Markets Group a complete set of un-audited financial statements within 30 days of the close of each business quarter. Company financials shall be emailed to [LEGAL@AlternativeSecuritiesMarket.com](mailto:LEGAL@AlternativeSecuritiesMarket.com) and will also be posted at [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) where approved investors, potential new investors and investment banking professionals with issued usernames and passwords will have access to view the Company's Financial Statements. All un-audited financial statements will be signed as "*true and accurate*" by the Chief Executive Officer and/or the Chief Financial Officer of the Company.
- **Quarterly Conference Calls:** Company agrees that the Company's Chief Executive Officer will participate in a Quarterly Conference Call with current investors, potential new investors and/or financial professionals that chose to participate in the conference call. During this Quarterly Conference Call with the CEO of the Company, the CEO will detail the "*current status of the company*" and detail where the CEO is taking the company in the future. Conference call will take place no sooner than ten days, and no greater than 30 days, from the release of the Company's quarterly financial release. CEO take make ample time to answer questions from conference call participants. Company agrees that the quarterly conference calls with the Company's CEO will be posted on the Company's private page at [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) where they may be heard by registered users of [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com).
- **Monthly Status of the Company Report:** Company agrees that the Company's Chief Executive Officer will publish a monthly "*State of the Company Letter*" and email the "*State of the Company Letter*" to all investors of the Company and to Alternative Securities Markets Group. The "*State of the Company Letter*" should detail the current operational status of the Company, detail any information that the CEO feels is necessary for investors to know and include information on the path the CEO of the Company is looking at taking the company in the short-term and in the long-term. Company agrees that the "*State of the Company Letter*" will be posted on the Company's private page at [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) where they may be viewed by registered users of [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com).

# Alternative Securities Markets Group

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- **Corporate Actions:** Certain corporate actions must be disclosed to all investors and to Alternative Securities Markets Group. These include: All Dividends, Stock Splits, New Stock Issues, Reverse Splits, Name Changes, Mergers, Acquisitions, Dissolutions, Bankruptcies or Liquidations. All must be reported to the Investors and to Alternative Securities Markets Group no less than TEN CALENDAR DAYS prior to record date. All Corporate Actions will be published on the Company's page at [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com).

## ( ) OPTION THREE: Non-Reporting Company:

- **Quarterly Conference Calls:** Company agrees that the Company's Chief Executive Officer will participate in a Quarterly Conference Call with current investors, potential new investors and/or financial professionals that chose to participate in the conference call. During this Quarterly Conference Call with the CEO of the Company, the CEO will detail the "*current status of the company*" and detail where the CEO is taking the company in the future. Conference call will take place no sooner than ten days, and no greater than 30 days, from the release of the Company's quarterly financial release. CEO take make ample time to answer questions from conference call participants. Company agrees that the quarterly conference calls with the Company's CEO will posted on the Company's private page at [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) where they may be heard by registered users of [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com).
- **Monthly Status of the Company Report:** Company agrees that the Company's Chief Executive Officer will publish a monthly "*State of the Company Letter*" and email the "*State of the Company Letter*" to all investors of the Company and to Alternative Securities Markets Group. The "*State of the Company Letter*" should detail the current operational status of the Company, detail any information that the CEO feels is necessary for investors to know and include information on the path the CEO of the Company is looking at taking the company in the short-term and in the long-ter. Company agrees that the "*State of the Company Letter*" will be posted on the Company's private page at [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com) where they may be viewed by registered users of [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com).

# Alternative Securities Markets Group

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- **Corporate Actions:** Certain corporate actions must be disclosed to all investors and to Alternative Securities Markets Group. These include: All Dividends, Stock Splits, New Stock Issues, Reverse Splits, Name Changes, Mergers, Acquisitions, Dissolutions, Bankruptcies or Liquidations. All must be reported to the Investors and to Alternative Securities Markets Group no less than TEN CALENDAR DAYS prior to record date. All Corporate Actions will be published on the Company's page at [www.AlternativeSecuritiesMarket.com](http://www.AlternativeSecuritiesMarket.com).

