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Transcript Exhibit(s)

Docket #(s): S-20065A-09-0154

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2009 SEP -9 P 3:25

AZ CORP COMMISSION
DOCKET CONTROL

Exhibit #: S1-S10

Arizona Corporation Commission

DOCKETED

SEP - 9 2009

DOCKETED BY 

STATE OF ARIZONA

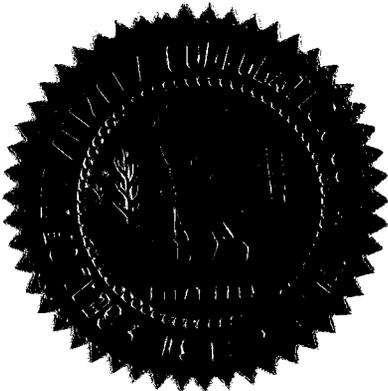


Corporation Commission

CERTIFICATION

I, Mark Dinell, certify that I am the Assistant Director of the Arizona Corporation Commission's Securities Division and that I have legal custody of the records of the Securities Division. I certify that I have directed a diligent search of the Securities Division records and the records reflect that during the period of January 1, 2009 to May 27, 2009, **Sports Dimensions, Inc.** has not filed with the Arizona Corporation Commission a notice pursuant to A.R.S. § 44-1850 of the Securities Act of Arizona or Article 12 of the Arizona Investment Management Act (A.R.S. § 44-3321 *et seq.*); has not registered securities with the Arizona Corporation Commission by description pursuant to Article 6 of the Securities Act of Arizona (A.R.S. § 44-1871 *et seq.*) or by qualification pursuant to Article 7 of the Securities Act of Arizona (A.R.S. § 44-1891 *et seq.*); has not registered with the Arizona Corporation Commission as a dealer pursuant to Article 9 of the Securities Act of Arizona (A.R.S. § 44-1941 *et seq.*); and has not made a notice filing or licensed with the Arizona Corporation Commission as an investment adviser pursuant to Article 4 of the Arizona Investment Management Act (A.R.S. § 44-3151 *et seq.*)

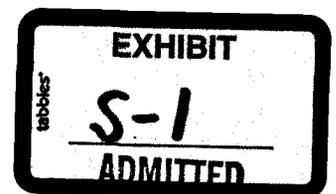
IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIXED THE OFFICIAL SEAL OF THE ARIZONA CORPORATION COMMISSION, AT THE CAPITOL, IN THE CITY OF PHOENIX, THIS 13 DAY OF June, 2009.



BY

A handwritten signature in black ink, appearing to read "Mark Dinell", is written over a horizontal line.

Mark Dinell
Assistant Director
Securities Division



STATE OF ARIZONA

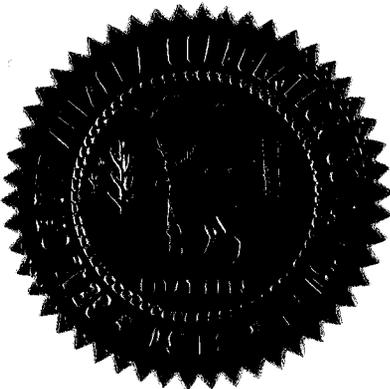


Corporation Commission

CERTIFICATION

I, Mark Dinell, certify that I am the Assistant Director of the Arizona Corporation Commission's Securities Division and that I have legal custody of the records of the Securities Division. I certify that I have directed a diligent search of the Securities Division records and the records reflect that during the period of January 1, 2009 to May 27, 2009, **Marc Hubbard** has not registered with the Arizona Corporation Commission as a securities salesman or dealer pursuant to Article 9 of the Securities Act of Arizona (A.R.S. § 44-1941 *et seq.*); and has not made a notice filing or licensed with the Arizona Corporation Commission as an investment adviser or investment adviser representative pursuant to Article 4 of the Arizona Investment Management Act (A.R.S. § 44-3151 *et seq.*)

IN WITNESS WHEREOF, I HAVE HEREUNTO SET MY HAND AND AFFIXED THE OFFICIAL SEAL OF THE ARIZONA CORPORATION COMMISSION, AT THE CAPITOL, IN THE CITY OF PHOENIX, THIS 1st DAY OF June, 2009.



BY _____

Mark Dinell
Assistant Director
Securities Division



Elaine F. Marshall
Secretary

North Carolina
DEPARTMENT OF THE SECRETARY OF STATE
PO Box 29622 Raleigh, NC 27626-0622 (919)807-2000

CORPORATIONS

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- Unincorporated Non-Profits
- Dissolution Reports
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- 2001 Bill Summaries
- 1999 Senate Bills
- Annual Reports 1997
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- Register for E-Procurement
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- New Payment Procedures

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Date: 5/28/2009

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Corporation Names

| Name | Name Type |
|-----------------------------------|-----------|
| NC Sports Dimensions, Inc. | Legal |

Business Corporation Information

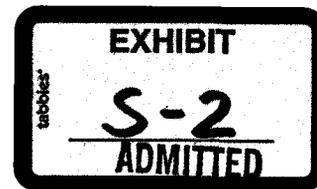
| | |
|-----------------------|----------------|
| SOSID: | 0617801 |
| Status: | Current-Active |
| Date Formed: | 1/25/2002 |
| Citizenship: | Domestic |
| State of Inc.: | NC |
| Duration: | Perpetual |

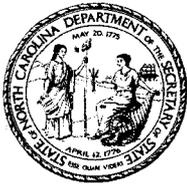
Registered Agent

| | |
|------------------------------------|---|
| Agent Name: | Hubbard, Marc |
| Registered Office Address: | 9219 Woodhall Lake Drive Waxhaw NC 28173 |
| Registered Mailing Address: | 9219 Woodhall Lake Drive Waxhaw NC 28173 |
| Principal Office Address: | 620 West Blackstock Rd. Spartanburg SC 29301 |
| Principal Mailing Address: | 620 West Blackstock Rd. Spartanburg SC 29301 |

Stock

| Class | Shares | No Par Value | Par Value |
|--------|--------|--------------|-----------|
| Common | 100000 | Yes | N/A |





BUSINESS CORPORATION ANNUAL REPORT

E-Filed Annual Report
-1-0-5415053
For year 2008
Do not data enter manually.

