

1 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 2
 3 In the Matter of:)
 4) File No. B-03147
 5 POSSIBLE MANIPULATIVE SCHEMES)
 6 INVOLVING MICROCAP AND OTHER)
 7 SECURITIES)
 8
 9 SUBJECT: 2012-06-25 Audio File
 10 Critz, Sidoti, Gavin Live Tape
 11 PAGES: 1 through 74



AUDIO TRANSCRIPTION

24 Diversified Reporting Services, Inc.
 25 (202) 467-9200

1 PROCEEDINGS
 2 2012-06-25 Audio File
 3 MR. CRITZ: -- the past that we were trying
 4 to clean up so that we could make all of the investors
 5 in all of the Form 10s that went awry, make them whole
 6 because that's just the right thing to do. So --
 7 MS. SIDOTI: Okay.
 8 MR. CRITZ: -- you remember I --
 9 MS. SIDOTI: There's a couple things to do
 10 with that, before you go on because I don't know --
 11 well, let me hear what your intentions are and then I
 12 can tell you what your options are, but go ahead.
 13 MR. CRITZ: Okay. So we do need to address
 14 the clean up four and we need to address the six --
 15 MS. SIDOTI: Okay.
 16 MR. CRITZ: -- so which do you want to go
 17 with first?
 18 MS. SIDOTI: Let's go with -- let's go with
 19 the six first. Tell me the six that you want to do
 20 starting today or starting Monday.
 21 MR. CRITZ: Okay. I don't have all the names
 22 yet, but here -- let's just call them -- I will have
 23 those two you on Monday, but for now --
 24 MS. SIDOTI: Okay.
 25 MR. CRITZ: -- let's call them -- let's call

1 them, you know, number one, two, three, four, five,
 2 six.
 3 MS. SIDOTI: Okay.
 4 MR. CRITZ: Okay. And --
 5 MS. SIDOTI: Give me some names. Can you
 6 give me some names at least, though?
 7 MR. CRITZ: Okay.
 8 MS. SIDOTI: Because I have (inaudible) I
 9 have (inaudible) is our person with (inaudible) and
 10 helps us out with our corporate issues and our
 11 (inaudible) and things like that --
 12 MR. CRITZ: Okay.
 13 MS. SIDOTI: -- and she's actually doing some
 14 of those -- well, she's interested in doing those for
 15 us right now, so if you can just give me at least a
 16 couple of names, I can get some of those done today.
 17 MR. CRITZ: Okay.
 18 MR. GAVIN: We don't have them.
 19 MR. CRITZ: We don't have them, Jillian. I
 20 just don't have any of --
 21 MS. SIDOTI: All right.
 22 MR. CRITZ: -- any of the names yet. We were
 23 going to have those ready on (crosstalk) on Monday, but
 24 I can tell you the type of companies and I mean we
 25 could figure out a name, if you wanted, you know --

1 MS. SIDOTI: (Crosstalk) Why don't we do
 2 that? Tell me the type of companies so we can at least
 3 maybe get started off (crosstalk).
 4 MR. CRITZ: Okay. The first two, one is
 5 going to be a billboard company, a digital billboard
 6 company.
 7 MS. SIDOTI: Okay.
 8 MR. CRITZ: And the second one is going to be
 9 a Segway company.
 10 MS. SIDOTI: Oh, cool. All right.
 11 MR. CRITZ: So we can call it whatever -- I
 12 don't even care. Tell your girl just to go ahead and
 13 take creative liberties and name them whatever she
 14 wants to name them, but give me, you know, at least
 15 a -- kind of a -- you know, I like catchy names, you
 16 know -- you know that, like American Critter (phonetic)
 17 College, I'm just kidding. But like --
 18 MS. SIDOTI: I love that name. Are you
 19 kidding me? I love that name. All right, so
 20 billboards -- okay --
 21 MR. GAVIN: Showtime billboards.
 22 MS. SIDOTI: -- now, what's the -- what's the
 23 focus of the billboard company? Like they put up
 24 billboards or --
 25 MR. CRITZ: Yeah, they're going to be --

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1 they're going to be digital billboards that put up in
 2 strategic cities across the United States and the
 3 revenue is going to come from ad revenue and what we're
 4 going to do is going to -- the business plan will say,
 5 you know, the billboard will bring in, you know, 25
 6 advertisers per month to do advertising on the digital
 7 billboard that's on the roadside. So, it's really
 8 cutting edge to replace the old billboards that don't
 9 do anything.
 10 MR. GAVIN: Showtime billboards.
 11 MR. CRITZ: So --
 12 MS. SIDOTI: Okay. So it's a roadside --
 13 it's a roadside billboard like you own the land? Are
 14 you going to be leasing the land or --
 15 MR. CRITZ: Yeah, the land -- the land will
 16 be leased. We could call it something like Tarheel
 17 Billboards or Showtime --
 18 MS. SIDOTI: Tarheel (crosstalk) --
 19 MR. CRITZ: Yeah.
 20 MS. SIDOTI: -- that's done, Tarheel -- hill
 21 or heel?
 22 MR. CRITZ: What's that?
 23 MS. SIDOTI: Hill like I'm walking on the
 24 hill or heel like the heel in a Tarheel?
 25 MR. CRITZ: Tarheel, T-a -- like Carolina

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1 Tarheels.
 2 MR. GAVIN: That's two words.
 3 MS. SIDOTI: Okay, heel, okay.
 4 MR. CRITZ: Yeah, but don't -- but don't make
 5 it Carolina Tarheels, just call it Tarheel Billboards.
 6 MR. GAVIN: One word.
 7 MS. SIDOTI: Okay. So Tarheel Billboards
 8 (crosstalk) and then the Segway company, what are they
 9 going to do?
 10 MR. GAVIN: It's really two, but we want it
 11 one.
 12 MR. CRITZ: Okay. Forrest wants to make that
 13 Tarheel Billboards one word, not two, for some reason.
 14 MR. GAVIN: No, well, Tarheel is actually two
 15 words in real life.
 16 MS. SIDOTI: Okay.
 17 MR. GAVIN: But we want it --
 18 MS. SIDOTI: All right.
 19 MR. GAVIN: -- as one word.
 20 MS. SIDOTI: I always thought it was one
 21 word, so I'm going to make it Tarheel, one word?
 22 MR. CRITZ: Right, perfect. Okay. Now, what
 23 did you ask, what does that do?
 24 MS. SIDOTI: No, no, no, what's the -- what's
 25 Segway do?

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1 MR. CRITZ: Segway is going to be -- we're
 2 going to have -- we're going to have a company that
 3 owns Segways and we're going to provide Segway tours
 4 throughout the city.
 5 MS. SIDOTI: Which city?
 6 MR. CRITZ: We'll just say Charlotte's fine.
 7 And then the growth plan in the business model will say
 8 we're going to, you know, grow to other strategic
 9 historic cities throughout the country, like maybe
 10 Boston.
 11 MS. SIDOTI: Yeah, I was just -- it's
 12 funny -- it's so funny you said that because I was just
 13 thinking that would be a perfect thing for Boston.
 14 MR. GAVIN: (Inaudible) Segway (crosstalk).
 15 MS. SIDOTI: Because Boston is a great city
 16 for that because it's a walking city. You can barely
 17 drive anywhere. So okay, that's not a problem, so --
 18 MR. CRITZ: Okay. So we name that one either
 19 like Historic Segways, which would be cool because we
 20 could put it in the different historic places in the
 21 cities, or something like Blast Segway or --
 22 MS. SIDOTI: How about SegwayCity, it's all
 23 one word with a capital C.
 24 MR. CRITZ: That's fine, if it's not already
 25 taken.

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1 MS. SIDOTI: I don't -- I don't think it is.
 2 MR. CRITZ: Okay.
 3 MS. SIDOTI: If I make it all one word, I
 4 don't think it will be. Okay. So I'll look into that.
 5 All right, number three?
 6 MR. CRITZ: Well, that's as far as I've
 7 gotten.
 8 MS. SIDOTI: (Laughter) No problem. All
 9 right. We've got two started, that's good.
 10 MR. CRITZ: And this -- and this is kind of
 11 the -- this is kind of the path, Jillian that we would
 12 like to try to stay on, and you tell me if it's too
 13 aggressive, we would like to do -- we would like to
 14 start two every week. Now, I know that's aggressive,
 15 but here's what I want to have to you, like Monday, I'm
 16 going to have you the complete business plans for both
 17 of those I just told you.
 18 MS. SIDOTI: That would be perfect, and I'll
 19 tell you why -- because you guys (inaudible) what I
 20 would love to see you guys do is deposit the same
 21 amount of money in every single bank account. So when
 22 you open a bank account, the money -- the financial
 23 statements never change (crosstalk).
 24 MR. CRITZ: Every bank account will be
 25 identical. They're going to -- they're going to be --

