

Summary of Selected Private Securities Transactions (as of March, 2016)

Any offer or sale of securities that uses the “jurisdictional means” (the mails, phones, internet) must be registered under the federal Securities Act of 1933 (the “**Securities Act**”) or be made in accordance with an exemption from that registration. Such exemptions apply **ONLY** to registration of the offering; companies are still subject to liability under the federal antifraud laws. Similarly, if companies acquire a specified number of equity holders, they will (in most instances) be required to register under the federal Securities Exchange Act of 1934 (the “**Exchange Act**”). Further, any intermediary used in connection with a securities offering **MAY** be subject to applicable federal and state broker-dealer and/or other registration requirements.

DISCLAIMER: Nothing in this chart is, or is intended to be, legal advice. The information herein is provided for informational purposes **ONLY** and **YOU SHOULD CONSULT WITH YOUR ATTORNEY** before using any of this information. Further, **NO REPRESENTATION OR WARRANTY** is made as to the accuracy or use of any of information contained in this chart and there shall be **NO DUTY**, express or implied, on the authors or any other person to update any of the information herein.

OFFERING TYPE:	RULE 506(b)	RULE 506(c) (a.k.a. “Title II”)	Regulation A (a.k.a. “Regulation A+” or “Title IV”) – Tier 2	Regulation A (a.k.a. “Regulation A+” or “Title IV”) – Tier 1	Retail Crowdfunding (a.k.a. “Title III”)	Illinois Intrastate Exemption
General Description:	Rule 506(b) of Regulation D is the original (<i>and still most popular</i>) “safe harbor” used by privately held (<i>i.e. non-publically traded</i>) companies to sell securities in private offerings which are exempt from the registration requirements of the Securities Act (<i>by virtue of the non-public offering exemption in Section 4(a)(2) of the Securities Act</i>).	Rule 506(c) is a relatively new addition to Regulation D (<i>approved as Title II of the JOBS Act in 2012</i>). In many ways it is very similar to the Rule 506(b) exemption. However, there are three main areas where they differ (<i>as noted by reference to the rows below</i>): (a) “Manner of Offering & General Solicitation”; (b) “Offeree & Investor Requirements / Limitations”; and (c) “Investor Verification”	Regulation A+ has been described as “IPO-lite” or a “mini-IPO.” Much like a traditional I.P.O., Regulation A+ allows a privately held company to make a sale of its “stock” to the general public. There are two different Tiers within Regulation A, each of which has their own rules. In particular, the maximum offering amount under Tier 2 is higher (\$50 Million) and Tier 2 offers state law pre-emption (making compliance somewhat easier).	While generally the same as the “Tier 2” description, there are 2 distinct differences. First, under a Tier 1 offering, a company is limited to a maximum offering amount of \$20 Million. Second, Tier 1 offerings do not qualify for state law pre-emption so the company will need to register in, and comply with the laws and requirements of, each state in which it intends to sell its “stock.” The biggest benefit to Tier 1 over Tier 2 is that Tier 1 companies will not have ongoing reporting obligations so will not in effect become a public reporting company.	Retail Crowdfunding is the newest capital raising tool available to companies (and is not technically effective until May of 2016). Using the Retail Crowdfunding exemption, a company may sell up to \$1 Million worth of its debt/equity based securities to both “accredited investors” and “non-accredited investors.” Unlike the Illinois Intrastate Exemption, it does not matter where the investor lives (so long as they are in the U.S.). However, the rules governing retail crowdfunding prohibit the aggregation of investors (<i>i.e. cannot use a holding company type “SPV” to aggregate investors</i>) and significantly limit the maximum investment amount per investor (<i>i.e., in all cases less than \$100,000</i>).	Under the Illinois Intrastate an Illinois based company may sell up to \$4 Million worth of its debt/equity based securities to both “accredited investors” and “non-accredited investors” so long as such investors are residents of the state of Illinois. The primary benefit of this exemption is that it allows start-up and young companies to significantly expand their accessible investor pool beyond simply “friends and family” while, at the same time, generally being subject to less cost and regulatory hurdles than under a Regulation A or Title III offering.
Offering Dollar Limit:	None	None	\$50 Million in any twelve (12) month period	\$20 Million in any twelve (12) month period	\$1 Million in any twelve (12) month period	\$4 Million in any twelve (12) month period
Offeree & Investor Requirements:	<ul style="list-style-type: none"> May be offered and sold to “accredited investors” and up to 35 “non-accredited investors;” Issuing company must have a substantial, pre-existing, relationship with each offeree/investor 	<ul style="list-style-type: none"> May be offered and sold ONLY to “accredited investors;” No pre-existing relationship is required 	<ul style="list-style-type: none"> May be offered and sold to both “accredited investors” and “non-accredited investors;” No pre-existing relationship is required 	<ul style="list-style-type: none"> May be offered and sold to both “accredited investors” and “non-accredited investors;” No pre-existing relationship is required 	<ul style="list-style-type: none"> May be offered and sold to both “accredited investors” and “non-accredited investors;” No pre-existing relationship is required 	<ul style="list-style-type: none"> May be offered and sold to both “accredited investors” and “non-accredited investors” (so long as such investors are residents of the state of Illinois) No pre-existing relationship is required