The Company agrees to continue to acknowledge that members of Alternative Securities Markets Group Corporation shall continue to be relying on the Company and business information when preparing the Company for a 'Direct Public Offering of Securities' and listing on the Alternative Securities Market. All members of the Company represent that all such information he or she is providing to Alternative Securities Markets Group Corporation is true and complete to the best of his or her knowledge. All members of the Company acknowledge that members of Alternative Securities Markets Group Corporation may provide the information submitted to other necessary parties or its affiliates in the course of preparing the proposed 'Direct Public Securities Offering' and listing on the Alternative Securities Market. All members of the Company shall promptly submit any additional information which supplements or reflects material changes in any of the information submitted to Alternative Securities Markets Group Corporation members. Furthermore, all members of the Company shall certify at each submission that all of the information supplied to Alternative Securities Markets Group Corporation is accurate and complete, to the best of her or her knowledge.

**Reporting Requirements: (To Be Emailed to [Legal@AlternativeSecuritiesMarket.com](mailto:Legal@AlternativeSecuritiesMarket.com))**

1. Company agrees to continue to provide the information as requested by the Alternative Securities Markets Group.
2. Copy of Final Business Plan / Private Placement Memorandum
3. Copy of the Articles of Incorporation
4. Details on Current Shareholders (Detail number of shares authorized, detailed number of shares issued and outstanding and who holds those shares).
5. BIOGRAPHIES of each Executive Member of the Company, NO RESUMES
6. Details on any issued options or warrants of the Company
7. Details on any debts of the Company
8. Details on all Permitting, Licensing or Regulatory Approvals Required for operation
9. Complete use of Funds Schedule

# Alternative Securities Markets Group

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## **Alternative Securities Markets Group to provide the following (ASM Venture Market and ASM Main Market ONLY):**

- Preparation of all Securities Registration Statements and Public Offering Memorandums
- All International, Federal & State Registrations, Submissions, Qualifications and Compliance.
- File SEC Form ID for SEC CIK Number and Edgar Filer Passcodes
- Complete Drafting of Regulation A Registration Statement on SEC Form 1-A
- Complete Drafting of Regulation S Securities Offering
- Issuance of International Stock Identification Number
- Printing, Binding and Filing of SEC Form 1-A with the United States Securities and Exchange Commission
- Printing, Binding and Filings of all Amended SEC Form 1-As required for the answering of all comments received from the SEC during the course of the Regulation A Review, Comment and Qualification process
- NASAA Registration of the Regulation A in the Following States (State Registration Fees to be paid upfront by the Alternative Securities Markets Group):
  - California
  - New York
  - Florida
  - Illinois
  - Texas
  - New Jersey
  - Pennsylvania
  - Nevada
  - Arizona
  - One more State as chosen by the Company
- Publishing of a Company page on the selected market tier that contains all information about the Company's Stock and Offering
- Publishing of a Company page for the Company's publishing of a Public Reporting Requirements
- Publishing of a Secure Page for the online execution of a Subscription Agreement to be completed by a potential investor, and to be executed by two parties: (1) the potential investor, and (2) a member of the Company (none of which may be a member of the Alternative Securities Markets Group Corporation).

# Alternative Securities Markets Group

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## **FEES PAID BY THE ALTERNATIVE SECURITIES MARKETS GROUP:**

- SEC Form 1-A Legal Drafting and Legal Compliance - \$2,750
- SEC CIK Number Issuance - \$0.00
- International Stock Identification Number: \$500
- SEC Form 1-A Filing with the SEC (each submission of seven copies, includes: printing, binding, binding materials, paper materials, ink / toner and postage): \$50
- NASAA Coordinated Review Submission - \$450 for NINE States
- State Registration and Filing Fees for Direct Initial Public Offering:
  - California: \$200 plus 1/5 of 1% of the Offering
  - New York: \$300 (\$500,000 or less) to \$1,200 (\$500,001 or more)
  - Florida: \$1,000
  - Texas: \$100 plus 1/10<sup>th</sup> of 1% of the Offering
  - New Jersey: \$1,000
  - Pennsylvania: \$500 Plus 1/20<sup>th</sup> of 1% of the Offering
  - Nevada: 0.02% of the Offering (Min: \$200 / Max: \$2,000)
  - Arizona: 1/10<sup>th</sup> of 1% of the Offering (Min: \$200 / Max: \$2,000)
  - Other State Chosen by the Company: \$200 to \$2750
  
- All Above fees are to be fully recovered through the “Cost of Offering” portion of the Direct Public Offering.