NAME OF BUSINESS CORPORATION: *Sports Dimensions, Inc.*

FISCAL YEAR ENDING: *2008*

STATE OF INCORPORATION: *NC*

SECRETARY OF STATE CORPORATE ID NUMBER: *0617801*

NATURE OF BUSINESS: *Entertainment*

REGISTERED AGENT: *Hubbard, Marc*

REGISTERED OFFICE MAILING ADDRESS: *9219 Woodhall Lake Drive
Waxhaw, NC 28173*

REGISTERED OFFICE STREET ADDRESS: *9219 Woodhall Lake Drive
Waxhaw, NC 28173 Union County*

PRINCIPAL OFFICE TELEPHONE NUMBER: *(888) 755-3367*

PRINCIPAL OFFICE MAILING ADDRESS: *620 West Blackstock Rd.
Spartanburg, SC 29301*

PRINCIPAL OFFICE STREET ADDRESS: *620 West Blackstock Rd.
Spartanburg, SC 29301*

PRINCIPAL OFFICERS:

*Name: Marc Hubbard
Title: President
Address:
20223 COLONY POINT LANE
Cornelius, NC 28031*

*Name: Marc Hubbard
Title: President
Address:
9219 Woodhall Lake Drive
Waxhaw, NC 28173*

CERTIFICATION OF ANNUAL REPORT MUST BE COMPLETED BY ALL BUSINESS CORPORATIONS

Marc Hubbard

01/22/2009

FORM MUST BE SIGNED BY AN OFFICER OF THE CORPORATION

DATE

Marc Hubbard

President

TYPE OR PRINT NAME

TYPE OR PRINT TITLE

ANNUAL REPORT FEE: \$18 MAIL TO: Secretary of State • Corporations Division • Post Office Box 29525 • Raleigh, NC 27626-0525



BUSINESS CORPORATION ANNUAL REPORT

E-Filed Annual Report
-1-0-5415053
For year 2007
Do not data enter manually.

NAME OF BUSINESS CORPORATION: *Sports Dimensions, Inc.*

FISCAL YEAR ENDING: *2007*

STATE OF INCORPORATION: *NC*

SECRETARY OF STATE CORPORATE ID NUMBER: *0617801*

NATURE OF BUSINESS: *Entertainment*

REGISTERED AGENT: *Hubbard, Marc*

REGISTERED OFFICE MAILING ADDRESS: *9219 Woodhall Lake Drive
Waxhaw, NC 28173*

REGISTERED OFFICE STREET ADDRESS: *9219 Woodhall Lake Drive
Waxhaw, NC 28173 Union County*

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PRINCIPAL OFFICE STREET ADDRESS: *620 West Blackstock Rd.
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*Name: Marc Hubbard
Title: President
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Cornelius, NC 28031*

*Name: Marc Hubbard
Title: President
Address:
9219 Woodhall Lake Drive
Waxhaw, NC 28173*

CERTIFICATION OF ANNUAL REPORT MUST BE COMPLETED BY ALL BUSINESS CORPORATIONS

Marc Hubbard

01/22/2009

FORM MUST BE SIGNED BY AN OFFICER OF THE CORPORATION

DATE

Marc Hubbard

President

TYPE OR PRINT NAME

TYPE OR PRINT TITLE

ANNUAL REPORT FEE: \$18 MAIL TO: Secretary of State • Corporations Division • Post Office Box 29525 • Raleigh, NC 27626-0525



BUSINESS CORPORATION ANNUAL REPORT

E-Filed Annual Report
-1-0-5415053
For year 2006
Do not data enter manually.

NAME OF BUSINESS CORPORATION: *Sports Dimensions, Inc.*

FISCAL YEAR ENDING: *2006*

STATE OF INCORPORATION: *NC*

SECRETARY OF STATE CORPORATE ID NUMBER: *0617801*

FEDERAL EMPLOYER ID NUMBER: *300321606*

NATURE OF BUSINESS: *Entertainment*

REGISTERED AGENT: *Hubbard, Marc*

REGISTERED OFFICE MAILING ADDRESS: *8604 Cliff Cameon Drive, Suite 145
Charlotte, NC 28269*

REGISTERED OFFICE STREET ADDRESS: *8604 Cliff Cameron Drive, Suite 145
Charlotte, NC 28269 Mecklenburg County*

PRINCIPAL OFFICE TELEPHONE NUMBER: *(888) 755-3367*

PRINCIPAL OFFICE MAILING ADDRESS: *8604 Cliff Cameron Drive, Suite 145
Charlotte, NC 28269*

PRINCIPAL OFFICE STREET ADDRESS: *8604 Cliff Cameron Drive, Suite 145
Charlotte, NC 28269*

PRINCIPAL OFFICERS:

*Name: Marc Hubbard
Title: President
Address:
20223 COLONY POINT LANE
Cornelius, NC 28031*