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Investment Limitations:	<ul style="list-style-type: none"> No investment limitations per investor 	<ul style="list-style-type: none"> No investment limitations per investor 	<ul style="list-style-type: none"> Maximum investment amount per investor ("accredited" or "non-accredited"), per COMPANY per YEAR, is: <ul style="list-style-type: none"> 10% of the greater of the investor's annual income or net worth, if the investor is a "non-accredited investor" and a natural person; <p style="text-align: center;"><u>OR</u></p> 10% of the greater of the investor's annual income or net assets at fiscal year-end, if the investor is a "non-accredited investor" and is not a natural person; <p style="text-align: center;"><u>OR</u></p> <ul style="list-style-type: none"> Unlimited, if the investor is an "accredited investor" 	<ul style="list-style-type: none"> No investment limitations per investor 	<ul style="list-style-type: none"> Maximum investment amount per investor ("accredited" or "non-accredited"), in TOTAL per YEAR, is: <ul style="list-style-type: none"> the lesser of \$2,000 or 5% of the investor's annual net worth, if the investor's annual gross income and net worth is less than \$100,000; <p style="text-align: center;"><u>OR</u></p> the lesser of \$100,000 or 10% of the investor's annual net worth, if the investor's annual gross income or net worth is greater than \$100,000 	<ul style="list-style-type: none"> Maximum investment amount per investor, per COMPANY per YEAR, is: <ul style="list-style-type: none"> \$5,000, if the investor is a "non-accredited investor"; <p style="text-align: center;"><u>OR</u></p> Unlimited, if the investor is an "accredited investor"
Investor Verification:	<ul style="list-style-type: none"> Company must verify whether offeree/purchasing investors are "accredited investors" or "non-accredited investors"; 	<ul style="list-style-type: none"> Company must verify whether offeree/purchasing investors are "accredited investors" or "non-accredited investors"; 	<ul style="list-style-type: none"> Company must verify: <ul style="list-style-type: none"> whether offeree / purchasing investors are "accredited investors" or "non-accredited investors"; and whether the investment limitations have been satisfied; 	<ul style="list-style-type: none"> Company must verify whether offeree/purchasing investors are "accredited investors" or "non-accredited investors" (solely for purposes of calculating the permitted number of equity holders); 	<ul style="list-style-type: none"> Company must verify: <ul style="list-style-type: none"> whether offeree / purchasing investors are "accredited investors" or "non-accredited investors" (solely for purposes of calculating the permitted number of equity holders); whether offeree / purchasing investors are residents of the United States; and whether the investment limitations have been satisfied; 	<ul style="list-style-type: none"> Company must verify: <ul style="list-style-type: none"> whether offeree / purchasing investors are "accredited investors" or "non-accredited investors"; and whether offeree / purchasing investors are residents of the state of Illinois;
	<ul style="list-style-type: none"> Company may rely on investor self-certifications as to the above 	<ul style="list-style-type: none"> Company must take reasonable measures to verify the above/have a reasonable belief that the above is true 	<ul style="list-style-type: none"> Company may rely on investor self-certifications as to the above 	<ul style="list-style-type: none"> Company may rely on investor self-certifications as to the above 	<ul style="list-style-type: none"> Silent as to whether company may rely on investor self-certifications as to the above 	<ul style="list-style-type: none"> Company must have a reasonable belief that the above is true