Page 9	<p>1 every bank account will be identical --</p> <p>2 MS. SIDOTI: Okay.</p> <p>3 MR. CRITZ: -- in the amount of money that</p> <p>4 goes in there.</p> <p>5 MS. SIDOTI: Yes.</p> <p>6 MR. CRITZ: Okay.</p> <p>7 MS. SIDOTI: Okay, perfect.</p> <p>8 MR. CRITZ: Good.</p> <p>9 MS. SIDOTI: Because that way his auditing, I</p> <p>10 don't have to wait for his audit, I already know what</p> <p>11 it's going to look like.</p> <p>12 MR. CRITZ: Yeah, every bank --</p> <p>13 MS. SIDOTI: I don't have to wait for his</p> <p>14 audit. I don't have to wait for him to finish the</p> <p>15 filing.</p> <p>16 MR. CRITZ: Perfect. That's a great idea.</p> <p>17 And every bank account will have \$10,800 in it.</p> <p>18 MS. SIDOTI: \$10,800. Okay, all right, Trip.</p> <p>19 Okay, perfect. Okay and (crosstalk) or anything like</p> <p>20 that (inaudible).</p> <p>21 MR. CRITZ: Excuse me? One more time.</p> <p>22 MS. SIDOTI: Has (inaudible) gotten back to</p> <p>23 you on how much it's all going to cost?</p> <p>24 MR. CRITZ: Have you gotten back to us on how</p> <p>25 much it's going to cost?</p>	Page 11	<p>1 writing things done that I'm going to need (crosstalk).</p> <p>2 If I can get Social Security numbers for the officers</p> <p>3 of each company, that would be good.</p> <p>4 MR. CRITZ: Okay.</p> <p>5 MR. GAVIN: Okay.</p> <p>6 MS. SIDOTI: And I'm writing this down, too,</p> <p>7 so, you know (crosstalk) --</p> <p>8 MR. CRITZ: Hey, let's - hey, Jillian, I mean</p> <p>9 I'm going to -- I can't -- I can't get you the</p> <p>10 information until Monday on that.</p> <p>11 MR. GAVIN: Yeah, that's fine.</p> <p>12 MS. SIDOTI: That's okay.</p> <p>13 MR. CRITZ: Okay.</p> <p>14 MS. SIDOTI: I'm just letting you know what I</p> <p>15 need.</p> <p>16 MR. CRITZ: Okay. No problem, keep --</p> <p>17 MS. SIDOTI: And I (crosstalk) --</p> <p>18 MR. CRITZ: Keep --</p> <p>19 MS. SIDOTI: -- yeah.</p> <p>20 MR. CRITZ: -- keep going, we got it.</p> <p>21 MS. SIDOTI: (Crosstalk)</p> <p>22 MR. GAVIN: Yeah, I knew that.</p> <p>23 MR. CRITZ: Okay. We'll have those Social</p> <p>24 Security to --</p> <p>25 MS. SIDOTI: Yeah.</p>
Page 10	<p>1 MS. SIDOTI: Yes, yeah, the CPA.</p> <p>2 MR. CRITZ: No, we have not gotten any word</p> <p>3 back on how much the audit will cost.</p> <p>4 MS. SIDOTI: Okay.</p> <p>5 MR. CRITZ: We're going to budget -- how much</p> <p>6 should we budget?</p> <p>7 MR. GAVIN: (Inaudible)</p> <p>8 MS. SIDOTI: Okay. Do you have the -- do you</p> <p>9 have the sale (inaudible) for (inaudible) properties</p> <p>10 yet or --</p> <p>11 MR. CRITZ: Yes.</p> <p>12 MS. SIDOTI: -- are we just in private</p> <p>13 (crosstalk) --</p> <p>14 MR. CRITZ: We'll have every -- we'll have</p> <p>15 every single shareholder, 35 of them in within -- from</p> <p>16 within a two-week period. So what we'd like to do is</p> <p>17 like on Monday, 6/25, I send you over two full business</p> <p>18 plans. Then we spend that week putting those two</p> <p>19 together, organizing them, getting the EINs, having the</p> <p>20 subscription agreements for the founders, the bank</p> <p>21 account open, the EDGAR codes generated and the private</p> <p>22 placement in place.</p> <p>23 MS. SIDOTI: That's fine. I can do that.</p> <p>24 You know what would be great? If I could get Social</p> <p>25 Security numbers for the (inaudible). Hold on, I'm</p>	Page 12	<p>1 MR. CRITZ: -- numbers to you on Monday. And</p> <p>2 then what --</p> <p>3 MS. SIDOTI: Okay.</p> <p>4 MR. CRITZ: -- we'd like to do is -- go</p> <p>5 ahead.</p> <p>6 MS. SIDOTI: No, I'm good. Go ahead.</p> <p>7 MR. CRITZ: What I'd like to do is we set</p> <p>8 these -- we set these -- and I know this is aggressive,</p> <p>9 so you tell me, you know, what we'd like to do is then</p> <p>10 on 07/02, July the 2nd, that Monday, I'm sending you</p> <p>11 over two more full business plans and we do exactly the</p> <p>12 same thing.</p> <p>13 MS. SIDOTI: That's fine.</p> <p>14 MR. CRITZ: And on then on 07/09, I send you</p> <p>15 over two more and we do exactly the same thing. And</p> <p>16 that way -- that way by the end of that third week, we</p> <p>17 will have all six of these in play.</p> <p>18 MS. SIDOTI: Okay. I'm going to (inaudible)</p> <p>19 so we have reminders come up in our email. I just want</p> <p>20 to check something real quick. So on 06/25, you're</p> <p>21 going to send me two business plans. By 7/09 --</p> <p>22 MR. CRITZ: 07/02 --</p> <p>23 MS. SIDOTI: -- you're going to send me all</p> <p>24 of the shareholders for that -- for that plan -- those</p> <p>25 plans, right?</p>

<p style="text-align: right;">Page 13</p> <p>1 MR. CRITZ: Um, two weeks after that 06/25, 2 yes, whatever two weeks from 06/25 is, you will have 3 all 35 shareholders' names, everything. 4 MS. SIDOTI: Okay. 5 MR. CRITZ: And we'll close -- 6 MS. SIDOTI: And then -- 7 MR. CRITZ: -- and we'll close the private 8 placement on that date. 9 MS. SIDOTI: (Inaudible) okay. So then 10 07/23, I'm going -- I'm going to send you all a thing 11 so when the reminders come up, I can either remind you 12 so I know the company's coming, that kind of thing. 13 MR. CRITZ: Okay, great. (Crosstalk) 14 MS. SIDOTI: And then 07 -- so then -- so 15 then every Thursday, so 07/12, 07/05, 07/19, 06/28 -- I 16 know I'm saying these out of order, 07/26, those are 17 all the dates we need. 18 MR. CRITZ: Okay. And I'll send you over -- 19 we'll send you over a spreadsheet that has those dates 20 on them as well so you can confirm with yours. 21 MS. SIDOTI: Okay, that's fine. And then 22 okay, so where do you want to organize? Do you want me 23 to just rotate between Wyoming, Delaware and Nevada? 24 MR. CRITZ: Yes, we're going to have to rely 25 on your expertise there, Jillian, for the best places</p>	<p style="text-align: right;">Page 15</p> <p>1 MR. CRITZ: One, all right. 2 MS. SIDOTI: One. 3 MR. CRITZ: No problem at all. We got it. 4 MS. SIDOTI: Yes, perfect. 5 MR. CRITZ: Okay. And then what we -- 6 MS. SIDOTI: Okay. 7 MR. CRITZ: -- and then what we're going to 8 do as far as your dates that you're writing down, 45 9 days after each one is started, we want to have that S1 10 ready to file. 11 MS. SIDOTI: Okay. 12 MR. CRITZ: Is that too aggressive? 13 MS. SIDOTI: No, none of this is too 14 aggressive, and I'll tell you why, but again, I can't 15 (inaudible) your audit, but if you do the same thing 16 literally (inaudible) should be able to turn it around 17 into at least two days because the private placement, 18 once that (inaudible) the private placement, it's 19 pretty simple to reconfigure that into an S1. 20 MR. CRITZ: Okay. Excellent. 21 MS. SIDOTI: Yeah. So, okay, so 45 days 22 after each (inaudible), so all right, that's fine. Not 23 a problem. 24 MR. CRITZ: Okay. And then if we stayed on 25 that particular path, then that way we will be -- we</p>
<p style="text-align: right;">Page 14</p> <p>1 to do that. So, wherever you think we need to 2 organize, go ahead. 3 MS. SIDOTI: Okay, okay (inaudible). You 4 know what's going to help? Where are the offices 5 located for each individual company? Do you know? 6 MR. CRITZ: They're all -- they're all in 7 North Carolina. 8 MS. SIDOTI: They're all in North Carolina, 9 okay. 10 MR. CRITZ: Is that bad? 11 MS. SIDOTI: I'm going to -- I'm going to 12 probably (inaudible) North Carolina too, then. 13 MR. CRITZ: Is that okay to have all of them 14 in North Carolina? 15 MS. SIDOTI: That's not a problem. I don't 16 have a problem with that, no. 17 MR. CRITZ: Okay. 18 MS. SIDOTI: Okay, okay. 19 MR. CRITZ: How many officers and 20 directors -- how many directors do we need per shell? 21 You remember Larry, he said, oh, you've got to have 22 two. How many do we need per shell? 23 MS. SIDOTI: No, you don't. 24 MR. CRITZ: Okay. 25 MS. SIDOTI: No, you don't, one.</p>	<p style="text-align: right;">Page 16</p> <p>1 will be able to have all these done in that 90-day 2 period and actually buy ourselves just a little bit of 3 wiggle room. 4 MS. SIDOTI: Right, right. 5 MR. CRITZ: Okay. 6 MS. SIDOTI: Yeah. 7 MR. CRITZ: Now, anything further on that? 8 MS. SIDOTI: I don't have anything else. I'm 9 going to -- if it's all right with you guys, I'll 10 create (inaudible) billboard and the Segway company 11 today. 12 MR. CRITZ: Absolutely. And I'll send you 13 the business plans for both of those on Monday. 14 MS. SIDOTI: Okay, perfect, perfect. 15 MR. CRITZ: And then next week, what we'll go 16 ahead then and assume, based on this call, is that by 17 the end of next week, Friday, we will have both of 18 those organized and articles of organization. 19 MS. SIDOTI: Yes. 20 MR. CRITZ: We'll have both of those with the 21 EIN numbers. We'll have all of the subscription 22 agreements for the founders. 23 MS. SIDOTI: Okay. 24 MR. CRITZ: We will have made the initial 25 deposit to founders deposit and opened the bank</p>