## **Costs Associated with Public Listings and Public Offering:**

Company acknowledges that there shall be fees associated with the Company’s Direct Public Securities Offering and listing on the Alternative Securities Market.

## **REGULATION A W/ REGULATION S SECURITIES OFFERING:**

- \$75 Per Month Public Reporting Fee (*first payment due upon execution of this agreement, and every month thereafter. Companies will continue to be public reporting during and after public capitalization. Companies are required to keep current their public reporting as detailed in this agreement. This monthly fee shall continue until the Company becomes quoted on the OTCQB or OTCQX Market or a Regulated Stock Exchange such as the NYSE or NASDAQ*).
- **BROKER DEALERS:** The Alternative Securities Markets has a network of more than 250 Dealer Brokers. Company’s entering into an agreement with a Broker Deal can expect to pay the Broker deal a commission ranging from 2% to more than 10%.

# Alternative Securities Markets Group

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- **MARKETING COSTS:** Companies not securing a relationship with a Listed Alternative Securities Market Broker Deal can expect to pay in the range of 2-5% of Investor Proceeds in additional marketing and advertising costs to complete the Public Offering. None of these costs are paid to the Alternative Securities Markets Group Corporation, and the Alternative Securities Markets Group Corporation does not receive and “kickbacks”, or any other form of compensation for any referrals it gives to marketing, PR or advertising firms.
- 05% of the Company’s Current Issued and Outstanding Common Stock Shares to be escrowed with the Company’s Legal Counsel in the name of “*Alternative Securities Markets Group Corporation*”. The Shares of Escrowed Common Stock to be released to “*Alternative Securities Markets Group Corporation*” fully diluted at the following milestones:
  - 20% of the Escrowed Common Stock Shares to be released to Alternative Securities Markets Group fully diluted upon the successful qualification of the Company’s Regulation A Registration Statement (for Companies listed on the ASM Venture or ASM Main Market) OR upon the filing of the SEC Form D and Completion of the Regulation D Offering for ASM Global Private Market Companies.
  - 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 25% of the Company’s Total Required Investment Capital as stated on page #4 of this Agreement.
  - 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 50% of the Company’s Total Required Investment Capital as stated on page #4 of this Agreement.
  - 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 75% of the Company’s Total Required Investment Capital as stated on page #4 of this Agreement.

# Alternative Securities Markets Group

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- 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 100% of the Company's Total Required Investment Capital as stated on page #4 of this Agreement.

## **Additional Items:**

Alternative Securities Markets Group Corporation has determined that the structure and terms of the proposed Debt and/or Equity Capital Offering and Listing, as described in this Agreement, are in compliance with all applicable International, Federal, State and Local Laws, Rules and Regulations regarding Private and Public Debt and/or Equity Public Offerings.

## **Termination:**

This Agreement has been prepared in reliance upon the information reviewed in the Company's Business Plan by Alternative Securities Markets Group Corporation's due diligence analysts. Should Alternative Securities Markets Group Corporation determine, in good faith, that any such information is materially false, incorrect, incomplete or misleading, or financially unfeasible, Alternative Securities Markets Group Corporation reserves the right to withdraw this agreement, and immediately delist the company from the Alternative Securities Market. Should the Company Terminate this agreement within 265 days of the execution of this agreement, the Company agrees to the following:

1. The Company understand that the above listed fees to be paid by the Alternative Securities Markets Group Corporation are paid PRIOR to any solicitation for investment from any investors associated with the Alternative Securities Market, and are generally paid within 30-60 days of the execution of this agreement.
2. It shall be responsible for any costs incurred in the Registration of the Company's Regulation A up to the date of termination, unless this agreement is terminated after the 265<sup>th</sup> day of the execution of this agreement, then the Company will no longer be responsible for any costs incurred in relation to the Company's Direct Public Offering.
3. Should the Company terminate this agreement :
  - a. Within 53 days of the execution of this agreement, the Company agrees to release 100% of the escrowed securities to the "Alternative Securities Markets Group Corporation", or its successors or assigns, fully diluted within five business days.
  - b. Within 106 days of the execution of this agreement, the Company agrees to release 80% of the escrowed securities to the "Alternative Securities Markets Group Corporation", or its successors or assigns, fully diluted within five business days.
  - c. Within 159 days of the execution of this agreement, the Company agrees to release 60% of the escrowed securities to the "Alternative Securities Markets

# Alternative Securities Markets Group

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- Group Corporation”, or its successors or assigns, fully diluted within five business days.
- d. Within 212 days of the execution of this agreement, the Company agrees to release 40% of the escrowed securities to the “Alternative Securities Markets Group Corporation”, or its successors or assigns, fully diluted within five business days.
  - e. Within 265 days of the execution of this agreement, the Company agrees to release 20% of the escrowed securities to the “Alternative Securities Markets Group Corporation”, or its successors or assigns, fully diluted within five business days.
  - f. After the 266<sup>th</sup> day of the execution of this agreement, there is no termination penalty for the termination of this agreement.

We look forward to partnering with you on this business opportunity.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed by their duly authorized officers. Signature on this Cover Sheet is in lieu of, and has the same effect as, signature on each document referenced herein.

## COMPANY

Company Name: Rum Cay Ocean Resort & Spa Development, LLC

Company Address: 493 Red Corner Road, Douglassville, PA 19518

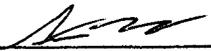
By (signature): 

Print Name: Steve Sherman

Title: Chairman

Date: 11/9/2014

## ALTERNATIVE SECURITIES MARKETS GROUP CORPORATION (if accepted):

By: 

Name: Steven J. Mueller

Title: CEO

Date: 11/9/14



# **EXHIBIT F**

# Alternative Securities Market

The Global Alternative Securities Marketplace

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CONTACT

## Rum Cay Ocean Resort & Spa Development, LLC

Direct Public Offering / ASM Main Market / Regulation A

Alternative Securities Market Commercial Mortgage Clearinghouse (First Lien Offering)



Live Interactive IPO Video & Chat Feed Available on IPO Day



### Rum Cay Ocean Resort & Spa Development, LLC

Rum Cay Ocean Resort & Spa Development, LLC is the Senior Debt / First Lien Holder of the property for "Rum Cay Ocean Resort & Spa Development" in the tropical paradise of the Bahamas. Rum Cay Ocean Resort & Spa Development, LLC is issuing \$5,000,000 secured debt notes (total of 5,000 secured debt notes, each with a face value of \$1,000) through a "Real Estate / Asset Backed Debt Securities Offering".

**Terms of the Secured Debt Notes Offering is at the bottom of this page.**

#### Rum Cay Ocean Resort & Spa Development, LLC

- Florida Limited Liability Company
- SEC CIK Number: 0001620937
- ISIN Number: Pending
- Regulation A & Regulation S
- **Status: Pending SEC Qualification**

#### Terms of Investment:

- 5,000 Secured Debt Note Notes
- Senior Debt / First Lien
- \$1,000 Face Value per Secured Debt Note
- Quarterly Interest Distribution to Investors
- Annual Rates of Return: 5.25% to 7.5%
- Loan-to-Value: 1% to 2% LTV
- "As-is Current" Value: \$250,000,000 USD
- Minimum Investment: \$1,000

#### Company Financial Reports:

- View Company Annual Audited and Quarterly non-audited Financials ([Link](#))

#### Monthly "State of the Company" Letters:

- Monthly "State of the Company" Letter from Company Management to Investors ([Link](#))

#### View a Copy of the Investment Prospectus:

- See all SEC Filings ([Link](#)) - Pending



Public Offering - Rum Cay I

Invest (U.S Citizens)

#### Executive Summary:

The Bahamas is a tropical paradise, with crystal clear waters, stunning beaches and a beautiful climate. A lucky few also know that the Island of "RUM CAY" personifies this perfect paradise. Investors and travelers will come to be spoiled at the RUM CAY OCEAN RESORT & SPA, or have a permanent tropical home on the adjacent residential gated private development to-be called "QUEENSGATE"