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Nature of Company:	No limitation;	No limitation;	Domestic or Canadian companies not subject to Exchange Act reporting requirements;	Domestic or Canadian companies not subject to Exchange Act reporting requirements;	Domestic companies not subject to Exchange Act reporting requirements;	Limited to companies incorporated/organized (and in good standing) in the State of Illinois who meet the 80/80/80 test under, and all other requirements of, Rule 147 (17 CFR 230.147)
	<u>Except:</u>	<u>Except:</u>	<u>Except:</u>	<u>Except:</u>	<u>Except:</u>	<u>Except:</u>
	Not available to companies disqualified under enhanced "bad actor" disqualification provisions of Rule 506(d) ;	Not available to companies disqualified under enhanced "bad actor" disqualification provisions of Rule 506(d) ;	Not available to companies disqualified under enhanced "bad actor" disqualification provisions of Rule 262 ;	Not available to companies disqualified under enhanced "bad actor" disqualification provisions of Rule 262 ;	Not available to companies disqualified under enhanced "bad actor" disqualification provisions of Rule 503 of this exemption ;	Not available to companies disqualified under enhanced "bad actor" disqualification provisions of IL Rule 130.493 ;
			Not available to investment companies, blank check companies or issuers of oil, gas or mineral rights or for asset-backed securities	Not available to investment companies, blank check companies or issuers of oil, gas or mineral rights or for asset-backed securities	Not available to investment companies, blank check companies or issuers of oil, gas or mineral rights or for asset-backed securities	Not available to investment companies (subject to exemptions) or blank check companies
Manner of Offering & General Solicitation:	<ul style="list-style-type: none"> MAY be offered and sold over the internet, but only in very limited instances (e.g. via password protected sites); Issuing company MAY sell securities directly or through an intermediary (e.g. crowdfunding portal); General advertising / solicitation is NOT permitted; 	<ul style="list-style-type: none"> MAY be offered and sold over the internet; Issuing company MAY sell securities directly or through an intermediary (e.g. crowdfunding portal); General advertising / solicitation IS permitted; 	<ul style="list-style-type: none"> MAY be offered and sold over the internet; Issuing company MAY sell securities directly or through an intermediary (e.g. crowdfunding portal); General advertising / solicitation IS permitted; however: <ul style="list-style-type: none"> "Testing the waters" (TTW) permitted before required filings are made but no funds or commitments to purchase may be accepted; after required filings are submitted to the SEC and the company receives SEC qualification order, purchase funds and commitments may be accepted 	<ul style="list-style-type: none"> MAY be offered and sold over the internet; Issuing company MAY sell securities directly or through an intermediary (e.g. crowdfunding portal); General advertising / solicitation IS permitted; however: <ul style="list-style-type: none"> "Testing the waters" (TTW) permitted before required filings are made but no funds or commitments to purchase may be accepted¹; after required filings are submitted to the SEC and the company receives SEC qualification order, purchase funds and commitments may be accepted 	<ul style="list-style-type: none"> MUST be offered and sold over the internet; Issuing company MUST sell securities directly through a registered intermediary (e.g. crowdfunding portal) General advertising / solicitation IS permitted but limited to tombstone style general announcement; 	<ul style="list-style-type: none"> MUST be offered and sold over the internet; Issuing company MUST sell securities directly through a registered intermediary (e.g. crowdfunding portal) General advertising / solicitation IS permitted but limited to tombstone style general announcement;

¹ **NOTE:** A Company performing an offering under Tier 1 may be required to file certain registration/notice materials with one or more state agencies BEFORE "Testing the waters."