CERTIFICATION OF ANNUAL REPORT MUST BE COMPLETED BY ALL BUSINESS CORPORATIONS

Marc Hubbard

10/11/2006

FORM MUST BE SIGNED BY AN OFFICER OF THE CORPORATION

DATE

Marc Hubbard

President

TYPE OR PRINT NAME

TYPE OR PRINT TITLE

ANNUAL REPORT FEE: \$20 MAIL TO: Secretary of State • Corporations Division • Post Office Box 29525 • Raleigh, NC 27626-0525



BUSINESS CORPORATION ANNUAL REPORT

SOSID: 0617801
Date Filed: 7/5/2005 9:18 AM
Elaine F. Marshall
North Carolina Secretary of State

NAME OF BUSINESS CORPORATION: *Sports Dimensions, Inc.*

FISCAL YEAR ENDING: *12/31/2004*

STATE OF INCORPORATION: *NC*

SECRETARY OF STATE CORPORATE ID NUMBER: *0617801*

FEDERAL EMPLOYER ID NUMBER: *561980112*

NATURE OF BUSINESS: *Entertainment*

REGISTERED AGENT: *Hubbard, Marc*

REGISTERED OFFICE MAILING ADDRESS: *407 Fannie Circle
Charlotte, NC 28205*

REGISTERED OFFICE STREET ADDRESS: *407 Fannie Circle
Charlotte, NC 28205 County: Mecklenburg*

PRINCIPAL OFFICE TELEPHONE NUMBER: *7048073943*

PRINCIPAL OFFICE MAILING ADDRESS: *421 E. SUGAR CREEK RD.
Charlotte, NC 28213*

PRINCIPAL OFFICE STREET ADDRESS: *421 E. SUGAR CREEK RD.
Charlotte, NC 28213*

PRINCIPAL OFFICERS:

Marc Hubbard
Title: President
20223 COLONY POINT LANE
Cornelius, NC 28031

CERTIFICATION OF ANNUAL REPORT MUST BE COMPLETED BY ALL BUSINESS CORPORATIONS

Marc Hubbard

7/5/2005

FORM MUST BE SIGNED BY AN OFFICER OF THE CORPORATION

DATE

Marc Hubbard

President

TYPE OR PRINT NAME

TYPE OR PRINT TITLE

ANNUAL REPORT FEE: E-Paid Secretary of State • Corporations Division • Post Office Box 29525 • Raleigh, NC 27626-0525



BUSINESS CORPORATION ANNUAL REPORT

SOSID: 0617801
Date Filed: 7/5/2005 9:13 AM
Elaine F. Marshall
North Carolina Secretary of State

NAME OF BUSINESS CORPORATION: *Sports Dimensions, Inc.*

FISCAL YEAR ENDING: *12/31/2003*

STATE OF INCORPORATION: *NC*

SECRETARY OF STATE CORPORATE ID NUMBER: *0617801*

FEDERAL EMPLOYER ID NUMBER: *561980112*

NATURE OF BUSINESS: *Entertainment*

REGISTERED AGENT: *Hubbard, Marc*

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Charlotte, NC 28205*

REGISTERED OFFICE STREET ADDRESS: *407 Fannie Circle
Charlotte, NC 28205 County: Mecklenburg*

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PRINCIPAL OFFICE STREET ADDRESS: *421 E. SUGAR CREEK RD.
Charlotte, NC 28213*

PRINCIPAL OFFICERS:

*Marc Hubbard
Title: President
20223 COLONY POINT LANE
Cornelius, NC 28031*

CERTIFICATION OF ANNUAL REPORT MUST BE COMPLETED BY ALL BUSINESS CORPORATIONS

MARC HUBBARD

7/5/2005

FORM MUST BE SIGNED BY AN OFFICER OF THE CORPORATION

DATE

MARC HUBBARD

President

TYPE OR PRINT NAME

TYPE OR PRINT TITLE

ANNUAL REPORT FEE: E-Paid Secretary of State • Corporations Division • Post Office Box 29525 • Raleigh, NC 27626-0525



BUSINESS CORPORATION ANNUAL REPORT

SOSID: 0617801
Date Filed: 7/5/2005 9:05 AM
Elaine F. Marshall
North Carolina Secretary of State

NAME OF BUSINESS CORPORATION: *Sports Dimensions, Inc.*

FISCAL YEAR ENDING: *12/31/2002*

STATE OF INCORPORATION: *NC*

SECRETARY OF STATE CORPORATE ID NUMBER: *0617801*

FEDERAL EMPLOYER ID NUMBER: *561980112*

NATURE OF BUSINESS: *Entertainment*

REGISTERED AGENT: *Hubbard, Marc*

REGISTERED OFFICE MAILING ADDRESS: *407 Fannie Circle
Charlotte, NC 28205*

REGISTERED OFFICE STREET ADDRESS: *407 Fannie Circle
Charlotte, NC 28205 County: Mecklenburg*

PRINCIPAL OFFICE TELEPHONE NUMBER: *704 807 3943*

PRINCIPAL OFFICE MAILING ADDRESS: *421 E. SUGAR CREEK RD.
Charlotte, NC 282013*

PRINCIPAL OFFICE STREET ADDRESS: *421 E. SUGAR CREEK RD.
Charlotte, NC 28213*

PRINCIPAL OFFICERS:

*Marc Hubbard
Title: President
20223 COLONY POINT LANE
Cornelius, NC 28031*

CERTIFICATION OF ANNUAL REPORT MUST BE COMPLETED BY ALL BUSINESS CORPORATIONS

MARC HUBBARD

7/5/2005

FORM MUST BE SIGNED BY AN OFFICER OF THE CORPORATION

DATE

MARC HUBBARD

President

TYPE OR PRINT NAME

TYPE OR PRINT TITLE

ANNUAL REPORT FEE: E-Paid Secretary of State • Corporations Division • Post Office Box 29525 • Raleigh, NC 27626-0525

22 024 9007

SOSID: 617801
Date Filed: 1/25/2002 12:00 PM
Elaine F. Marshall
North Carolina Secretary of State

STATE OF NORTH CAROLINA
DEPARTMENT OF THE SECRETARY OF STATE

ARTICLES OF INCORPORATION

Pursuant to Section 55-2-02 of the General Statutes of the State of North Carolina, the undersigned does hereby submit these Articles of Incorporation for the purposes of forming a business corporation.

1. The name of the corporation is SPORTS DIMENSIONS, INC.
2. The number of shares the corporation is authorized to issue is 100,000 and these shares shall be all of one class.
3. The street address and county of the initial registered office of the corporation is 407 Fannie Circle, Charlotte, NC 28205, in Mecklenburg County, NC.
4. The name of the initial registered agent is Marc Hubbard, 407 Fannie Circle, Charlotte, NC 28205.
5. The name and address of the incorporator is: Marc Hubbard, 407 Fannie Circle, Charlotte, NC 28205
6. These Articles will be effective upon filing.

This 20th day of January, 2002.

SPORTS DIMENSIONS, INC.



Marc Hubbard **INCORPORATOR**
407 Fannie Circle
Charlotte, NC 28205

1177842

SEC 1972 (6/99) Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

ATTENTION
Failure to file notice in the appropriate states will not result in a loss of the federal exemption. Conversely, failure to file the appropriate federal notice will not result in a loss of an available state exemption unless such exemption is predicated on the filing of a federal notice.

OMB APPROVAL
OMB Number: 3235-0076
Expires: May 31, 2005
Estimated average burden hours per response... 1

PROCESSED
JUL 19 2002
THOMSON FINANCIAL
SEC MAIL RECEIVED
JUL - 2 2002
WASH. D.C. 151 SECTION

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

FORM D

SEC USE ONLY
Prefix Serial
DATE RECEIVED

NOTICE OF SALE OF SECURITIES
PURSUANT TO REGULATION D,
SECTION 4(6), AND/OR UNIFORM LIMITED OFFERING EXEMPTION

Name of Offering (check if this is an amendment and name has changed, and indicate change.)

Filing Under (Check box(es) that apply):
 Rule 504 Rule 505 Rule 506 Section 4(6) ULOE

Type of Filing: New Filing Amendment

EXHIBIT
tabular
S-3
ADMITTED

A. BASIC IDENTIFICATION DATA

1. Enter the information requested about the issuer

SPORTS DIMENSIONS, INC.

Name of Issuer (check if this is an amendment and name has changed, and indicate change.)

407 FANNIE CIRCLE, CHARLOTTE, NORTH CAROLINA, 28205

Address of Executive Offices (Number and Street, City, State, Zip Code)

(704) 344-1215 (704) 548-8548

Telephone Number (Including Area Code)

407 EASTWAY DRIVE, CHARLOTTE, NC 28205

Address of Principal Business Operations (Number and Street, City, State, Zip Code)

Telephone Number (Including Area Code)
(if different from Executive Offices)

NIGHTCLUB AND CONCERT PROMOTION BUSINESS

Brief Description of Business

Type of Business Organization

corporation limited partnership, already formed other (please specify):
 business trust limited partnership, to be formed

Month Year

Actual or Estimated Date of Incorporation or Organization: [0] 1 [0] 2 Actual Estimated

Jurisdiction of Incorporation or Organization: (Enter two-letter U.S. Postal Service abbreviation for State:

CN for Canada; FN for other foreign jurisdiction) [N] [C]

GENERAL INSTRUCTIONS

Federal:

Who Must File: All issuers making an offering of securities in reliance on an exemption under Regulation D or Section 4(6), 17 CFR 230.501 et seq. or 15 U.S.C. 77d(6).

When to File: A notice must be filed no later than 15 days after the first sale of securities in the offering. A notice is deemed filed with the U.S. Securities and Exchange Commission (SEC) on the earlier of the date it is received by the SEC at the address given below or, if received at that address after the date on which it is due, on the date it was mailed by United States registered or certified mail to that address.

Where to File: U.S. Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549.

Copies Required: Five (5) copies of this notice must be filed with the SEC, one of which must be manually signed. Any copies not manually signed must be photocopies of manually signed copy or bear typed or printed signatures.

Information Required: A new filing must contain all information requested. Amendments need only report the name of the issuer and offering, any changes thereto, the information requested in Part C, and any material changes from the information previously supplied in Parts A and B. Part E and the Appendix need not be filed with the SEC.

Filing Fee: There is no federal filing fee.

State:

This notice shall be used to indicate reliance on the Uniform Limited Offering Exemption (ULOE) for sales of securities in those states that have adopted ULOE and that have adopted this form. Issuers relying on ULOE must file a separate notice with the Securities Administrator in each state where sales are to be, or have been made. If a state requires the payment of a fee as a precondition to the claim for the exemption, a fee in the proper amount shall accompany this form. This notice shall be filed in the appropriate states in accordance with state law. The Appendix in the notice constitutes a part of this notice and must be completed.