The planned RUM CAY OCEAN RESORT & SPA is located on the Southern Leeward Side of the Island where it is calm and protected, with gently lapping, clear azure waves washing onto its fine white sand beach. If it is energetic fun you seek, simply slip over to the Atlantic side of the Island and ride the big surfing waves. If it is the deep of the oceans that beckons you, dive into the warmest most crystal waters on our planet, which is home to just about every sea creature with which you might want a close encounter. If it is the call of the wilderness you fancy, then Rum Cay's 34 uninhabited square miles of wild is for you!

Our RUM CAY OCEAN RESORT & SPA will be a luxury, mixed-use ocean front resort community, meticulously planned to assure that it is the finest destination in the Bahamas. The resort is owned by "MONTANA HOLDINGS (UK)" and will be managed by an internationally experienced team who have a proven track record in creating the very best Caribbean ethos and experience, while maintaining exemplary high standards.

#### PHASE ONE:

The tropical island of RUM CAY is part of the world renown Family Islands within the Commonwealth of the Bahamas. Our Joint Venture Development Partners at Montana Holdings UK, Ltd., owns the rights and planning approvals for two contiguous developments of some 60 acres in total, the "QUEENSGATE", a private gated estate and the "RUM CAY OCEAN RESORT & SPA". Both of these founding facilities are contained within the boundaries of a luxury 875 acre development centered around S. Georges Bay on the southeastern coast of the Island. This major international development is known as the "RUM CAY MARINA RESORT" and which is classified as a government anchor project. Owner and Master Developer is our Joint Venture Development Partner "Montana Holdings Ltd."

The Rum Cay Ocean Resort & Spa is located on 15 acres of beach property on the southern boundary of the main resort and initially will consist of 128 luxury Freehold Beach Cottages, situated around a central Beach Club incorporating a Restaurant / Bar, Spa, Gym, Infinity Pools, Shop, Business Center, TV Theatre and Games Room.

SEE PUBLIC INVESTMENT OFFERING DOCUMENT FOR FULL SITE PLAN, DETAILS ON THE COTTAGES WITH ELEVATIONS, PURCHASE TERMS AND PROPOSED INCOME

## Invest (International)

**Future Plans:****Right Now:**

RUM CAY extends to circa 34 square miles of verdant rolling topography, with hills and cliffs rising to about 150 feet. Less than 100 people live on the island, mainly in the settlement of Port Nelson on the south coast, close to Summer Point Marina, which provides dockage and moorings. The remainder of the island consists of virtual untouched natural beauty, apart from a new modern airfield in the center of the island and Montana Holdings' partly constructed new 42 acre marina to the west of Port Nelson.

There are several areas of inland water including Lake George and the Port Nelson salt ponds, but the most notable feature of RUM CAY is its relationship to the tropical waters. The island is surrounded by spectacular beaches and even more spectacular coral reefs, including the Grand Canyon, a 60-foot high coral wall. Off the northeast shore, the water deepens at the continental shelf to a depth of 3,000 feet where nutrient rich waters attract a large array of fish.

**In the Future:**

The First Phase development is planned to offer a wide range of lifestyle experiences for the owners and guests of the Rum Cay Resort & Spa and Queensgate private estate. This will include facilities for scuba diving, sport fishing, tennis, yachting and equestrian pursuits, plus a comprehensive program related to health and wellbeing. In addition, there are building lots available for the creation of a very special residences on the Island.

The planned development will also offer cultural pursuits, hospitality, relaxation and leisure with a rich mix of typical Bahamian Entertainment to provide the centerpiece of an enhanced island community.

The Rum Cay Ocean Resort & Spa will help bring forward a reinvigoration of Rum Cay, with respect for the environment that makes this experience of paradise possible, going about its business and relaxation with a sensitive touch and a real sense of community.