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Financial Statements:	<ul style="list-style-type: none"> No mandated financial information if all purchasers are "accredited investors;" If including "non-accredited investors," company will need to provide, among other things: <ul style="list-style-type: none"> For offerings up to \$2 Million, 2 years of financial statements, except that only the company's balance sheet (which must be dated within 120 days of the start of the offering); must be audited; For offerings up to \$7.5 million, an audited balance sheet as of the end of the most recent fiscal year (or as of a date within 135 days if the company existed for a period less than one fiscal year), and audited statements of income, cash flows and changes in stockholders' equity for each of the two fiscal years preceding the date of such audited balance sheet (or such shorter period as the registrant has been in business); or For offerings over \$7.5 million, three years of audited financial statements. 	<ul style="list-style-type: none"> No mandated financial information 	<ul style="list-style-type: none"> Company must provide financial statements for the two most-recently completed fiscal years (or, if the company is less than 2 years old, since inception); The financial statements must be audited by an independent auditor 	<ul style="list-style-type: none"> Company must provide financial statements for the two most-recently completed fiscal years (or, if the company is less than 2 years old, since inception); The financial statements do not need to be audited by an independent auditor (unless audit financial statements have been prepared for other purposes) <p><u>NOTE:</u> The above represents the federal regulations concerning the delivery of financial statements delivered in connection with a "Tier 1" offering. Under a "Tier 1" offering, the submitted financial statements will still need to meet the requirements of the respective applicable state laws which may or may not require audited financials.</p>	<ul style="list-style-type: none"> Company must provide financial statements for the two most-recently completed fiscal years (or, if the company is less than 2 years old, since inception); If the amount of the current offering plus all previous raises: <ul style="list-style-type: none"> Is \$100 k or less, the financial statements must be certified by a senior officer of the company; <p style="text-align: center;"><u>OR</u></p> <ul style="list-style-type: none"> Is above \$100 k but less than \$500 k, the financial statements must be certified by a senior officer of the company and RE-VIEWED by an independent auditor; <p style="text-align: center;"><u>OR</u></p> <ul style="list-style-type: none"> Is above \$500 k, the financial statements must be certified by a senior officer of the company and AUDITED by an independent auditor (however, if the company has not previously sold securities under this exemption, the financial statements will only need to be reviewed) 	<ul style="list-style-type: none"> Company must provide financial statements for its most-recently completed fiscal year (or, if the company is less than 1 year old, since inception); If the amount of the current offering: <ul style="list-style-type: none"> Is \$1 Million or less, the financial statements must be certified by a senior officer of the company; <p style="text-align: center;"><u>OR</u></p> <ul style="list-style-type: none"> Is over \$1 Million, the financial statements must be certified by a senior officer of the company and AUDITED by an independent auditor
Other Required Disclosure Information:	<ul style="list-style-type: none"> No mandated additional information if all purchasers are "accredited investors;" If including "non-accredited investors," will need to provide the same kind of info as required in Part II of Form 1-A 	<ul style="list-style-type: none"> No mandated additional information 	<ul style="list-style-type: none"> Company must complete Form 1-A, which will require a prospectus-like "Offering Circular" including disclosure of the following, among other things: 	<ul style="list-style-type: none"> Company must complete Form 1-A, which will require a prospectus-like "Offering Circular" including disclosure of the following, among other things: 	<ul style="list-style-type: none"> Company must provide the following information: <ul style="list-style-type: none"> Identifying information about, and description of, the Company (e.g., form; state; physical address; and website address); 	<ul style="list-style-type: none"> Company must provide the following information: <ul style="list-style-type: none"> Identifying information about, and description of, the Company (e.g., form; state; physical address; and website address);

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Other Required Disclosure Information (continued):		<ul style="list-style-type: none"> ○ Basic identifying information about the company; ○ Risk factors of the offering; ○ Disclosure of the business and assets of the company; ○ Offering price considerations/discounts (if any); ○ Projected use of proceeds; ○ Capitalization of the company; ○ A description of the securities being offered (including, plan of distributions/dividends if any); ○ Expected dividends, distributions, and redemptions (if any); ○ Identification and experience of Directors, officers and key personnel; ○ Identification of principal owners; ○ Compensation to management and related party transactions; ○ Legal actions in which the company is involved; ○ Tax aspects of the investment; and ○ Related management discussion and analysis. 	<ul style="list-style-type: none"> ○ Basic identifying information about the company; ○ Risk factors of the offering; ○ Disclosure of the business and assets of the company; ○ Offering price considerations/discounts (if any); ○ Projected use of proceeds; ○ Capitalization of the company; ○ A description of the securities being offered (including, plan of distributions/dividends if any); ○ Expected dividends, distributions, and redemptions (if any); ○ Identification and experience of Directors, officers and key personnel; ○ Identification of principal owners; ○ Compensation to management and related party transactions; ○ Legal actions in which the company is involved; ○ Tax aspects of the investment; and ○ Related management discussion and analysis. 	<ul style="list-style-type: none"> ○ The identity of all executive officers, directors, etc. of Company; ○ The identity of all persons owning > 20% of the voting securities of Company; ○ A detailed description of purpose and intended use of proceeds; ○ Identification of the crowdfunding portal conducting the offering (including name, CRD number SEC file number); ○ A description of all compensation paid to the crowdfunding portal conducting the offering and all other intermediaries (if any); ○ A description of the business of the company and anticipated plan of business; ○ Identification of the target amount of securities to be sold and deadline for closing the offering; ○ Disclosure of right of cancellation if target offering amount not met before deadline (and how such right is exercised); ○ The current number of employees of the company; ○ A statement as to whether Company will accept oversubscriptions and, if so, how amounts will be allocated; 	<ul style="list-style-type: none"> ○ The identity of all executive officers, directors, etc. of Company; ○ The identity of all persons owning > 10% of the voting securities of Company; ○ A detailed description of purpose and intended use of proceeds; ○ Identification of the crowdfunding portal conducting the offering; ○ A description of all compensation paid to the crowdfunding portal conducting the offering and all other intermediaries (if any); ○ A description of the business of the company and anticipated plan of business; ○ Identification of the min and max amount of securities to be sold and deadline for closing the offering; ○ Disclosure of right of cancellation if target offering amount not met before deadline (and how such right is exercised); ○ A copy of Escrow Agreement; and ○ Any other information material to the offering 	