A. BASIC IDENTIFICATION DATA

2. Enter the information requested for the following:

- ? Each promoter of the issuer, if the issuer has been organized within the past five years;
- ? Each beneficial owner having the power to vote or dispose, or direct the vote or disposition of, 10% or more of a class of equity securities of the issuer;
- ? Each executive officer and director of corporate issuers and of corporate general and managing partners of partnership issuers; and
- ? Each general and managing partner of partnership issuers.

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner

Full Name (Last name first, if individual)
HUBBARD, MARC

Business or Residence Address (Number and Street, City, State, Zip Code)
407 FANNIE CIRCLE, CHARLOTTE, NORTH CAROLINA, 28205

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner

Full Name (Last name first, if individual)

Business or Residence Address (Number and Street, City, State, Zip Code)

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner

Full Name (Last name first, if individual)

Business or Residence Address (Number and Street, City, State, Zip Code)

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner

Partner

Full Name (Last name first, if individual)

Business or Residence Address (Number and Street, City, State, Zip Code)

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner

Full Name (Last name first, if individual)

Business or Residence Address (Number and Street, City, State, Zip Code)

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner

Full Name (Last name first, if individual)

Business or Residence Address (Number and Street, City, State, Zip Code)

Check Box(es) that Apply: Promoter Beneficial Owner Executive Officer Director General and/or Managing Partner

Full Name (Last name first, if individual)

Business or Residence Address (Number and Street, City, State, Zip Code)

(Use blank sheet, or copy and use additional copies of this sheet, as necessary.)

B. INFORMATION ABOUT OFFERING

1. Has the issuer sold, or does the issuer intend to sell, to non-accredited investors in this Yes No

offering?.....

Answer also in Appendix, Column 2, if filing under ULOE.

2. What is the minimum investment that will be accepted from any individual?..... \$ 1,000

3. Does the offering permit joint ownership of a single unit?..... Yes No

4. Enter the information requested for each person who has been or will be paid or given, directly or indirectly, any commission or similar remuneration for solicitation of purchasers in connection with sales of securities in the offering. If a person to be listed is an associated person or agent of a broker or dealer registered with the SEC and/or with a state or states, list the name of the broker or dealer. If more than five (5) persons to be listed are associated persons of such a broker or dealer, you may set forth the information for that broker or dealer only.

Full Name (Last name first, if individual)

Business or Residence Address (Number and Street, City, State, Zip Code)

Name of Associated Broker or Dealer

States in Which Person Listed Has Solicited or Intends to Solicit Purchasers

(Check "All States" or check individual States)

All States

| | | | | | | | | | | | | |
|------|------|------|------|------|------|------|------|------|------|------|------|------|
| [AL] | [AK] | [AZ] | [AR] | [CA] | [CO] | [CT] | [DE] | [DC] | [FL] | [GA] | [HI] | [ID] |
| [IL] | [IN] | [IA] | [KS] | [KY] | [LA] | [ME] | [MD] | [MA] | [MI] | [MN] | [MS] | [MO] |
| [MT] | [NE] | [NV] | [NH] | [NJ] | [NM] | [NY] | [NC] | [ND] | [OH] | [OK] | [OR] | [PA] |
| [RI] | [SC] | [SD] | [TN] | [TX] | [UT] | [VT] | [VA] | [WA] | [WV] | [WI] | [WY] | [PR] |

Full Name (Last name first, if individual)

Business or Residence Address (Number and Street, City, State, Zip Code)

Name of Associated Broker or Dealer

States in Which Person Listed Has Solicited or Intends to Solicit Purchasers

(Check "All States" or check individual States)

All States

| | | | | | | | | | | | | |
|------|------|------|------|------|------|------|------|------|------|------|------|------|
| [AL] | [AK] | [AZ] | [AR] | [CA] | [CO] | [CT] | [DE] | [DC] | [FL] | [GA] | [HI] | [ID] |
| [IL] | [IN] | [IA] | [KS] | [KY] | [LA] | [ME] | [MD] | [MA] | [MI] | [MN] | [MS] | [MO] |
| [MT] | [NE] | [NV] | [NH] | [NJ] | [NM] | [NY] | [NC] | [ND] | [OH] | [OK] | [OR] | [PA] |
| [RI] | [SC] | [SD] | [TN] | [TX] | [UT] | [VT] | [VA] | [WA] | [WV] | [WI] | [WY] | [PR] |

Full Name (Last name first, if individual)

Business or Residence Address (Number and Street, City, State, Zip Code)

Name of Associated Broker or Dealer

States in Which Person Listed Has Solicited or Intends to Solicit Purchasers

(Check "All States" or check individual States)

All States

| | | | | | | | | | | | | |
|------|------|------|------|------|------|------|------|------|------|------|------|------|
| [AL] | [AK] | [AZ] | [AR] | [CA] | [CO] | [CT] | [DE] | [DC] | [FL] | [GA] | [HI] | [ID] |
| [IL] | [IN] | [IA] | [KS] | [KY] | [LA] | [ME] | [MD] | [MA] | [MI] | [MN] | [MS] | [MO] |
| [MT] | [NE] | [NV] | [NH] | [NJ] | [NM] | [NY] | [NC] | [ND] | [OH] | [OK] | [OR] | [PA] |
| [RI] | [SC] | [SD] | [TN] | [TX] | [UT] | [VT] | [VA] | [WA] | [WV] | [WI] | [WY] | [PR] |

(Use blank sheet, or copy and use additional copies of this sheet, as necessary.)

