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Klaraos is an SEC Registered Investment Advisory firm and that specializes in wealth management and private wealth services based on your life priorities. This consists of estate planning, asset protection, asset management, tax implications, and change management. Our intent is to enable our clients to live the life they want without the stress that many investment decisions can bring.

Our method consists of a dynamic and tactical discipline that is driven by the stages of the business and credit cycles. As current macro conditions change, we are able to maintain the flexibility of allocating through prosperous conditions as well as protect our clients' financial world during periods of asset destruction. Our discipline is not one of passive allocation; rather, it is a tactical discipline that allows allocation of investments according to the most beneficial investment themes. This includes layers of our combination of fundamental and technical analysis to validate the most prosperous investing themes to construct your ideal portfolio. Other key factors that play into our analysis and portfolio construction are equities, bonds, currencies, commodities, foreign markets, and private placement investments.

With a unique system that follows the business cycle closely, Klaraos separates itself from competition by offering to our clients and investors private placement investments that offer returns that take into account the current stage of the business cycle. On a consistent basis, Klaraos is actively in search of private ventures and opportunities that fit into the overall theme of investment. These venture funds are incorporated into our client's overall portfolio, to allow Klaraos the ability to better gauge our clients exposure, and to help benefit from the current weighting of investment strategy. Reporting to our clients allows for a regular update and for the best understanding of the intricacies that are often involved in a private placement investment.

In an attempt to control the quality of private placement investments, Klaraos has taken an active role in the management of the funds to ensure top-notch reporting and accounting of these funds. Through the use of branded venture funds like Klaraos Ventures, I, LLC and Klaraos Ventures II, LLC to name just two, Klaraos is able to maintain quality control and a feeling of transparency for our clients and investors as it manages these privately placed investments. These branded venture funds receive the same level of management and care, and help our clients understand the specific investments.

As mentioned, Klaraos has initiated two branded venture funds to take advantage of the asset destruction we have seen in the marketplace over the last few years. These funds, managed directly by Klaraos, invest in areas that have seen a significant amount of exposure, most notably in the corporate bankruptcy world, and the dramatic increase in residential real estate foreclosures. Klaraos has a fund devoted for each of these.

Klaraos Ventures, I, LLC is the venture fund that invests in the corporate bankruptcy arena, purchasing creditor claims out of Chapter 11 Bankruptcies. Klaraos Ventures, I, LLC funds directly into a fund that focuses solely on these bankruptcy opportunities; United States Debt Recovery, LLC (USDR). USDR and Klaraos have negotiated for USDR to run funds separate from its other funds, for the sole benefit of Klaraos investors and clients. Amongst the many benefits to investors and clients, the highlights of the investment opportunity within Klaraos Ventures, I, LLC are:

- Fund is managed by Klaraos for the benefit of the client
- A preferred return of profits based on a simple, annualized 20% return
 - o Investors are the first to see capital return and preferred returns

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- An opportunistic profit split structure after capital and preferred returns
 - o 70% of remaining profits to the Investor, up to a 40% IRR
 - o Bonus provisions to USDR limit USDR's profit to 50% of profits
- Distribution of funds available upon each month following a Bankruptcy Payout

We have a full set of legal documents that explain the details of the investment into Klaraos Ventures, I, LLC available, and we invite you to read the Operating Agreement, Subscription Agreement, and Private Placement Memorandum for further information.

Klaraos Ventures, II, LLC is the venture fund that invests in the foreclosed homes in the Sacramento area. Klaraos Ventures, II, LLC funds directly into a fund that focuses on purchasing assets, in this case, the homes, for a significantly decreased level over the anticipated resale price. Klaraos Ventures, II, LLC funds directly into the series fund, Klaraos Neighborhood Redevelopment, LLC. The homes are not remodeled, but returned to move-in condition. The opportunity takes advantage of purchasing these assets, and selling them in a non-foreclosed environment; allowing for potentially easier financing for the eventual buyer. Klaraos Ventures, II, LLC employs a strict discipline that has a very distinct checklist for approvable homes, providing a repeatable system that will allow for reduced downside risk potential. Amongst the benefits to investors and clients, the highlights of the investment opportunity within Klaraos Ventures, II, LLC are:

- Fund is managed by Klaraos for the benefit of the client.
- A preferred return of profits based on a simple, annualized 20% return
 - o Investors are the first to see capital return and preferred returns
- An opportunistic profit split structure after capital and preferred returns
 - o 70% of remaining profits to the Investor, up to a 40% IRR
 - o Bonus provisions to USDR limit USDR's profit to 50% of profits
- Distribution of funds available after a one year investment period

We have a full set of legal documents that explain the details of the investment into Klaraos Ventures, I, LLC available, and we invite you to read the Operating Agreement, Subscription Agreement, and Private Placement Memorandum for further information.