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Other Required Disclosure Information (continued):					<ul style="list-style-type: none"> ○ A description of the process to complete the transaction or to cancel an investment commitment; ○ Disclosure of the price of the securities and/or the method for determining the price (if the company has not set a price at start of the offering, it must provide a final price prior to any sale of securities); ○ A description of the ownership and capital structure of the company; ○ A description of the material terms of any indebtedness of the company (e.g. amount, interest rate, maturity date, etc.); ○ A description of any exempt offering conducted within the past three years (e.g. amount, use of proceeds, exemption used, etc.); ○ A description of any completed or proposed "related party" transaction involving the company (or any entity under common control with the company) for value exceeding 5% of the amount raised under this exemption within the last 12 months (including the current offering); ○ A description of the financial condition of the company, including a discussion of liquidity, capital resources, and historical results of operations; 	

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Other Required Disclosure Information (continued):						<ul style="list-style-type: none"> ○ A description of any events that would have triggered disqualification under the "Bad Actor" disqualification had they occurred after the effective date of the final exemption rules; ○ Updates on progress towards meeting the target offering amount; ○ A statement regarding when the required annual report will be available and where investors will be able to find it; ○ A statement regarding whether the company or any of its predecessors failed to comply with the ongoing reporting requirements of this exemption; and ○ Any other information material to the offering 	
General Filing Requirements:	<ul style="list-style-type: none"> • Must file Form D with the SEC no later than 15 days after the first sale of securities (provided late filing is not a basis for loss of exemption); • Subject to required state notice filings (and fees) in states where investors reside 	<ul style="list-style-type: none"> • Must file Form D with the SEC no later than 15 days after the first sale of securities (provided late filing is not a basis for loss of exemption); • Must file amendment to filed Form D with the SEC no later than 30 days after the close of the offering; • Subject to required state notice filings (and fees) in states where investors reside 	<ul style="list-style-type: none"> • Must file Form 1-A and all required attachments/exhibits, with the SEC, and receive SEC qualification order, prior to accepting funds/commitments from investors; • Subject to required state notice filings (and fees) in states where investors reside 	<ul style="list-style-type: none"> • Must file Form 1-A and all required attachments/exhibits, with the SEC, and receive SEC qualification order, prior to accepting funds/commitments from investors; • Must also file Form 1-A and all required attachments/exhibits, with the appropriate agency of each state in which the company is planning to offer its securities, (subject to the ability to do a "coordinated review" of the filing) and receive approval from each state, prior to accepting funds/commitments from investors in a given state 	<ul style="list-style-type: none"> • Must file electronic Form C via EDGAR, and required attachments/exhibits, with the SEC, prior to the commencement of the offering; • Must provide copies of all information/disclosure provided to the SEC as part of the submitted Form C to the crowdfunding platform and to all investors (directly, via email or via link to the company's / portal's website) 	<ul style="list-style-type: none"> • Must file Form CF (Crowdfunding Issuer Form), together with a \$100 filing fee and a copy of the required "escrow agreement," with the Illinois Secretary of State at least 15 days before the earlier of first sale or any general solicitation (other than the permitted "general announcement"); • If there is a material change to the terms of the offering/ information provided by the company, the company must provide notice of the material changes to the Secretary of State, the internet portal and the investors (communication to investors may occur through the internet portal) 	