C. OFFERING PRICE, NUMBER OF INVESTORS, EXPENSES AND USE OF PROCEEDS

1. Enter the aggregate offering price of securities included in this offering and the total amount already sold. Enter "0" if answer is "none" or "zero." If the transaction is an exchange offering, check this box and indicate in the columns below the amounts of the securities offered for exchange and already exchanged.

| Type of Security | Aggregate Offering Price | Amount Already Sold |
|--|-----------------------------|------------------------|
| Debt | \$ 1,000 | \$ 0 |
| Equity | \$ _____ | \$ 0 |
| <input type="checkbox"/> Common <input type="checkbox"/> Preferred | | |
| Convertible Securities (including warrants) | \$ _____ | \$ _____ |
| Partnership Interests | \$ _____ | \$ _____ |
| Other (Specify _____). | \$ _____ | \$ _____ |
| Total | \$ _____ | \$ _____ |

Answer also in Appendix, Column 3, if filing under ULOE.

2. Enter the number of accredited and non-accredited investors who have purchased securities in this offering and the aggregate dollar amounts of their purchases. For offerings under Rule 504, indicate the number of persons who have purchased securities and the aggregate dollar amount of their purchases on the total lines. Enter "0" if answer is "none" or "zero."

| | Number Investors | Aggregate Dollar Amount of Purchases |
|---|------------------|--|
| Accredited Investors | 0 | \$ 0 |
| Non-accredited Investors | 0 | \$ 0 |
| Total (for filings under Rule 504 only) | 0 | \$ 0 |

Answer also in Appendix, Column 4, if filing under ULOE.

3. If this filing is for an offering under Rule 504 or 505, enter the information requested for all securities sold by the issuer, to date, in offerings of the types indicated, the twelve (12) months prior to the first sale of securities in this offering. Classify securities by type listed in Part C-Question 1.

| Type of offering | Type of Security | Dollar Amount Sold |
|--------------------|------------------|-----------------------|
| Rule 505 | | \$ _____ |
| Regulation A | | \$ _____ |
| Rule 504 | DEBT | \$ 0 |
| Total | | \$ _____ |

4. a. Furnish a statement of all expenses in connection with the issuance and distribution of the securities in this offering. Exclude amounts relating solely to organization expenses of the issuer. The information may be given as subject to future contingencies. If the amount of an expenditure is not known, furnish an estimate and check the box to the left of the estimate.

| | |
|------------------------------------|---|
| Transfer Agent's Fees | <input type="checkbox"/> \$ 0 |
| Printing and Engraving Costs | <input checked="" type="checkbox"/> \$ 300.00 |

| | | |
|--|-------------------------------------|--------------|
| Legal Fees | <input checked="" type="checkbox"/> | \$ 200.00 |
| Accounting Fees | <input type="checkbox"/> | \$ |
| Engineering Fees | <input type="checkbox"/> | \$ |
| Sales Commissions (specify finders' fees separately) | <input checked="" type="checkbox"/> | \$ 10,000.00 |
| Other Expenses (identify) | <input type="checkbox"/> | \$ |
| Total | <input type="checkbox"/> | \$ 10,500.00 |

b. Enter the difference between the aggregate offering price given in response to Part C - Question 1 and total expenses furnished in response to Part C - Question 4.a. This difference is the "adjusted gross proceeds to the issuer." \$ ~~89,500.00~~

5. Indicate below the amount of the adjusted gross proceeds to the issuer used or proposed to be used for each of the purposes shown. If the amount for any purpose is not known, furnish an estimate and check the box to the left of the estimate. The total of the payments listed must equal the adjusted gross proceeds to the issuer set forth in response to Part C - Question 4.b above.

| | Payments to Officers, Directors, & Affiliates | Payments To Others |
|--|---|--------------------------|
| Salaries and fees | <input type="checkbox"/> | <input type="checkbox"/> |
| | \$ | \$ |
| Purchase of real estate | <input type="checkbox"/> | <input type="checkbox"/> |
| | \$ | \$ |
| Purchase, rental or leasing and installation of machinery and equipment | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| | \$ 30,000 | \$ |
| Construction or leasing of plant buildings and facilities..... | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| | \$ 20,000 | \$ |
| Acquisition of other businesses (including the value of securities involved in this offering that may be used in exchange for the assets or securities of another issuer pursuant to a merger) | <input type="checkbox"/> | <input type="checkbox"/> |
| | \$ | \$ |
| Repayment of indebtedness | <input type="checkbox"/> | <input type="checkbox"/> |
| | \$ | \$ |
| Working capital | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| | \$ 29,500 | \$ |
| Other (specify): <u>MARKETING</u> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| | \$ 10,000 | \$ |
| | <input type="checkbox"/> | <input type="checkbox"/> |
| | \$ | \$ |
| Column Totals | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| | \$ 89,500 | \$ |
| Total Payments Listed (column totals added) | <input type="checkbox"/> | \$ |

D. FEDERAL SIGNATURE

The issuer has duly caused this notice to be signed by the undersigned duly authorized person. If this notice is filed under Rule 505, the following signature constitutes an undertaking by the issuer to furnish to the U.S. Securities and Exchange Commission, upon written request of its staff, the information furnished by the issuer to any non-accredited investor pursuant to paragraph (b)(2) of Rule 502.

| | | |
|------------------------|-----------|------|
| Issuer (Print or Type) | Signature | Date |
|------------------------|-----------|------|

| | | |
|--------------------------------|---------------------------------|---------------|
| SPORTS DIMENSIONS, INC. | <i>Marc Hubbard</i> | <i>7/1/02</i> |
| Name of Signer (Print or Type) | Title of Signer (Print or Type) | |
| MARC HUBBARD | <i>President</i> | |

ATTENTION
Intentional misstatements or omissions of fact constitute federal criminal violations. (See 18 U.S.C. 1001.)