<p style="text-align: right;">Page 17</p> <p>1 account. We will have the EDGAR code and the 506 2 private placement ready so that Monday morning, Forrest 3 can go ahead and bring in all 35. 4 MS. SIDOTI: Yes, yes. Yeah, that's fine. 5 MR. CRITZ: And that's the path we'd like to 6 use on each two that we start every Monday for the next 7 three weeks. 8 MS. SIDOTI: That's fine, not a problem. 9 MR. CRITZ: Okay, good. Now, quick question, 10 how many -- what percentage of these S1s do we have to 11 give to the 35 shareholders? What percentage? We 12 never -- I never got a clear answer on that, Jillian. 13 I don't know. 14 MS. SIDOTI: The answer is it just can't be 15 over concentrated, so it's got to be at least 250,000 16 shares of stock among the investors, the 35. 17 MR. CRITZ: I mean could it be 10 percent, 15 18 percent, 20 percent? What percentage of the shell 19 needs to go to them 35? 20 MS. SIDOTI: It's not so much a percentage, 21 it's more the amounts of shares, and it's got to be 22 250,000 shares. And you can't have it -- like you just 23 can't be ridiculous about it, like 90 percent can't be 24 vested in one individual investor. That's going to -- 25 that's going to kick you out of FINRA.</p>	<p style="text-align: right;">Page 19</p> <p>1 And the market makers that I've spoken to have said 2 everybody except for like just the officer has to have 3 at least 250,000 shares amongst them. 4 MR. CRITZ: Say that again? So then not 5 each -- not 250,000 shares each, just amongst the 35, 6 there has to be 250,000 shares to the -- to those? 7 MS. SIDOTI: Yes, exactly. So should not be 8 considered (inaudible) okay. Majority, okay -- 9 concentration of ownership of the majority of 10 outstanding freely tradable stock, if a broker-dealer 11 discovers at any stage of the review process any red 12 flags and (inaudible) they cannot (inaudible) unless -- 13 until the red flags -- wait a minute. Hold on. 14 (Inaudible) free-trading shares, 676 of those are held 15 by one shareholder. This equates to a concentration of 16 96 percent. I mean I would -- I would not do any more 17 than 51 percent to one shareholder. 18 MR. CRITZ: Yeah, that's fine. 19 MS. SIDOTI: Does that make sense? 20 MR. CRITZ: So in other words -- yeah, so in 21 other words, the founders -- amongst the founders, you 22 know, we can't just have one founder with 51 percent. 23 The founders have to have whatever percentage they're 24 going to have -- well, see, that's going to going to be 25 an issue.</p>
<p style="text-align: right;">Page 18</p> <p>1 MR. GAVIN: Okay. 2 MR. CRITZ: But can -- but can we put -- can 3 we put the 35 investors in 10 percent? Now when he 4 says 10 percent, Jillian, he's assuming that what 5 you're going to do is you're going to -- when you 6 organize, you're going to do \$100 million of common; 7 \$10 million of preferred and then we'll have that 110 8 million dollar mark, and I don't know if that's right. 9 You tell me if that's what you recommend. And then 10 10 percent of that number is what he's talking about. 11 MS. SIDOTI: Okay, okay. Are you talking 12 about what Larry's saying? 13 MR. CRITZ: Yeah, I want -- and here again, 14 you know, let's pretend like -- let's pretend like 15 Larry doesn't even exist with all of this, Jillian, 16 because you know what? I just want to hear what you 17 recommend. That's what we're going to base our 18 decisions off of. 19 MS. SIDOTI: I hear you. So I guess my 20 question is -- and I like -- like let me -- let me read 21 the most recent. Hold on. Let me open something up 22 here. It won't tell me a specific -- it's not a 23 specific number, by the way. 24 MR. CRITZ: Okay. 25 MS. SIDOTI: It's the concentration issue.</p>	<p style="text-align: right;">Page 20</p> <p>1 MR. GAVIN: No, it's not because companies go 2 public all the time where one guy owns 70 percent of 3 the company. 4 MR. CRITZ: Okay. Well, can you address 5 that? 6 MS. SIDOTI: Yeah, and that's true. That's 7 absolutely true, and that's why I'm saying don't get 8 hung up on the concentration of how many shares that 9 this one shareholder owns but more on how many do the 10 other shareholders own. And if it's greater than 11 250,000 collectively. Do the 35 shareholders hold more 12 than 250,000 shares collectively? Now, let me also say 13 this, you can do it however you want and if we get a 14 call and it's from FINRA, the way I'm resolving this 15 issue right now with one of my clients is we're doing 16 what's called a forward split. So, if it doesn't work 17 out, we can always do a forward split. 18 MR. CRITZ: Gotcha, okay. So, what we may -- 19 what we could do is the total -- the total S1 is 100 20 percent, 40 percent is owned by Company A; 40 percent 21 is owned by Company B; 10 percent is owned by Company 22 C, which are all founders, and then 10 percent gets 23 250,000 shares, which makes up the 35 investors. 24 MS. SIDOTI: That's fine. 25 MR. CRITZ: Okay. And that way, it's spread</p>

<p style="text-align: right;">Page 21</p> <p>1 out to three founders that own -- yeah, let's say 2 they're evenly equal and then -- but only the -- our 3 biggest question is the 35 shareholders. Is it okay 4 for them to only own 10 percent of the company? Not 5 founders. 6 MS. SIDOTI: Yeah, it's fine. You know, the 7 issue is, again, do they own at least 250,000 shares so 8 that a market can be made. 9 MR. CRITZ: Right. And -- yeah. And so, in 10 other words, if that 10 percent represents more than 11 250,000 shares, fine. If it doesn't, then it's not, 12 okay. You've got -- you're going to have to increase 13 that percentage. 14 MS. SIDOTI: Correct. 15 MR. CRITZ: Okay. 16 MR. GAVIN: Okay. (Crosstalk) 17 MR. CRITZ: And how many -- how many shares 18 are you going to register when you do these 19 organizations? How many are you going to do? 20 MS. SIDOTI: It's totally up to you. It 21 depends on how much you tell me to do. How much are 22 you going to sell the shares at? 23 MR. CRITZ: Well, what do you think we ought 24 to sell them at, Jillian? 25 MS. SIDOTI: I'd say like ten to fifty cents</p>	<p style="text-align: right;">Page 23</p> <p>1 MS. SIDOTI: Okay. Hold on one second. Let 2 me see something here. 3 MR. CRITZ: Okay. I'm crunching numbers here 4 real quick, too. (Whispering) 5 MS. SIDOTI: Because that's -- if it's 6 selling at 10 cents a share, that's only 108,000 7 shares. 8 MR. CRITZ: Okay. 9 MR. GAVIN: Okay. 10 MR. CRITZ: So -- 11 MR. GAVIN: Do thirty. 12 MR. CRITZ: Okay. What number do we need to 13 get to? Go ahead and crunch that number, tell us what 14 number we need to be at using that 10,800 -- 15 MS. SIDOTI: Hold on one second, let me 16 see -- I want to check another offering I did once and 17 see what we had in terms of -- 18 MR. CRITZ: So (crosstalk) -- 19 MS. SIDOTI: -- the other thing I want you to 20 consider is you don't have to concentrate all the 21 shares in one entity. You can say other entities 22 provided consulting services. So, for example, if you 23 have like another LLC over on the side that's managed 24 by somebody else, like this is how one of my old 25 clients used to do it, he was sometimes the officer;</p>
<p style="text-align: right;">Page 22</p> <p>1 a share. 2 MR. CRITZ: Ten to fifteen -- ten to fifteen 3 cents a share. 4 MS. SIDOTI: Ten to fifty, 5-0. Anywhere 5 between 10 cents and 50 cents. 6 MR. CRITZ: Okay. 7 MS. SIDOTI: That's what I would do. 8 MR. CRITZ: All right. 9 MR. GAVIN: We'll just have to build a 10 capitalization plan around that. 11 MR. CRITZ: Yeah, we'll have to build a cap 12 plan around that. I don't know what those numbers are, 13 but okay, we'll go off of that then. And then Monday, 14 we'll just tell you how many shares we want you to 15 register for each in the organization. 16 MS. SIDOTI: Yeah. I mean how much money do 17 you plan on raising from each investor? Is each 18 investor going to give you like 200 bucks or like 1,000 19 bucks? What's the situation? 20 MR. CRITZ: Well, we're going to have -- 21 we're going to have \$10,800 that we are going to be 22 circulating amongst 35 of the shareholders. 23 MS. SIDOTI: Okay, \$10,800, okay (crosstalk). 24 MR. GAVIN: That's about 4308 apiece, for 25 each investor.</p>	<p style="text-align: right;">Page 24</p> <p>1 sometimes somebody else was the officer, but his LLC 2 always had shares. 3 So his LLC like was like Parrot Head, LLC or 4 whatever, and his LLC would take shares and that's how 5 he (inaudible) consulting services at par value. So 6 that's how we got like a ton of shares distributed 7 without any money exchanging hands while not having it 8 all concentrated in the officer. 9 MR. CRITZ: So, he just got awarded shares of 10 stock for services rendered? 11 MS. SIDOTI: Correct. 12 MR. CRITZ: Okay. 13 MS. SIDOTI: And he was -- he wasn't always 14 an officer of the company. So he would give -- hold 15 on, here it is -- 16 MR. CRITZ: I like that strategy, Jillian. I 17 like that. 18 MS. SIDOTI: Yeah (inaudible). 19 MR. CRITZ: (Whispering) Your touchscreen is 20 awesome, 10,800 divided by .04. Okay, at four cents a 21 share -- 22 MR. GAVIN: But she had ten to fifty. 23 MR. CRITZ: No, well -- 24 MR. GAVIN: Ten to fifty. 25 MR. CRITZ: -- you still there, Jillian?</p>

<p style="text-align: right;">Page 25</p> <p>1 MS. SIDOTI: Yeah, I am. I'm looking 2 something up. I'm sorry. 3 MR. CRITZ: Okay, that's fine. I was going 4 to bounce this off of you as well. So, then if -- 5 let's say that we have two LLCs that are -- three LLCs 6 that are out there and they're going to be awarded 7 shares of stock for services rendered to get us to that 8 more than \$250,000 shares collectively that have 9 been -- that are out there, those -- 10 MS. SIDOTI: Yeah. I just want to look at 11 this one that I did. 12 MR. CRITZ: Those three LLCs -- 13 MS. SIDOTI: This company -- 14 MR. CRITZ: Go ahead. 15 MS. SIDOTI: This company that I'm looking at 16 right now issued -- hmm, see, that's not -- it's got to 17 be more than \$10,000. It's got to be -- I would push 18 it up to \$30,000. 19 MR. CRITZ: Per shell? 20 MS. SIDOTI: Can you do that? 21 MR. CRITZ: No, that would be -- 22 MS. SIDOTI: Okay, okay. 23 MR. CRITZ: -- that would be almost a deal 24 buster here. Do we need to do that for -- 25 MS. SIDOTI: Okay.</p>	<p style="text-align: right;">Page 27</p> <p>1 MR. CRITZ: How much? 2 MS. SIDOTI: We're probably about \$50,000 by 3 the time you're done with -- well, I'm talking DTC 4 (phonetic) eligibility in there still, so -- 5 MR. CRITZ: And you said \$15 -- you said 6 \$15,000 or \$50? 7 MR. GAVIN: \$50. 8 MS. SIDOTI: 5-0. 9 MR. CRITZ: 5-0, wow. 10 MS. SIDOTI: Well, if you're talking about 11 the Q and you're talking about DTC eligibility, that's 12 going to -- I don't know if you're even talking that, 13 though. 14 MR. CRITZ: Well, we'll talk about that in a 15 minute (crosstalk) -- because that's one of our 16 questions, whether we're going to go for that or not. 17 And here's my other question, if we are going to do DTC 18 eligibility, can we register an extra million shares so 19 that we can -- we can do -- raise that money for DTC in 20 the IPO? 21 MS. SIDOTI: Yeah, for sure. Oh, absolutely. 22 MR. CRITZ: So, then we really don't need to 23 budget for that DTC money, we could just register that 24 extra million shares to raise that. 25 MS. SIDOTI: Oh, yeah. You can -- okay, you</p>
<p style="text-align: right;">Page 26</p> <p>1 MR. CRITZ: -- no. 2 MS. SIDOTI: Yeah, but the money can go in 3 and go right back out because you're going to spend it 4 on expenses anyhow. 5 MR. CRITZ: Okay. Talk to me about the 6 expenses. 7 MS. SIDOTI: Okay. So, for example, you 8 collect all your money from your shareholders, and you 9 can't see my finger quotes, but if you collect -- you 10 collect -- you raise -- I mean like how much is the 11 private placement for? Let's put it that way. Like 12 when I'm writing the private placement, what's the 13 amount I'm writing it for? 14 MR. CRITZ: Well, it'll be for whatever it is 15 that is going through -- the capitalization plan needs 16 to be put in place to cover the expenses that are going 17 to be incurred in this S1. We have the expenses, you 18 know, broken down into audit, whatever the organization 19 fees are, the actual filing fees to file the S1, the 20 initial one -- at least 10Q, you know, for Q1 -- 21 MS. SIDOTI: Right. 22 MR. CRITZ: -- and then the transfer agent 23 and then FINRA. 24 MS. SIDOTI: Okay. So, we're talking like 25 \$50,000.</p>	<p style="text-align: right;">Page 28</p> <p>1 can do this however you would like (crosstalk). Let's 2 back up for a second because I want to make sure we're 3 on the same page. 4 MR. GAVIN: (Crosstalk) \$50,000. 5 MS. SIDOTI: Are you -- are you going to sell 6 all your shares and then register all the shares that 7 you sell or are you going to sell some shares then 8 register those some shares alongside with some new 9 shares? 10 MR. CRITZ: We are going to bring -- we are 11 going to bring in the founders and the 35 shareholders 12 and we are going to register those shares, but in that 13 registration, that S1, we want to also register an 14 additional 100,000 or a million shares, I guess, so 15 that we'll have those that we're able to sell after the 16 S1 is done. 17 MS. SIDOTI: Oh, okay. Then we're talking 18 about a different situation. Okay. All right. All 19 right. I was under the impression that we were -- 20 everything we were selling now, we're registering and 21 that's all we're registering. So, completely -- okay, 22 now we're on the same page. All right. So, let's back 23 up again (crosstalk). Again, how much do you want to 24 put through private placement? Do you want to -- are 25 you just thinking \$10,800 or were you thinking like</p>

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1 more than that?