**Amenities:**

The Visitors to the RUM CAY OCEAN RESORT & SPA will be well provided for. Arrival at the Island will be easy, with a modern airfield already constructed by the Bahamian Government and the construction of a new marina, to complement an existing one, is already underway. Communications and connectivity on the Island will be the most modern available and provide significant bandwidth, providing real-time video links at economic costs.

A cultural and local center will provide a focus for the Island, with hospitality at the forefront, and of course the very special opportunity to live on the Island, backed up by a comprehensive support service. There will be every amenity to support a family atmosphere of leisure and recreation, set in an aquatic paradise.

**Hospitality:**

The guests of the RUM CAY OCEAN RESORT & SPA CLUB will have a wide choice of relaxation or activities every day, planned and provided by an experienced and successful management team and all based on the highest of service and the quintessential Bahamian welcome.

**TOTAL PUBLIC OFFERING OF FIVE THOUSAND SECURE DEBT NOTES:****Series "A" Notes:**

**Note Numbers:** 1 to 500  
**Priority in Liquidation:** First  
**Loan-to-Value:** Less than 1%  
**Annual Rate of Interest:** 6.25%  
**Interest Payments to Noteholders:** Quarterly  
**Note Term:** Five Year Maturity

**Series "B" Notes:**

**Note Numbers:** 501 to 1,000  
**Priority in Liquidation:** Second  
**Loan-to-Value:** Less than 1%  
**Annual Rate of Interest:** 7.0%  
**Interest Payments to Noteholders:** Quarterly  
**Note Term:** Five Year Maturity

**Series "C" Notes:**

**Note Numbers:** 1,001 to 1,500  
**Priority in Liquidation:** Third  
**Loan-to-Value:** Less than 1%  
**Annual Rate of Interest:** 7.5%  
**Interest Payments to Noteholders:** Quarterly  
**Note Term:** Five Year Maturity

**Series "D" Notes:**

**Note Numbers:** 1,501 to 2,000  
**Priority in Liquidation:** Fourth  
**Loan-to-Value:** 8%  
**Annual Rate of Interest:** 8.0%  
**Interest Payments to Noteholders:** Quarterly  
**Note Term:** Five Year Maturity

**Series "E" Notes:**

**Note Numbers:** 2,001 to 2,500  
**Priority in Liquidation:** Fifth  
**Loan-to-Value:** 1%  
**Annual Rate of Interest:** 8.5%  
**Interest Payments to Noteholders:** Quarterly  
**Note Term:** Five Year Maturity

**Series "F" Notes:**

**Note Numbers:** 2,501 to 3,000  
**Priority in Liquidation:** Sixth  
**Loan-to-Value:** 1%  
**Annual Rate of Interest:** 9.0%  
**Interest Payments to Noteholders:** Quarterly  
**Note Term:** Five Year Maturity

**Series "G" Notes:**

**Note Numbers:** 3,001 to 3,500  
**Priority in Liquidation:** Seventh  
**Loan-to-Value:** 1%  
**Annual Rate of Interest:** 9.5%  
**Interest Payments to Noteholders:** Quarterly  
**Note Term:** Five Year Maturity

**Series "H" Notes:**

**Note Numbers:** 3,501 to 4,000  
**Priority in Liquidation:** Eighth  
**Loan-to-Value:** 1%  
**Annual Rate of Interest:** 10.0%  
**Interest Payments to Noteholders:** Quarterly  
**Note Term:** Five Year Maturity

**Series "I" Notes:**

**Note Numbers:** 4,001 to 4,500  
**Priority in Liquidation:** Ninth  
**Loan-to-Value:** 1%  
**Annual Rate of Interest:** 10.5%  
**Interest Payments to Noteholders:** Quarterly  
**Note Term:** Five Year Maturity

**Series "J" Notes:**

**Note Numbers:** 4,501 to 5,000  
**Priority in Liquidation:** Tenth  
**Loan-to-Value:** 2%  
**Annual Rate of Interest:** 11.0%  
**Interest Payments to Noteholders:** Quarterly  
**Note Term:** Five Year Maturity

**Early Redemption by Issuer:**

- First Year: No Early Redemption by Issuer Allowed
- Second Year: Full Face Value of Secured Debt Note, plus all Accrued Interest up to the date of Repurchase, Plus SIX MONTHS of Interest.
- Third Year: Full Face Value of Secured Debt Note, plus all Accrued Interest up to the date of Repurchase, Plus FOUR MONTHS of Interest.
- Fourth Year: Full Face Value of Secured Debt Note, plus all Accrued Interest up to the date of Repurchase, Plus THREE MONTHS of Interest.
- Fifth Year: Full Face Value of Secured Debt Note, plus all Accrued Interest up to the date of Repurchase, Plus TWO MONTHS of Interest.