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On-going Filing/Disclosure Requirements:	None	None	<p>For so long as the securities remain outstanding, must file (among other things):</p> <ul style="list-style-type: none"> • Form 1-SA semi-annual report within 90 days after the end of the first half of the company's fiscal year; • Form 1-K annual report within 120 days after the end of the company's fiscal year; and • Form 1-U current reports filing within 4 days after the occurrence of any triggering event (including, among others: bankruptcy or receivership; material modification to the rights of security holders; changes in the company's certifying accountant; non-reliance on previous financial statements or a related audit report or interim review; changes in control of the company; departure of principal officer(s) of the company; unregistered sales of 10% or more of outstanding equity securities of the company; and fundamental changes to the operations/business of the company) <p>NOTE: the company will no longer be subject to the above ongoing reporting requirements if:</p> <ul style="list-style-type: none"> • The company becomes a fully-registered reporting company with the SEC; <p style="text-align: center;"><u>OR</u></p> <ul style="list-style-type: none"> • The company satisfies all of the above requirements for the fiscal year of the company in which the offering occurs; and 	<p>Must file:</p> <ul style="list-style-type: none"> • Form 1-Z exit report within 30 days after the termination or completion of the offering; 	<p>For so long as the securities remain outstanding, the company must file with the SEC (and post it on its website), on an annual basis, the same information it provided as part of its initial filing; provided that:</p> <ul style="list-style-type: none"> • The financial statements do not need to be audited by an independent auditor (unless audited financial statements have been prepared for other purposes); and • The company will be relieved from this ongoing reporting obligation if: <ul style="list-style-type: none"> ○ The company becomes a fully-registered reporting company with the SEC; ○ After filing at least 1 annual report, the company then has no more than 300 equity holders of record; ○ After filing at least 3 annual reports, the company then has less than \$10 million in assets; ○ The company or another party purchases or repurchases all the securities sold in reliance on this exemption; or ○ The company ceases to do business <p>AND the Company files electronic Form C-TR via EDGAR</p>	<p>For so long as the securities remain outstanding, the company must provide annual financial statements to investors (via its own website or through the crowdfunding portal) within 120 days after the end of the company's fiscal year; provided that:</p> <ul style="list-style-type: none"> • The financial statements do not need to be audited by an independent auditor (unless audited financial statements have been prepared for other purposes); • The financial statements must be certified by a senior officer of the company; • ** The company will be relieved from this ongoing reporting obligation if: <ul style="list-style-type: none"> ○ The company or another party purchases or repurchases all the securities sold in reliance on this exemption; or ○ The company ceases to do business <p>The company must file Form CF-T within 15 days after the completion/termination of the offering²</p>

² Reflects recommended amendments to proposed rules.

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On-going Filing/Disclosure Requirements (continued):			<ul style="list-style-type: none"> As of the end of the fiscal year in which the offering occurs the securities of each class to which the offering statement relates are held of record by fewer than 300 persons and the company no longer has an active/ongoing Regulation A offering; and The company files a Form 1-Z exit report 			
Estimated Cost To Company:	Low (\$) to Moderate (\$\$)	Low (\$) to Moderate (\$\$)	High (\$\$\$) to Very High (\$\$\$\$)	High (\$\$\$) to Very High (\$\$\$\$)	Moderate (\$\$)	Low (\$) to Moderate (\$\$)
Restrictions On Resale:	Securities may be resold only after holding them for at least 1 year from the date of purchase (subject to satisfaction of all other applicable provisions of Rule 144 , if any)	Securities may be resold after holding them for at least 1 year from the date of purchase (subject to satisfaction of all other applicable provisions of Rule 144 , if any)	Securities are freely tradable and may be immediately resold (subject to availability of applicable secondary market)	Securities are freely tradable and may be immediately resold (subject to availability of applicable secondary market)	<ul style="list-style-type: none"> Securities may be resold only after holding them for at least 1 year from the date of purchase, provided that, prior to the expiration of the 1 year period the securities may be resold to: <ul style="list-style-type: none"> the company; to an accredited investor; as part of an offering registered with the SEC; or a member of the family of the purchaser (or the equivalent), to a trust controlled by the purchaser, to a trust created for the benefit of a member of the family of the purchaser, or in connection with the death or divorce of the purchase; Sales made after the 1 year holding period must also be made in accordance with applicable state laws where the investor resides 	Resales limited to state residents until securities come to rest (after 9 mos. from the expiration of the offering)