2 MR. CRITZ: Well, here's my question, we have

3 budgeted for those costs -- I mean we're looking at an

4 audit at \$2,500 we put in to organize. And, you know,

5 I don't know, you know, again, we'll have to get some

6 numbers from you, but organization, you know, it

7 doesn't cost that much to organize. We just put in,

8 you know, somewhere between \$500 and \$1,000. For the

9 actual filing, okay, in other words, the S1's done and

10 you're going to file it and the filing fees that are

11 going to be charged to us from like Discount Edgar are

12 whatever, 1,500 bucks.

13 MS. SIDOTI: Okay.

14 MR. CRITZ: For the first 10Q -- for the

15 first 10Q that's got to be done, okay, which will

16 probably, you know, we need to go -- it'll be about

17 2,000 bucks. And then for the transfer agent and

18 the -- and FINRA, it's going to be about \$2,500. Those

19 that I just told you, that comes in at about 9,500

20 bucks that are actual costs, not counting DTC.

21 MS. SIDOTI: Not counting DTC, exactly.

22 MR. CRITZ: Right. So, and DTC, last we

23 spoke, you said that -- you know, the DTC was coming

24 down and that there were -- there were connections you

25 had that I mean even if we went DTC that we were going

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1 to be somewhere around the \$10,000 mark.

2 MS. SIDOTI: This is what I got from my most

3 recent market-maker, he charged -- he quoted me if it's

4 a non-sell, you know -- I'll -- I can send you this

5 email, this is a guy I want you -- I'll make an

6 introduction.

7 MR. CRITZ: Okay.

8 MS. SIDOTI: (Crosstalk) He's probably the

9 most responsive. DTC, let's see -- DTC (inaudible) --

10 okay, assuming no merges, \$10,000 for over \$100,000 in

11 revenue non-shell. So, you probably won't qualify for

12 that; \$12,000 for non-shell, less than \$100,000 revenue

13 and \$13,000 for a shell. So, you're probably looking

14 at closer to the \$13,000 mark.

15 MR. CRITZ: Okay. That's fine. And when we

16 register these, though, we're going to try -- I mean

17 are we going to try to register these as -- are they

18 going to have to all be registered as a shell or are we

19 going to try to get them registered without that stigma

20 attached and does it matter?

21 MS. SIDOTI: You can -- okay. If you have

22 assets -- if you have assets that you can put into this

23 company, then you can become a non-shell. If you

24 become a non-shell, your value has just gone up.

25 MR. CRITZ: Right.

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1 MS. SIDOTI: So, I think you're probably

2 going to have a mix of both. So, it depends on the --

3 I don't know what kind of like cash you have available,

4 but if you can put cash into an account for the

5 purposes of your audit so we can check the box that

6 says not a shell, then that would be awesome.

7 MR. CRITZ: And how much would that cash need

8 to be? Substantial or --

9 MS. SIDOTI: It's got to be some money. I

10 mean it can't be -- it definitely can't be like --

11 \$10,000 is not going to cut it.

12 MR. CRITZ: Okay.

13 MS. SIDOTI: So, I mean -- but again, look,

14 everything is relative. As far as the SEC is

15 concerned, we're going to get you approved. That I'm

16 not worried about.

17 MR. CRITZ: Okay.

18 MS. SIDOTI: Getting you through and approved

19 S1 registration, we can work with anything you've got

20 to do that. It's FINRA where we're going to get caught

21 up, so (crosstalk) the question is, you know, what do

22 we have in there that's going to make FINRA happy or

23 unhappy?

24 MR. CRITZ: Right.

25 MS. SIDOTI: And let's look at the things

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1 that FINRA's going to be looking at. They're going to

2 be looking at your concentrations.

3 MR. CRITZ: Okay.

4 MS. SIDOTI: Where are all the -- where's all

5 your stock? And is it concentrated in a few or one

6 shareholder? If it's concentrated in a few or one

7 shareholder, we're going to have a problem.

8 MR. CRITZ: Okay.

9 MS. SIDOTI: The next issue is how much stock

10 is outstanding. If you have less than \$250,000 shares

11 outstanding, they're going say that's not enough to

12 make a market. So, the things are do you have more

13 than \$250,000 shares outstanding and of that \$250,000

14 shares, is it concentrated appropriately, like is it

15 not concentrated with just a couple of shareholders or

16 one shareholder. So, those are really your two big

17 issues. Then your other issue is shell status.

18 If you don't want to be marked a shell, you

19 have to have what's considered more than nominal

20 assets. And I'm going to tell you right now that's --

21 there's -- like there's an unknown like -- there's a --

22 there's a -- I'm trying to look for the word -- I'm

23 trying to figure out the word I'm looking for. It's

24 a -- there's an unwritten rule -- that's the word I was

25 looking for -- unwritten rule that it's greater than

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1 \$100,000.
 2 So, you might not be able to do that on these
 3 first couple ones. You might have some shells the
 4 first time around. And then as you build up business,
 5 you can deposit more than 100 grand in that bank
 6 account --
 7 MR. CRITZ: Right.
 8 MS. SIDOTI: -- and say it's not a shell.
 9 MR. CRITZ: Right. Quick question.
 10 MS. SIDOTI: Does that make sense?
 11 MR. CRITZ: Yeah, it makes perfect sense.
 12 MS. SIDOTI: Yes.
 13 MR. CRITZ: Okay. Let's assume then we
 14 register these as shells, what does --
 15 MS. SIDOTI: Right.
 16 MR. CRITZ: -- that do to my marketability?
 17 Those like people that are contacting you and
 18 everything, will they -- are those -- is that okay?
 19 MS. SIDOTI: It's going to be fine. It's --
 20 I don't want -- I wouldn't think like it's a
 21 deal-breaker. It certainly is not. Most of the stuff
 22 out there on the market is a deal-breaker. It's just
 23 that -- like for example, let me see, hold on. You
 24 know, I just got something -- I just got something in
 25 the other day for somebody asking me if I wanted to buy

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1 this shell. In a non-shell, I think they were selling
 2 it for like \$495,000. So, like that's just the
 3 difference you're looking at versus a shell like
 4 \$300,000.
 5 MR. CRITZ: Okay. That's fine. All right.
 6 So, we're on --
 7 MS. SIDOTI: Yeah.
 8 MR. CRITZ: -- so, we're on the same page
 9 then. For the first ones that we do, here's how we'd
 10 like to do it. We're only going to have in the
 11 account, just the cost -- just the monies to cover the
 12 cost, which is going to be around, you know, like I
 13 said, \$10,800 in the account, okay?
 14 MS. SIDOTI: Right.
 15 MR. CRITZ: And then what we'll do is --
 16 MS. SIDOTI: Yes.
 17 MR. CRITZ: -- that money will be set aside
 18 to pay for those expenses that we just detailed to you.
 19 And then --
 20 MS. SIDOTI: Right, okay.
 21 MR. CRITZ: -- and then what we'll do is once
 22 that is filed, I thought this was a pretty good idea
 23 from Larry back, you know, months ago when I actually
 24 mentioned this to you, but he said make sure that you
 25 register an additional million shares. When you do

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1 one, you tell me if it's right or wrong so that if you
 2 decided to do DTC eligibility after that S1 was
 3 effective and you had the ticker symbol, that you had
 4 that million shares that you already registered that
 5 you could actually sell and raise the money to pay for
 6 the DTC eligibility.
 7 MS. SIDOTI: Yeah, you can do that, for sure.
 8 You can definitely do that. I don't want to discourage
 9 you from doing that. I think there's several -- hold
 10 on, Trip, I'm going to send this to you and Forrest --
 11 there's several days (crosstalk) you can do this.
 12 There's no -- I mean there's definitely wrong ways of
 13 doing it, but there's just more profitable ways.
 14 There's different -- and like it depends on what your
 15 resources are, all of that stuff.
 16 So, that's fine. You can definitely say
 17 we'll raise the money for DTC money elsewhere. You
 18 don't need to use your current resources.
 19 MR. CRITZ: Okay. Now, you said in another
 20 previous call, too, Jillian, that you strongly suggest
 21 doing the DTC eligibility because those are the ones
 22 that are moving right now.
 23 MS. SIDOTI: Yeah, they really are.
 24 MR. CRITZ: So --
 25 MS. SIDOTI: Like I just sent you --

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1 MR. CRITZ: Okay.
 2 MS. SIDOTI: -- this is one for two DTC
 3 eligibility shells. One's 99 percent deliverable and
 4 the other one is not as deliverable. And the second
 5 shell that's not as deliverable is -- in other words,
 6 they're holding back some shares is available for
 7 \$375,000, so I mean that just shows you the power of
 8 DTC eligibility because the non-DTCs I'm seeing -- let
 9 me see if I can find one that's not -- non-DTC.
 10 MR. GAVIN: Hey, Jillian, I've got a
 11 question.
 12 MS. SIDOTI: Yeah (crosstalk).
 13 MR. GAVIN: Let's say -- let's say I had an
 14 investor that would loan the company \$100,000 and then
 15 the audit --
 16 MS. SIDOTI: Okay, yeah.
 17 MR. GAVIN: -- and the audit is done with the
 18 \$100,000 in that account.
 19 MS. SIDOTI: Yes.
 20 MR. GAVIN: How long does the company have to
 21 keep the \$100,000 before they -- and the company agrees
 22 to pay the investor back \$105,000 in 90 days.
 23 MS. SIDOTI: It doesn't have to be 90 -- you
 24 can make it interest-free if you want, but I mean I
 25 don't know what -- I don't know under what