**SEE PUBLIC INVESTMENT OFFERING PDF IN THE COLUMN TO THE LEFT FOR ADDITIONAL DETAILS ABOUT THIS OFFERING.**

**EXHIBIT G**

# Mr. Steven J. Muehler

Founder of the "Alternative Securities Market"

Host of "Steve Muehler, on the Corner of Main Street and Wall Street"

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**Disruptive Innovation:** "A term of art describing a process by which a product or service takes root initially in simple applications at the bottom of a market and then relentlessly moves up market, eventually displacing established competitors."

In April of 2014, I introduced the "Alternative Securities Markets Group" and the "Alternative Securities Market" to the the CrowdFunding Landscape. The Landscape of CrowdFunding today is oversaturated with with "alleged CrowdFunding professionals" that have absolutely no investment banking experience. Currently, CrowdFunders are limited to the Issuance of Regulation D Securities to a class of investors known as "Accredited Investors" (generally the elite upper 7% of U.S. Citizens, also referred to as "the rich") to invest in their companies. Because the Alternative Securities Market main class of securities are Regulation A Securities, all investors (not just "the rich") can invest in the majority of the securities listed for sale on the Alternative Securities Market.

You may be asking yourself at this point, "why don't the "CrowdFunders" utilize Regulation A to raise investor capital"? The answer is quite simply (and quite sad), as is stated on the "About" tab on this website (toward the bottom of the page), a Regulation A Securities Offering requires the legal drafting of "SEC Form 1-A" (a lengthy legal document), and the submission of the SEC Form 1-A to the SEC for Review, Comment and Qualification. This process can take weeks to months (depending on your ability to prepare a complete registration document and then respond to comments from the SEC), and then once completed, there can be costs of thousands of dollars of costs as the company files the qualified Regulation A for a public offering of securities in multiple states. Lets be honest, most "Regulation D" entrepreneurs and brokers generally are not willing, or are even unable to incur thousands of dollars in registration fees.

It is for this exact fact I established the Alternative Securities Markets Group, essentially invading the CrowdFunding Landscape with a "superior CrowdFunding product at a price point that other CrowdFunders cannot compete with". How do we do this you may ask? The answer is simple, we pay for all the State Registration Costs associated with a Company's Regulation A Public Offering (we do recover the costs as the company becomes capitalized on the Alternative Securities Market as a cost of offering), and the only financial responsibility any listed company has to the Alternative Securities Market is a monthly public reporting fee of \$75, which is for the public distribution of the annual, quarterly and monthly public reporting requirements of all companies on the Alternative Securities Market.

The ultimate differences between the Alternative Securities Market and the rest of the CrowdFunders are:

- The Alternative Securities Market is able to be invested in by ALL INVESTORS, including Accredited and Non-Accredited Investors, U.S. Citizens and Non-U.S. Citizens, as well as private individual investors and Institutional investors.
- Investors do not need to submit personal financial documents in order to invest (as is associated with Regulation D Investments)
- All Companies on the Alternative Securities Market agree to be "public reporting companies", which includes (but is not limited to): (1) quarterly unaudited financial statements, (2) annual audited financial statements, (3) quarterly conference calls with shareholders, (4) monthly "state of the company letter" to shareholders, (5) corporate action notices, which include (but not limited to): mergers, acquisitions, stock issues and stock splits, reverse splits, etc.
- Most Securities on the Alternative Securities Market are able to be sold or traded on the Alternative Securities Markets Group Secondary Securities Market, which is a secondary "Ebay" style market where investors can post their Regulation A, Regulation S and Regulation D "unrestricted" Securities for sale (termed as "posting an Ask"), and buyers can review sellers "ask" terms, as well as the company's information for which the seller is selling securities, and post a "bid" to buy the securities for sale in an "online auction". The majority of Regulation A are issued "non-restricted" and can be immediately bought and resold immediately, while Regulation D and Regulation S Securities are restricted from resale for a period of 6-12 months.
- The Alternative Securities Market is not a "for hire" market (unlike all the CrowdFunding platforms that post information for any company that will pay their listing fees!) All companies must apply for listing, go through a due diligence period while we consider the Company's listing, and then go through a registration process with the United States Securities & Exchange Commission as well as with various State Regulators.