E. STATE SIGNATURE

1. Is any party described in 17 CFR 230.262 presently subject to any of the disqualification provisions of such rule? Yes No

.....
 See Appendix, Column 5, for state response.

2. The undersigned issuer hereby undertakes to furnish to any state administrator of any state in which this notice is filed, a notice on Form D (17 CFR 239,500) at such times as required by state law.

3. The undersigned issuer hereby undertakes to furnish to the state administrators, upon written request, information furnished by the issuer to offerees.

4. The undersigned issuer represents that the issuer is familiar with the conditions that must be satisfied to be entitled to the Uniform limited Offering Exemption (ULOE) of the state in which this notice is filed and understands that the issuer claiming the availability of this exemption has the burden of establishing that these conditions have been satisfied.

The issuer has read this notification and knows the contents to be true and has duly caused this notice to be signed on its behalf by the undersigned duly authorized person.

| | | |
|--------------------------------|-----------------------|---------------|
| Issuer (Print or Type) | Signature | Date |
| SPORTS DIMENSIONS, INC. | <i>Marc Hubbard</i> | <i>7/1/02</i> |
| Name of Signer (Print or Type) | Title (Print or Type) | <i>7/1/02</i> |
| MARC HUBBARD | <i>President</i> | |

Instruction:

Print the name and title of the signing representative under his signature for the state portion of this form. One copy of every notice on Form D must be manually signed. Any copies not manually signed must be photocopies of the manually signed copy or bear typed or printed signatures.

MN
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-----BEGIN PRIVACY-ENHANCED MESSAGE-----

Proc-Type: 2001,MIC-CLEAR

Originator-Name: webmaster@www.sec.gov

Originator-Key-Asymmetric:

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TWSM7vrzLADbmYQaionwg5sDW3P6oaM5D3tdezXmM7z1T+B+twIDAQAB

MIC-Info: RSA-MD5,RSA,

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<ACCEPTANCE-DATETIME>20020719075749

<PAPER>

ACCESSION NUMBER: 9999999997-02-041089

CONFORMED SUBMISSION TYPE: REGDEX

PUBLIC DOCUMENT COUNT: 1

ITEM INFORMATION:

FILED AS OF DATE: 20020702

FILER:

COMPANY DATA:

COMPANY CONFORMED NAME:

SPORTS DIMENSIONS INC

CENTRAL INDEX KEY:

0001177842

FILING VALUES:

FORM TYPE: REGDEX

SEC ACT: 1934 Act

SEC FILE NUMBER: 021-45483

FILM NUMBER: 02048783

BUSINESS ADDRESS:

STREET 1: 407 FANNIE CIRCLE

CITY: CHARLOTTE

STATE: NC

ZIP: 28205

BUSINESS PHONE: 7043441215

</SEC-HEADER>

<DOCUMENT>

<TYPE>REGDEX

<SEQUENCE>1

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<DESCRIPTION>AUTO-GENERATED PAPER DOCUMENT

<TEXT>

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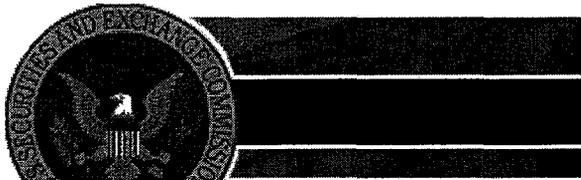
Please reference the Document Control Number 02048783 for access to the original document.

</TEXT>

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</SEC-DOCUMENT>

-----END PRIVACY-ENHANCED MESSAGE-----



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U.S. Securities and Exchange Commission

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Form REGDEX - Notice of Sale of Securities [Regulation D and Section 4(6) of the Securities Act of 1933]
SEC Accession No. 9999999997-02-041089

| | |
|--|---|
| Filing Date 2002-07-02 | Items Item 04: Rule 504(b)(1) (not (i), (ii) or (iii)) |
| Accepted 2002-07-19 07:57:49 | |
| Documents 1 | |

Document Format Files

| Seq | Description | Document | Type | Size |
|-----|-------------------------------|----------------------------|--------|--------|
| 1 | AUTO-GENERATED PAPER DOCUMENT | 9999999997-02-041089.paper | REGDEX | 150 |
| | Scanned paper document | scanned.pdf | | 396784 |
| | Complete submission text file | 9999999997-02-041089.txt | | 1383 |

SPORTS DIMENSIONS INC (Filer) CIK: 0001177842
(see all company filings)

Type: REGDEX | Act: 34 | File No.: 021-45483 | Film No.: 02048783

Business Address
407 FANNIE CIRCLE
CHARLOTTE NC 28205
7043441215

Mailing Address

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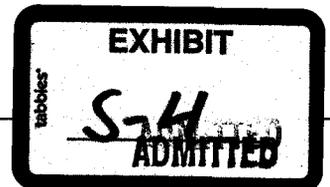
STATE OF CALIFORNIA
BUSINESS, TRANSPORTATION AND HOUSING AGENCY
DEPARTMENT OF CORPORATIONS

TO: Sports Dimensions, Inc.
Sports Dimensions, Inc. dba SDI
Marc Hubbard
8604 Cliff Cameron Drive, Suite 145
Charlotte, NC 28269

DESIST AND REFRAIN ORDER
(For violations of section 25110 of the Corporations Code)