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1 circumstances we're talking. Are we talking a real
 2 investor or are we talking (crosstalk) --
 3 MR. GAVIN: No, if I -- if I get a -- if I
 4 get a guy to put \$100,000 in the account so we can get
 5 our audit and then --
 6 MR. CRITZ: And not be a shell, but be -- but
 7 be an actual company.
 8 MR. GAVIN: Yeah, and be a company, does
 9 the -- does the SEC say wait a second, you just did
 10 that just so you wouldn't be a shell?
 11 MS. SIDOTI: Hold on one second (crosstalk).
 12 I'm not sure that's going to -- and by the way, I'm not
 13 avoiding the question, I'm looking up the law.
 14 MR. GAVIN: That's fine.
 15 MS. SIDOTI: Because I have a feeling
 16 (inaudible) no or nominal assets -- here we go. No or
 17 nominal operations, either no or nominal assets, assets
 18 consisting solely of cash and cash equivalents or
 19 assets consisting of any amount. So, you'd have to
 20 have like actual assets. Like, in other words, the
 21 Segway company would have to have like a Segway --
 22 MR. GAVIN: Right.
 23 MS. SIDOTI: -- in order to not be nominal.
 24 I don't even think you want to bother doing that.
 25 MR. GAVIN: Yeah, I got you. So, it makes no

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1 sense to try to -- to try to avoid that shell status?
 2 MS. SIDOTI: Yeah, that's why your internet
 3 companies are probably going to be the most -- the ones
 4 that we can most successfully avoid shell status with
 5 because you can say well, we have the website, that's
 6 our only asset.
 7 MR. GAVIN: Yeah, okay. Gotcha.
 8 MS. SIDOTI: So, then you develop the website
 9 and you can sell the website part and parcel of the
 10 shell.
 11 MR. GAVIN: Okay. So, would you like to see
 12 then some more of those tech side business plans?
 13 MS. SIDOTI: I don't want to make it a
 14 guarantee, but I just think we'd have a better chance
 15 of making those non-shells than the hard asset
 16 companies.
 17 MR. GAVIN: Okay.
 18 MS. SIDOTI: Asset companies, like the Segway
 19 and the billboard are going to be harder to be as
 20 non-shell status.
 21 MR. GAVIN: Okay.
 22 MS. SIDOTI: Does that make sense?
 23 MR. CRITZ: It does. Yes, indeed. Okay.
 24 MS. SIDOTI: So --
 25 MR. CRITZ: So, going back to the DTC

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1 eligibility, let's just throw this -- let's throw this
 2 little strategy together to make sure we're all on the
 3 same page. So, we go ahead then; we get everything
 4 done. We bring in the 35 shareholders. We have
 5 \$10,800 in the bank. We go ahead and get the audit.
 6 We file the S1. Four months later, it comes back
 7 affective. Then we spend -- we go through and we get
 8 the ticker symbol. We work with the, you know,
 9 transfer agent and all of that, getting all that stuff
 10 done.
 11 Then when we get the ticker symbol, then we
 12 go ahead and we already have lined up someone to come
 13 in and to buy a chunk of those million extra shares
 14 that were registered with the S1 and pay, you know, to
 15 the tune of like \$15,000 and then we immediately take
 16 that \$15,000 and get DTC eligibility. Is that a good
 17 model?
 18 MS. SIDOTI: Okay. Let me back up for a
 19 second. You have to sell or close out of those million
 20 shares before you get your symbol. Your symbol cannot
 21 come before the sale of those or if -- I mean we can
 22 try to get it, but it's not going to happen. FINRA
 23 won't approve it if you have shares that are not in the
 24 secondary markets. FINRA will not approve your symbol
 25 until those shares are effectively in the secondary

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1 markets.
 2 MR. CRITZ: Okay, good.
 3 MS. SIDOTI: So, those shares already have to
 4 be --
 5 MR. CRITZ: Good. And that helps us with our
 6 flow, too, by having that million shares, right?
 7 MS. SIDOTI: Yeah. Well, it will certainly
 8 help you, but so let's back up. Let me tell you the
 9 timeline again or let me review your timeline for you.
 10 You sell the shares in the private placement. Then you
 11 register those shares with a million shares. Then you
 12 sell the million shares and consider the offer closed.
 13 Once those million shares (inaudible) then you can get
 14 your symbol with FINRA.
 15 MR. CRITZ: Okay. So --
 16 MS. SIDOTI: Then after --
 17 MR. CRITZ: -- good. So --
 18 MS. SIDOTI: Yeah, go ahead.
 19 MR. CRITZ: -- in that case, then what would
 20 happen is we'd go ahead and file the S1. We have, in
 21 essence --
 22 MS. SIDOTI: Yes.
 23 MR. CRITZ: -- \$10,800 in the bank, and then
 24 as soon as -- as soon as the SEC comes back and says
 25 hey, this shell is effective, we go ahead then and have

<p style="text-align: right;">Page 41</p> <p>1 someone write us a check for \$15,000 and they pick up a 2 million shares or we have 10 people write a check for 3 whatever to cover those million shares. And then we 4 have that and then you go ahead and get the ticker 5 symbol. Now, we have that \$15,000 to go ahead and do 6 the DTC eligibility. 7 MS. SIDOTI: Right, exactly, exactly. 8 Perfect. 9 MR. CRITZ: And how long will it -- do we 10 have to wait until -- we do have to wait until it's 11 effective before we can actually sell those million 12 that we registered, right? 13 MS. SIDOTI: You have to wait until you're 14 effective and then you have to wait to sell them before 15 you can apply for your symbol. 16 MR. CRITZ: Okay. Is that going to add a lot 17 of time if we do it that way? 18 MS. SIDOTI: No, because what you can do is 19 basically since you already have some of these -- I 20 believe -- I spoke to my market-maker like a couple of 21 weeks ago and I believe he said you can start the -- if 22 you have some shareholders and it's not a pure full, 23 like, registration statement where you're not 24 registering any already existing shares, you can start 25 the process, it just won't be completed until you close</p>	<p style="text-align: right;">Page 43</p> <p>1 MR. CRITZ: Okay. So, and those are 2 additional shares to what we already have sold in the 3 private placement, so those are, you know, just 4 additional. And the only reason -- I like that 5 strategy because it gives us the opportunity to, you 6 know, line somebody up to bring in that money that 7 we're going to need for the DTC. 8 MS. SIDOTI: Right, right, right. 9 MR. CRITZ: And then once it's effective, you 10 know, once the SEC says, okay, this is -- this shell is 11 effective, then all we have to do is get in them to 12 write that check for \$15,000. We issue all those 13 million shares to them, and now we have in the float 14 \$250,000 that we sold in the PPM plus the million 15 shares that we sold, you know, there on the back end. 16 MS. SIDOTI: Right. 17 MR. CRITZ: So, we're really going to then go 18 to -- go to FINRA with \$1.25 million shares. 19 MS. SIDOTI: Correct. 20 MR. CRITZ: Now -- 21 MS. SIDOTI: Correct. 22 MR. CRITZ: -- question, does that million 23 shares that we sell have to be sold at the same price 24 of the PPM or can we sell them for cheaper? 25 MR. GAVIN: Or more?</p>
<p style="text-align: right;">Page 42</p> <p>1 that offering out. 2 MR. CRITZ: Okay. 3 MS. SIDOTI: Does that make sense? 4 MR. CRITZ: Yeah, I kind of followed that. 5 If you could say it one more time, I think I could get 6 it. 7 MS. SIDOTI: Okay. Hold on one second. 8 Okay. If you -- and let's say -- let's say you don't 9 have any shareholders, right, you don't have any 10 shareholders at all and you're like I just want to go 11 public and I'll sell all my shares public. So, you 12 register a million shares, right? 13 MR. CRITZ: Okay. 14 MS. SIDOTI: If you do that, you cannot apply 15 for FINRA at all. You can't even start the process 16 because FINRA will say just go away; we're not 17 interested. 18 MR. CRITZ: Right. 19 MS. SIDOTI: But if you have some 20 shareholders thrown in there, like you're suggesting, 21 then you can -- then you can -- then you can start the 22 process. You won't get approved, but you can at least 23 start the process. And then once you close out of that 24 million shares, then you can complete the process and 25 get your symbol.</p>	<p style="text-align: right;">Page 44</p> <p>1 MR. CRITZ: Or more? 2 MS. SIDOTI: (Crosstalk) No, the ones that 3 you sell in the public offering have to be more 4 expensive than the ones in the private placement. 5 MR. CRITZ: Okay. All right. 6 MS. SIDOTI: That's a great question because 7 (inaudible). Because here's the thing, your company is 8 more valuable as a public entity than it is as a 9 private entity. So, when you sell private shares, when 10 you bring those shares public, you're automatically 11 adding value. 12 MR. CRITZ: Right. 13 MS. SIDOTI: I'm sending the (inaudible) 14 right now. It's coming to your email. So, your 15 automatically adding more value the minute you bring 16 that company public. So, when you sell the shares in 17 your private placement at 10 cents a share, we're going 18 to register that at 15 cents a share, which, by the 19 way, is a great selling point to your -- to your 20 investors to say look, you're buying them at 10 cents; 21 we're going to register them for 15 cents. So, you're 22 automatically going to have an increase in value and 23 you might not be able to sell them anywhere, but it 24 will be increased in value. 25 MR. CRITZ: Okay. And then let's say that I</p>