In each of the last five years, less than twenty Regulation A's have been submitted to the United States Securities & Exchange Commission for review, comment and qualification. In 2013, only a total of eleven Regulation A Registration Statements were submitted to the SEC. The Alternative Securities Market opened its doors in April of 2014, and since opening, I have personally authored and submitted more than Thirty Regulation A Registration Statements to the United States Securities & Exchange Commission in just over four months (I am currently the undisputed Regulation A Champion with no close second), I fully expect the eclipse the 100 mark before the close of 2014!

My Regulation A Registration Statements Drafted and Submitted to the United States Securities & Exchange Commission (Since April 1st, 2014 to October 1st, 2014):

#### Companies on the Market (client Regulation A's)

- Broadcast 3DTV, Inc.
- Carbon Crafters, Inc.
- Cyber Holdings, Inc.
- Diggers BBQ Franchise, Inc.
- FlashPoints Advertising Systems, Inc.
- Leo Tech Holdings, Inc.
- ManeGain, Inc.
- Omega Creamery, Inc.
- PV Developers I, LLC

- PV Developers II, LLC
- Real Hip-Hop Network, Inc.
- Remington Energy Group Corporation
- Rum Cay Ocean Resort & Spa Development, LLC
- Rum Cay Ocean Resort & Sap Development II, LLC
- Samba Brazilian Gourmet Pizza Corporation
- Secure Authenticated Systems, Inc.
- StepOne Personal Health, Inc.
- U.S. Grand Prix Championship Corporation
- XCallibur Shoes

#### **ASMG Regulation A's:**

- Alternative Securities Markets Group Aviation and Aerospace Market
- Alternative Securities Markets Group Biofuels Market
- Alternative Securities Markets Group California Water Rights Market
- Alternative Securities Markets Group Commercial Mortgage Clearinghouse
- Alternative Securities Markets Group Energy Market
- Alternative Securities Markets Group Entertainment and Media Market
- Alternative Securities Markets Group Fashion and Textiles Market
- Alternative Securities Markets Group Financial Services Market
- Alternative Securities Markets Group Food and Beverage Market
- Alternative Securities Markets Group Fixed Income Mortgage Fund I, LLC
- Alternative Securities Markets Group Fixed Income Mortgage Fund II, LLC
- Alternative Securities Markets Group Fixed Income Mortgage Fund III, LLC
- Alternative Securities Markets Group Hotel and Hospitality Market
- Alternative Securities Markets Group Life Settlement Market
- Alternative Securities Markets Group Medical Device and Pharmaceuticals Market
- Alternative Securities Markets Group Mining & Mineral Rights Market
- Alternative Securities Markets Group Mining & Mineral Rights Market
- Alternative Securities Markets Group Oil & Natural Gas Market
- Alternative Securities Markets Group Residential Mortgage Clearinghouse
- Alternative Securities Markets Group Restaurant and Nightclub Market
- Alternative Securities Markets Group Retail and E-Commerce Market
- Alternative Securities Markets Group New Technologies Market

**We anticipate that the Alternative Securities Market will be the #1 Rated "CrowdFunding" Platforms and "Private Securities Markets" operating, not only in the United States, but on Planet Earth (we are not yet opposed to increasing operations to other Planets or Galaxies in the not so distant future if the opportunity should ever arise). The Alternative Securities Markets Group anticipates filing SEC Form 1 with the United States Securities & Exchange Commission prior to the close of the year 2014, which will make the Alternative Securities Market a Public Stock Exchange.**

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