<p style="text-align: right;">Page 45</p> <p>1 didn't -- because I did some math real quick. If all 2 we're really after is the \$15,000 so that we have the 3 additional money to do the DTC eligibility, then I 4 could literally sell or register the 60,000 additional 5 shares instead of a million when we do the S1 and then 6 sell those at a quarter and that would raise my 7 \$15,000. 8 MS. SIDOTI: Right. 9 MR. CRITZ: That would be better because then 10 we have now the 250,000 that we sold to the 35 before 11 we did the S1 and now I have an additional 60,000 12 shares to go with that 250. Now, we have 310,000 that 13 we're taking to FINRA. 14 MS. SIDOTI: Right, yeah, yeah. 15 MR. CRITZ: Is that -- is that the way to do 16 it? 17 MS. SIDOTI: And the other thing is I would 18 also -- I would also -- well, I would also register all 19 of those shares that you give out to consultants and to 20 the officers. 21 MR. CRITZ: Yes. 22 MS. SIDOTI: And you're going to register as 23 many shares as you possibly can. So, if you give out 24 shares to consultants, like say you give a million 25 shares out to this consultant or that consultant or</p>	<p style="text-align: right;">Page 47</p> <p>1 MR. CRITZ: Okay, right. 2 MS. SIDOTI: And that it's like one investor 3 or a few investors who were getting to pump and dump a 4 bunch of stocks into the -- into the marketplace. 5 That's really what it comes down to. 6 MR. CRITZ: Okay. Let me ask you this, 7 here's another option. You said -- so then if we 8 didn't -- if we didn't have those extra shares that we 9 were going to sell after it was effective, we wouldn't 10 bump into those -- that with FINRA, right? 11 MS. SIDOTI: Right. Well, yeah, I mean look, 12 FINRA's going to give you problems no matter what. 13 MR. CRITZ: Right. 14 MS. SIDOTI: So, it's just we want to 15 anticipate what those problems are going to be. 16 MR. CRITZ: Okay. So, if I -- you said it 17 would be good to bring in someone to do a promissory 18 note in each one of these before we actually filed. 19 What if I just brought somebody in for \$15,000 on that 20 promissory note and then gave them a, you know, 8 21 percent, you know, interest on that promissory note? 22 Wouldn't that be a good way to do it, too? Because 23 those extra shares are the people that are going to buy 24 the shells that they're looking for would be there in 25 that promissory note.</p>
<p style="text-align: right;">Page 46</p> <p>1 this consultant, I'd try to register all those shares 2 as well. 3 MR. CRITZ: Okay, good. Okay. I think 4 that'd be a good strategy. That way, it would just 5 give us a little bit more time to line up that extra 6 money that we need for DTC. 7 MS. SIDOTI: Right, yeah. 8 MR. CRITZ: Do you see any problem with any 9 of this we're talking about, Jillian? 10 MS. SIDOTI: No, not at all. No, no, this is 11 fine. This is just fine. I mean look, we're going to 12 probably encounter some blocks because of FINRA for the 13 first two, but then thereafter, we'll have it down pat. 14 And we're still going to be able to have six filed in 15 six months, like that's not going to be the issue. The 16 issue is getting through FINRA. 17 The SEC is not going to be the problem, I'm 18 going to tell you that right now. 19 MR. CRITZ: Okay. FINRA's going to be the 20 one that's going to be -- that's going to be real 21 scrutinizing everything, huh? 22 MS. SIDOTI: Well, it's not so much that. 23 They just want to make sure that is it a second -- is 24 it a secondary market, there is an actual market, like 25 that you're not just pumping and dumping.</p>	<p style="text-align: right;">Page 48</p> <p>1 MS. SIDOTI: Yeah, you could do that. And 2 another thing you could do is you could make that 3 promissory note convertible. 4 MR. CRITZ: Yes. Now, would that be more 5 effective than trying to register say 60,000 extra 6 shares that I was going to sell at a quarter apiece 7 after it was effective to bring in the 15,000? 8 MS. SIDOTI: So, I would rather see you sell 9 the shares because the greater the float, the more 10 marketable the shell. 11 MR. CRITZ: Right, okay. All right. Well, 12 you have float on both sides. You have the float if 13 you -- 14 MS. SIDOTI: Yeah. 15 MR. CRITZ: -- if you do the convertible note 16 for the \$15,000, you still have the float, but it's 17 only really one person, but it's the shares that you're 18 after. 19 MS. SIDOTI: Right. 20 MR. CRITZ: And -- 21 MS. SIDOTI: No, you're right. Yeah. 22 MR. CRITZ: -- so wouldn't you have the -- 23 wouldn't you be accomplishing the same exact thing if 24 you did the convertible note for 15 as opposed to 25 waiting until it was effective and selling the</p>

<p style="text-align: right;">Page 49</p> <p>1 additional 60,000 you registered in the S1 for a 2 quarter a share? 3 MS. SIDOTI: Yeah. We're just got to make 4 sure that that the option of the conversion is at -- is 5 at the company's election because what if the 6 shareholder or the noteholder -- well, who's the 7 (inaudible) let me ask you that? 8 MR. CRITZ: We would just bring in somebody 9 that all they wanted was, you know, an 8 percent return 10 on their \$15,000 in whatever, six, eight months. 11 MS. SIDOTI: If you can make the conversion 12 like higher -- you can make the conversion like at a 13 ridiculous rate so you could get more shares out there. 14 MR. CRITZ: Like, what kind of rate would you 15 suggest for the conversion? 16 MS. SIDOTI: You could do -- you could do a 17 conversion at like par value or something dumb, like so 18 that when they converted, they would get like a ton of 19 shares. 20 MR. CRITZ: Okay, okay. Now, all right -- 21 now, my only problem with all of these shares that are 22 out there, Jillian, so you know, is we've got to make 23 sure that the people that are coming as founders and 24 everything else are still going to get their -- the 25 right percentage at the sale of the shell. I can't</p>	<p style="text-align: right;">Page 51</p> <p>1 So I don't want you to feel like you're completely 2 confused because -- 3 MR. CRITZ: No, I'm not. 4 MS. SIDOTI: -- you're not sure what to do 5 because there's different ways to do it. 6 MR. CRITZ: Yeah, I'm not -- yeah, I'm not 7 confused at all about any of it, Jillian. I follow you 8 100 percent. I was just asking a question there. You 9 know, in my -- and then, you know, just as important as 10 doing the six in the first 90 days, being able to sell 11 the first one at month 11 is just as critical as having 12 the first six done in 90 days. 13 MS. SIDOTI: Right, I gotcha. 14 MR. CRITZ: So -- 15 MS. SIDOTI: And my recommendation would be 16 to do this, I would -- I don't think I want to do the 17 convertible note, and I'll tell you why, because I'm 18 deathly afraid that that conversion comes into play and 19 then somebody stops the conversion, like FINRA stops 20 that from being free-trading for whatever reason 21 because the holding period wasn't long enough or 22 whatever, I would prefer to see some free-trading 23 shares. 24 MR. CRITZ: After it's effective? 25 MS. SIDOTI: Yeah.</p>
<p style="text-align: right;">Page 50</p> <p>1 dilute their shares too much or their return won't be 2 as great. 3 MS. SIDOTI: This is true, but really, when 4 it comes right down to it, you can pay them whatever 5 you want to pay them. You can page each individual 6 shareholder whatever you want. They can sell for 7 whatever you get them to agree to sell for. 8 MR. CRITZ: Okay. I gotcha, okay. 9 MS. SIDOTI: You know what I mean? 10 MR. CRITZ: Yeah, I do. So, either way is 11 just fine, whether we do the convertible note or we do 12 the register the extra shares and just sell them for 13 whatever after it's effective, either one is fine? 14 MS. SIDOTI: Right, right. 15 MR. CRITZ: Neither one of them you recommend 16 more than the other? 17 MS. SIDOTI: No, you know, and this is the 18 thing, there's a lot of moving parts to this. I 19 don't -- I'm not trying to be like vague on all of 20 this. This is a lot of moving parts. There's several 21 different ways to do this. You guys are going to find 22 out what works best for the investors that you're 23 dealing with and what works best for you, and it's just 24 kind of going to be a learning curve because you can do 25 this multiple different ways.</p>	<p style="text-align: right;">Page 52</p> <p>1 MR. CRITZ: Okay, good. 2 MS. SIDOTI: Without the guarantee that those 3 are free-trading, I cannot guarantee that the converted 4 shares are free-trading. 5 MR. CRITZ: That's beautiful, Jillian. That 6 is exactly what I needed to know. 7 MS. SIDOTI: Okay, perfect. 8 MR. CRITZ: Thank you for that. 9 MS. SIDOTI: So, I don't -- and I don't want 10 to find out -- I don't want to find out like at a month 11 11 that those shares are not free-trading and we 12 can't -- we can't sell them for whatever reason. I 13 don't think that's going to happen, to be honest with 14 you, Trip. I think actually, we could totally lifting 15 the ledger (phonetic) on that one, but what's called 16 lifting the ledger, meaning that it's -- I can sell it, 17 but the -- 18 MR. CRITZ: Well, we don't -- we don't want 19 to find out the hard way. 20 MS. SIDOTI: -- it's not going to be as 21 marketable. I'm going to tell you right now, it's 22 just -- it's just not going to be as marketable. 23 People will turn away from it just because they don't 24 want to try and find out if something's wrong. 25 MR. CRITZ: So, stay away from the</p>

<p style="text-align: right;">Page 53</p> <p>1 convertible notes, then? 2 MS. SIDOTI: For right now. I've done them 3 before. I've used them before. I've never had a 4 problem, but I could potentially see the following 5 happening. I could potentially see a company coming in 6 and trying to buy you and then seeing this convertible 7 note or two -- history of this convertible note and 8 saying look, we don't believe these shares are 9 free-trading and, thus, we don't -- this is not enough 10 for us, so we want to -- we want to change the price 11 or, you know, this isn't fully deliverable or whatever. 12 And I just don't want to have to deal with that. 13 MR. CRITZ: Exactly. 14 MS. SIDOTI: I want to make it as smooth as 15 possible. And the way we make that as smooth as 16 possible is sell free-trading shares. 17 MR. CRITZ: I agree, I agree. Good. Okay. 18 So, then we've got that figured out right there. So, 19 we're okay then in bringing in the \$10,500 or the 20 \$10,800 in the 35; then we'll register an additional 21 whatever, 60,000 shares that we'll sell at a quarter 22 after it's effective to bring in the \$15,000 to do the 23 DTC eligibility. And then we're covered there. 24 MS. SIDOTI: Right. 25 MR. CRITZ: Then we'll go ahead and be no</p>	<p style="text-align: right;">Page 55</p> <p>1 to do -- and we can give you, you know, shares over 2 ownership in the -- in the shell as well so you get 3 money at the sale, too. So, what do we need to do as 4 far as making sure you're covered? 5 MS. SIDOTI: Well, I have pay Mark. That's 6 the biggest thing. 7 MR. CRITZ: Okay. 8 MS. SIDOTI: And I think what Forrest and I 9 talked about was that I -- we normally charge \$25,000 a 10 shell. 11 MR. CRITZ: Right. 12 MS. SIDOTI: But we were going to do 13 it --because of the volume, we were going to do it for 14 \$10,000. And the way we normally work is we require 50 15 percent upfront and 50 percent upon effectiveness. So 16 (background noise) -- I was just going to send you out 17 an engagement agreement that says all 12 shells for the 18 year at that price. 19 MR. CRITZ: Okay. Question -- 20 MS. SIDOTI: Yeah. 21 MR. CRITZ: -- can that -- can that final 50 22 percent (crosstalk) on effectiveness, can we -- can we 23 offset that by giving you the shares that are more than 24 that? In other words, if we gave you 5 percent of the 25 company, let's assume the shell sold at 250,000, just</p>
<p style="text-align: right;">Page 54</p> <p>1 problem with FINRA. We'll get our ticker symbol. And 2 then we should be able to effectively -- how -- 3 effectively sell the shell after we get the DTC 4 eligibility, which shouldn't be a real big issue, 5 right? 6 MS. SIDOTI: No, no. 7 MR. CRITZ: Good. 8 MS. SIDOTI: No. 9 MR. CRITZ: Very good. 10 MS. SIDOTI: So, what I think I'll do is -- 11 what I think I do is I will -- I have to get you guys 12 some - an engagement agreement out. I don't think we 13 sent you one, so I'll get you that out. And we'll go 14 from there. 15 MR. CRITZ: Okay. Now, let's talk -- let's 16 talk through some of that right there, too, Jillian, on 17 this, you know, because we don't expect you to work for 18 free (laughter) and you know what we're trying to 19 accomplish. And we kind of are, you know -- we've got 20 things in different places, so what do we need to do -- 21 MS. SIDOTI: Right. 22 MR. CRITZ: -- with you to make sure that 23 you're taken care of and, you know, we know you're 24 going to get money on the back end on the broker side 25 to sell the shells and then, you know, what do we need</p>	<p style="text-align: right;">Page 56</p> <p>1 on the low side, that would mean that -- 2 MS. SIDOTI: Yeah. 3 MR. CRITZ: -- \$12,500 you would make off of 4 just that 5 percent. 5 MS. SIDOTI: Yeah, no, I hear you, and I'll 6 give you time to pay it, but I can't write the 7 engagement agreement that way for multiple reasons -- 8 MR. CRITZ: No, not on the front end. 9 MS. SIDOTI: -- mostly because of the -- 10 mostly because of the ethics behind it. And the other 11 thing is, too, like I said, we've got to get paid at 12 least something because I've got to pay Mark. 13 MR. CRITZ: Yeah. 14 MS. SIDOTI: He's not going to work for 15 stocks. 16 MR. CRITZ: Yeah, I'm not talking about on 17 the back end. I'm not talking about on the front 18 end -- 19 MS. SIDOTI: Yeah. 20 MR. CRITZ: -- I'm just talking about on 21 the -- on the back end. 22 MS. SIDOTI: Yeah. Yeah, so when -- I think 23 I'm confused. Are you saying like the \$5,000 for 24 effectiveness, I -- we wouldn't get paid that until the 25 shell sold?</p>

<p style="text-align: right;">Page 57</p> <p>1 MR. CRITZ: Yeah. I was just saying what if 2 we just said okay, I understand you want 50 percent 3 upfront, which is \$5,000 and then you're going to need 4 the other \$5,000, which is the other 50 percent when 5 it's deemed effective by the SEC? 6 MS. SIDOTI: Right. 7 MR. CRITZ: Could we pay you the \$5,000 8 upfront and then on the \$5,000 that you got for when 9 it's effective, you just take the stock, which would 10 equate to, you know, more than the \$5,000? Or, I mean 11 I'm just asking, you know, because we want to make sure 12 we understand what the rules are, you know? 13 MS. SIDOTI: No, I really -- you know what, 14 Trip? I would agree to do that, but I can't -- I 15 just -- I literally financially can't. 16 MR. CRITZ: Okay. 17 MS. SIDOTI: Because -- and -- 18 MR. CRITZ: That's fine. 19 MS. SIDOTI: -- I'm sorry, I just can't. I 20 mean it wouldn't work because usually, like I said, I 21 just -- we just had a company come in today, they're 22 paying \$25,000 plus \$10,000 in stocks. And that's what 23 we usually do them for. I mean we usually do private 24 placements for \$10,000 so -- 25 MR. CRITZ: I understand, Jillian (crosstalk)</p>	<p style="text-align: right;">Page 59</p> <p>1 MR. CRITZ: Is that okay? 2 MS. SIDOTI: Yeah, I don't have a problem 3 with that. But let me ask you this, what I do need, 4 though, is if you can pay me an extra \$2,500 for filing 5 fees. 6 MR. CRITZ: Yes. And that will cover the 7 six? 8 MS. SIDOTI: Yeah, yeah. 9 MR. CRITZ: Okay. So, you need a check for 10 \$2,500 and then -- and then once we get that 506, let's 11 say on the first one that I give you the two business 12 plans for on Monday, we will have that 506 -- 13 MS. SIDOTI: Yeah. 14 MR. CRITZ: -- by next Friday, okay? 15 MS. SIDOTI: Okay. 16 MR. CRITZ: So, it will take only probably a 17 week to two weeks max to have all of that money in. 18 Can I write you the check for \$5,000 out of that money? 19 MR. GAVIN: \$10,000 because there's two 20 there. 21 MR. CRITZ: Yeah, the \$10,000, \$5,000 per. 22 MS. SIDOTI: Oh, out of the private placement 23 funds? 24 MR. CRITZ: Yes. 25 MS. SIDOTI: Yeah, of course. That's all</p>
<p style="text-align: right;">Page 58</p> <p>1 and I'm not -- and I'm not trying -- you understand 2 that I'm not trying to nickel and dime you, I'm just 3 asking how we just really get out of the gate with 4 this -- you know -- with this program here, that's all. 5 6 MS. SIDOTI: No, no, I completely understand. 7 I completely understand. So, yeah, I appreciate your 8 position, but I can't go any lower than that right now. 9 MR. CRITZ: Okay. That's fine. So, we need 10 to -- so then where we're at with you, then, is we're 11 at the \$10,000 and \$5,000 you need upfront; \$5,000 once 12 it's deemed effective. 13 MS. SIDOTI: Yeah. That's correct. 14 MR. CRITZ: Okay. 15 MR. GAVIN: I've got a question, Jillian. 16 MS. SIDOTI: Yeah. 17 MR. GAVIN: Would you have a problem -- the 18 first two we'll pay \$5,000 upfront, no problem. The 19 next two -- 20 MS. SIDOTI: Yeah. 21 MR. GAVIN: -- can we pay you the \$5,000 out 22 of the funds? Because we want the funds -- all of the 23 funds to run through the company. Now, we already have 24 that money -- 25 MS. SIDOTI: Yeah, that's fine.</p>	<p style="text-align: right;">Page 60</p> <p>1 right. 2 MR. CRITZ: Okay. Because it'll only take 3 two weeks. So, we're looking at -- we're looking at 4 just two weeks we write you a check for 10,000 bucks, 5 which covers both of those S1s. 6 MR. GAVIN: All right. Now, Jillian -- 7 MS. SIDOTI: Yeah, that would be good. 8 MR. GAVIN: -- Jillian, I'm not sure we told 9 you this or not, but the \$10,800 for each shell -- 10 MS. SIDOTI: Yeah. 11 MR. GAVIN: -- which is a total of \$65,000 -- 12 MS. SIDOTI: Yeah. 13 MR. GAVIN: -- we have that in an escrow 14 account so when people come in and I meet with them and 15 they -- and they can't afford to put in \$300, I'm going 16 to say, I need you to write me a check for \$300; I'm 17 going to leave \$300 on the table if you take it or not, 18 that's your deal. 19 MS. SIDOTI: No, yeah, I got -- I got that. 20 Yeah, I got that. 21 MR. GAVIN: So, that money -- I just want to 22 let you know that that money's secure. So, we don't 23 actually -- 24 MS. SIDOTI: Okay. 25 MR. GAVIN: -- the problem's not going to be</p>

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1 getting shareholders, because we're, in a sense, giving
 2 away free money.
 3 MS. SIDOTI: Okay, awesome. Okay, yeah, no,
 4 that's fine. I got it. I'm not worried about it. I
 5 just -- I just really can't take any less than 10 grand
 6 for each shell. I mean it's just --
 7 MR. CRITZ: Right.
 8 MS. SIDOTI: -- I just can't.
 9 MR. CRITZ: That's fine, Jillian. And we --
 10 and like I said, we're not -- we're not trying -- I
 11 know you know we're not trying to nickel and dime you.
 12 We just want to know how we get out of the gate with
 13 these six, get these rocking and rolling and then the
 14 rest of this is going to be gravy.
 15 MS. SIDOTI: Okay, perfect, yeah. No, no, I
 16 completely understand. And I understand your position,
 17 so I will --
 18 MR. CRITZ: And please, if there's some
 19 things that you need to say, go ahead and say them. I
 20 mean you're not going to -- I mean just let's get
 21 everything out on the table and let's get -- figure --
 22 you know, make sure everything -- everybody's okay with
 23 this, I don't want you, you know, you see where I'm
 24 coming from?
 25 MS. SIDOTI: No, no, I'm fine. I don't have

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1 a problem. I've just got to make sure like --
 2 especially the filing fees, I can't be putting out
 3 money for filing fees and not have those covered, so
 4 that's why I need -- I need money upfront for that.
 5 But I can -- I can wait on the payment for the private
 6 placement, but we definitely -- I just can't be
 7 out-of-pocket, that's all (background noise).
 8 MR. CRITZ: Yeah. No, well, what we have, if
 9 we're going on that, two of the companies on that -- on
 10 that fast-track, like we had just discussed, every
 11 week, we're doing two for the next three weeks, that
 12 means -- and then we've got two weeks just to bring in
 13 the 35 shareholders, that means by the -- by the --
 14 well, by the end of August, you will have \$30,000 from
 15 us.
 16 MR. GAVIN: No, end of July.
 17 MS. SIDOTI: (Crosstalk)
 18 MR. CRITZ: End of July, I'm sorry -- end of
 19 July, July 23rd, you'll have -- by then, you'll have
 20 \$30,000 from us.
 21 MS. SIDOTI: Okay, perfect. No, that sounds
 22 good.
 23 MR. CRITZ: Which --
 24 MS. SIDOTI: All right. So, this is what I'm
 25 going to do, I'll have -- I'll have him right up the

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1 engagement agreements today, and I'll have him send
 2 them out. Who -- I'll have them written up one-by-one
 3 so that way -- I'll just have them written up
 4 one-by-one. I'd rather do it that way because if they
 5 ever became subject of anything, I'd want it
 6 company-by-company. So, you'll be receiving two today.
 7 MR. CRITZ: That'll be fine, Jillian. And
 8 okay, can we talk real quick about those four that
 9 we're going to do for cleanup?
 10 MS. SIDOTI: Oh, yeah, yeah, yeah. I totally
 11 have a blank list here, go ahead.
 12 MR. CRITZ: What are we doing with all of
 13 that? You know, these are wrapped up in that
 14 conversation that was a year-and-a-half ago, Jillian,
 15 where we're trying to get those people from those Form
 16 10s taken care of. You -- I mean the discussions that
 17 Larry and I had had with you or whatever, you said
 18 look, I'll just get those done for you so we can clean
 19 all of this up. What do we need to do on that? I mean
 20 where are we with all -- with all of that now?
 21 MS. SIDOTI: You need audits on all of them,
 22 like -- like (inaudible) are we talking like American
 23 Critter College?
 24 MR. CRITZ: No, I'm talking about --
 25 MS. SIDOTI: Is that what we're --

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1 MR. CRITZ: I'm talking about monies that are
 2 going to be paid to you, Jillian, for any of that. I
 3 mean are we okay then on our -- on what we had started
 4 out with these four?
 5 MS. SIDOTI: Oh, yeah, no, we're not
 6 especially (inaudible) those -- Tripp, as I told you
 7 the other day, we spent a bunch of money on filing fees
 8 for those, so I at least need to recover that. What do
 9 you want to do about those, though? Let me figure out
 10 what you want to do about them before I tell you how
 11 much you owe me for them because we haven't really done
 12 anything, except private placements for them. Which
 13 ones are we talking about? Because we've got
 14 Millennial Velocity. We've got -- not Millennial
 15 Velocity really because that's a new one, but we have
 16 American Critter College. We have My Bid Project.
 17 Which ones are we talking about?
 18 MR. CRITZ: American Critter College,
 19 Millennial Velocity, Bid My Project and C3. And you
 20 haven't even seen -- you haven't even seen C3 yet.
 21 MS. SIDOTI: Yeah, I was just going to say I
 22 don't even know what that one is, okay. Bid My Project
 23 and American Critter College we definitely have some
 24 money outstanding. Millennial Velocity, we only have
 25 the filing fees that we've paid, so you're looking at,

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1 right now, about -- with the registered agent and
 2 everything, probably about \$250.
 3 MR. CRITZ: And that's for Millennial?
 4 MS. SIDOTI: Maybe a little more. But then
 5 American Critter College and Bid My Project, we did
 6 those private placements on, what did you want to do
 7 with those?
 8 MR. CRITZ: We want to file them. We want to
 9 get the 35 shareholders and we want to file them, the
 10 S1s.
 11 MS. SIDOTI: Well, if you have the 35
 12 shareholders, you need to just get your audits on those
 13 done.
 14 MR. CRITZ: Yeah, we'll have the 35
 15 shareholders on American Critter College -- I mean I'm
 16 getting ready to send you all 35 and close that 506 out
 17 for the American Critter College and get the audit on
 18 that within the next -- by next Friday, you'll have
 19 everything.
 20 MS. SIDOTI: Okay, perfect. Okay, okay.
 21 MR. CRITZ: And Millennial Velocity -- and on
 22 Millennial Velocity and Bid My --
 23 MS. SIDOTI: Yeah, Millennial Velocity -- we
 24 should have the paperwork back for them tomorrow.
 25 MR. CRITZ: Okay. And then on that one and

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1 Bid My Project, we will have you the 35 shareholders
 2 for that probably within the next --
 3 MR. GAVIN: Two weeks.
 4 MR. CRITZ: -- two weeks to three weeks and
 5 be ready to --
 6 MS. SIDOTI: Okay, perfect.
 7 MR. CRITZ: -- and then we'll be ready to
 8 close that out. And then the other one that we've got
 9 to do is C3, which is the fourth one to get all of
 10 those past people whole in all this stuff, we just need
 11 to send you that business plan and we'll have the 35
 12 shareholders for that within the next three weeks as
 13 well. So, we could literally have all of those ready.
 14 MS. SIDOTI: Okay, perfect. Yeah, so I mean
 15 we should get those done because those have some great
 16 seasoning to them, too, at this point as well. So, all
 17 right, so --
 18 MR. CRITZ: And then tell me -- and then tell
 19 me how much I owe you.
 20 MS. SIDOTI: You know what? Honestly, Trip,
 21 I have no idea because I've got to look at all the
 22 expenses that we have. And I'm not trying to be vague
 23 about that, I'm sorry. I just don't know. I've got to
 24 look -- I've got to look in our system because we did
 25 pay a bunch of money for the filing fees. Now, I think

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1 we used up most of -- Forrest, you had paid like a huge
 2 retainer --
 3 MR. GAVIN: Right.
 4 MS. SIDOTI: -- about two years ago for some
 5 shells -- for some Form 10 shells that we never
 6 finished.
 7 MR. GAVIN: Correct.
 8 MS. SIDOTI: And so we used most of that up
 9 on accounting fees for Don Giovanni.
 10 MR. GAVIN: Okay.
 11 MR. CRITZ: Yes.
 12 MS. SIDOTI: So, I'll send you guys a full
 13 accounting of that.
 14 MR. CRITZ: Okay. And then what we owe you
 15 out --
 16 MS. SIDOTI: (Crosstalk) yeah.
 17 MR. CRITZ: -- yeah, and then what we owe you
 18 outstand if you could break --
 19 MS. SIDOTI: And then I'll figure out what
 20 you owe me after that.
 21 MR. CRITZ: Yeah, and if you can break that
 22 down per entity.
 23 MS. SIDOTI: So, I'll get you all those
 24 filings, everything we paid and everything that's owed
 25 for all of the time and stuff we spent. But I'm not

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1 going to -- I'm not going to nickel and dime you on it,
 2 that's for sure.
 3 MR. CRITZ: Because I just want to get the --
 4 I just want to get these shareholders -- these four
 5 done, off the table. Those shareholders in that -- in
 6 the 10K or the Form 10 fiasco taken care of and never
 7 think about it again.
 8 MS. SIDOTI: Okay. So the -- I would not
 9 file a Form 10 for these --
 10 MR. CRITZ: No.
 11 MS. SIDOTI: -- I'd file an S1.
 12 MR. CRITZ: Yes, we are.
 13 MS. SIDOTI: (Inaudible) about filing a Form
 14 10?
 15 MR. CRITZ: No, no, no. These are all -- the
 16 people that are in these four that we're talking about
 17 are all the people that need to be made whole from the
 18 Form 10 fiasco. I mean you see what I'm saying?
 19 MS. SIDOTI: Oh, I see. I see. So, they
 20 were in like the other Form 10s, like Chartusen
 21 (phonetic) and --
 22 MR. CRITZ: Yeah, and all (crosstalk) --
 23 MS. SIDOTI: -- and all of those?
 24 MR. CRITZ: And Blue Chapman and Green Power
 25 and all that other stuff that just went awry.

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1 MS. SIDOTI: Okay. So, what happened there?
 2 Did you guys just -- like what specifically happened?
 3 Did you guys just decide not to finish those or did you
 4 realize that Form 10s are like not as marketable? What
 5 happened there?
 6 MR. CRITZ: Well, a little bit of both,
 7 Jillian. One, the Form 10s, we realized weren't as
 8 marketable and the carrying costs were never really
 9 factored in for a market that tanked in 2008, and so
 10 basically, what happened was the funds ran out to be
 11 able to keep up with all the filing fees.
 12 MR. GAVIN: Yeah, and we paid Larry \$25,000
 13 for each one we started, attempted to start.
 14 MS. SIDOTI: (Gasp) Oh, you did. I'm sorry,
 15 I didn't mean to gasp like that. Well, I'm glad you're
 16 not dealing -- I'm really glad you're not dealing with
 17 that anymore. Okay. All right, so --
 18 MR. CRITZ: So --
 19 MR. GAVIN: Hey, Jillian.
 20 MS. SIDOTI: Yes.
 21 MR. GAVIN: One of these is called C3, which
 22 you've never seen before, but we've got -- there's some
 23 clean up that -- but we'll send all of that information
 24 to you as well, but yeah, just give us a bill and or
 25 tell us how much we've got in escrow or what the

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1 difference is and we want to figure out some way to get
 2 them completed.
 3 MS. SIDOTI: Yeah, that's fine. So, what
 4 I'll do is -- so, I keep asking the same question. I'm
 5 not sure I totally heard the answer, are we doing an S1
 6 for American Critter College and Big My Project?
 7 MR. CRITZ: Yes, and Millennial Velocity and
 8 C3.
 9 MS. SIDOTI: Okay.
 10 MR. CRITZ: And C3, those four will be S1s.
 11 MS. SIDOTI: Okay, okay, perfect. Okay, no
 12 problem. I will get you -- I'm just going to do
 13 everything at the same rate, if that's okay with you,
 14 and I will see what kind of expenses we have for those.
 15 And then if you guys can get the audits going on those,
 16 I'll file those. American Critter College and Bid My
 17 Project I can file right away.
 18 MR. CRITZ: Okay. Let me throw this out real
 19 quick, though, Jillian. See, this was my question, and
 20 see, this is where some things are crossing over that
 21 we're still trying to deal with. About a
 22 year-and-a-half ago -- a year-and-a-half ago, Larry and
 23 I were on a call with you and this is when Forrest had
 24 gotten ill and all this stuff. And I was in Arizona,
 25 and we were talking about, okay, we've got to try to

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1 make these shareholders that have put money in these
 2 Form 10s whole; will you help us out with that? And
 3 you said okay, look, I'll just basically -- this is the
 4 conversation that we had, you know, in essence, eat the
 5 cost on my end, just to get these done and get these
 6 people taken care of.
 7 So, and you said I'll do four of the -- of
 8 the S1s and then the moneys that come from that will
 9 pay and make whole all these people that were
 10 shareholders in these Form 10s. So, that's kind of
 11 where that -- go ahead.
 12 MS. SIDOTI: From the sale of them, is that
 13 what you're talking about?
 14 MR. CRITZ: Yeah, from the sale of the S1s
 15 (crosstalk) the proceeds would pay all of the
 16 shareholders from the Form 10s that are in all of these
 17 S1s, that'll make -- that'll make them whole for all
 18 that money they put in.
 19 MS. SIDOTI: Okay.
 20 MR. CRITZ: And so --
 21 MS. SIDOTI: Okay.
 22 MR. CRITZ: -- and so we were working
 23 (crosstalk) --
 24 MS. SIDOTI: All right. So, I'm assuming
 25 what you're saying is what I said was that I would wait

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1 until they sold to get paid? Is that what you're
 2 saying?
 3 MR. CRITZ: Yes, and we were going to give
 4 you --
 5 MS. SIDOTI: I could very well have said
 6 that.
 7 MR. CRITZ: -- and we were going to give you
 8 in each one of those, you know, in essence, you know,
 9 when it sold, you would be getting, in essence, \$25,000
 10 to \$30,000.
 11 MS. SIDOTI: Okay. That's fine. I don't
 12 have a problem with that. I just need to -- I just
 13 need to finalize these four, that's all I need.
 14 MR. CRITZ: No problem at all with any of
 15 that. I just wanted to make sure as far as your --
 16 MS. SIDOTI: (Crosstalk) if that's what I --
 17 if that's what I said I would do, Trip, and I'm pretty
 18 sure you're right about that, I'm not questioning --
 19 I'm not pretty sure, I'm sure you're right about that,
 20 you wouldn't make that up, and that sound familiar.
 21 And, by the way, it's not that I forget, but that was
 22 just so long ago (crosstalk) --
 23 MR. CRITZ: I know.
 24 MS. SIDOTI: (Laughter)
 25 MR. CRITZ: I know, it's like a constant

1 nightmare, Jillian. It's like a constant nightmare,
2 but --
3 MS. SIDOTI: I know. (Inaudible) remember
4 what I told you, I'm sorry. I know what I usually
5 charge. This is what I usually charge, so whatever I
6 told you, I told you and I'll honor it. That's all I'm
7 saying, so --
8 MR. CRITZ: So --
9 MS. SIDOTI: -- so if that's what I said,
10 that's what I said. So, we've got to definitely push
11 the ball forward on those and we've got to get the
12 audit done. And the auditor is not going to -- the
13 auditors can't work for stock.
14 MR. CRITZ: No, no.
15 MS. SIDOTI: They can't legally work for
16 (crosstalk) --
17 MR. CRITZ: No problem at all. The moneys
18 are all in the accounts from the 35 shareholders to
19 cover all of those fees.
20 (End of recording)
21 * * * * *
22
23
24
25

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