The California Corporations Commissioner finds that:

1. At all relevant times, Sports Dimensions, Inc. ("SDI") also known as Sports Dimensions, Inc. dba SDI is, or was, a North Carolina corporation with its principal office located at 8604 Cliff Cameron Drive, Suite 145, Charlotte, North Carolina. SDI maintains a website at <http://www.allstarconcerts.com>. SDI supposedly specializes in the concert business, particularly as lead promoter or production manager of concert events.
2. At all relevant times, Marc Hubbard ("Hubbard") is, or was, president and chief executive officer of SDI.
3. In or about August 2006, and through means of general solicitation, including postings on its website, advertisements in the Los Angeles Times, and at <http://www.latimes.com/classified>, SDI and Hubbard offered to sell, and continue to offer to sell securities in the form of promissory notes of SDI, and investment contracts described as "CONTRACT" to the public, including California residents. By means of a Confidential Private Placement Memorandum ("PPM") that SDI placed on its website, SDI, and Hubbard offer a minimum of twenty, and a maximum of one thousand notes of SDI at \$1,000 per note. The notes SDI and Hubbard are offering to investors total between at least \$20,000 and \$1,000,000. SDI's PPM represents that an "investor must purchase the



1 notes as a lender to the company, for investment purposes only..." Investors are promised a 20%
2 quarterly rate of return on their investment. Further, SDI and Hubbard represent that the notes are
3 secured by box office receipts for various concerts and a \$4,000,000 surety bond issued by Tri-Point
4 Holdings. SDI's PPM prohibits note holders from retaining any voting rights in SDI, and provides in
5 pertinent part, "...all decisions with respect to the management of the company will be made
6 exclusively by the officers, directors and employees of the company. The Noteholders [sic] do not
7 have the right or power to take part in the management of the Company and will not be represented
8 on the Board of Directors of the Company. Accordingly, no person should purchase a Note unless he
9 is willing to entrust all aspects of the management of the Company to existing Management." [sic].

10 4. SDI and Hubbard's solicitation materials posted on their website also include an offer
11 to sell an investment contract in SDI described as "CONTRACT" ("Contract") to the general public,
12 including California residents. The Contract being offered promises a 25% return on investment to
13 investors.

14 5. The purported purpose of the offerings includes raising funds for further investment
15 and expansion of SDI's concert business, including but not limited to, producing and promoting
16 concerts featuring various artists.

17 6. These securities were offered or sold in this state in issuer transactions. The
18 Department of Corporations has not issued a permit or other form of qualification authorizing any
19 person to offer and sell these securities in this state.

20 Based upon the foregoing findings, the California Corporations Commissioner is of the
21 opinion that securities in the form of promissory notes of SDI and investment contracts in SDI
22 described as "CONTRACT" that were offered or sold, are securities subject to qualification under the
23 California Corporate Securities Law of 1968 and are being or have been offered or sold without being
24 qualified in violation of Corporations Code section 25110. Pursuant to section 25532 of the
25 Corporate Securities Law of 1968, Sports Dimensions, Inc., also known as Sports Dimensions, Inc.
26 dba SDI and Marc Hubbard are hereby ordered to desist and refrain from the further offer or sale in
27 the State of California of securities, including but not limited to, promissory notes of SDI and
28

1 investment contracts in SDI described as "CONTRACT" unless and until qualification has been made
2 under the law or unless exempt.

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

5 Dated: September 26, 2006.

6 Los Angeles, California

8 PRESTON DuFAUCHARD
9 California Corporations Commissioner

10
11 By _____
12 ALAN S. WEINGER
13 Supervising Attorney
14 Enforcement Division
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October 16, 2006

Ms. Uche Enenwali
Department of Corporations
320 West 4th Street
Los Angeles, CA

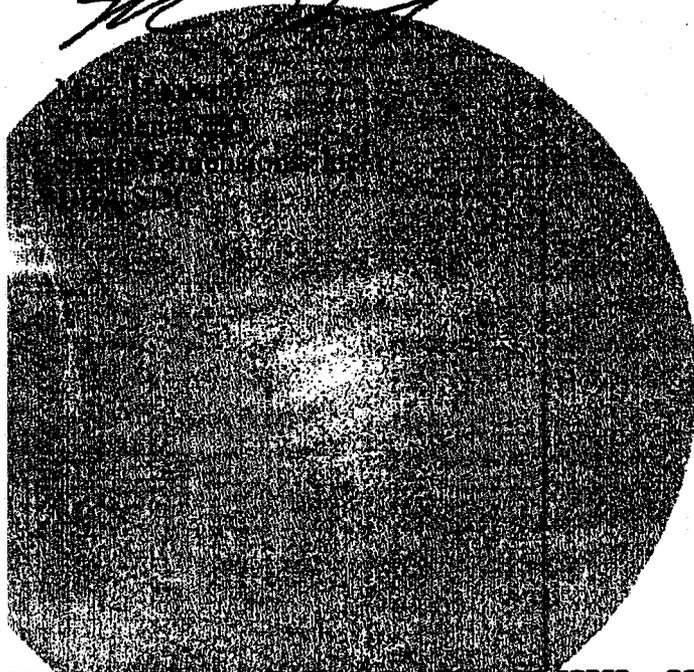
Dear Ms. Enenwali:

It was a pleasure to have the opportunity to converse with you last week. Per our conversation, we have updated our website to reflect that our unique business opportunity is not available to California residents. We in no way attempted to market securities' contracts in your state. However, based on your order dated September 27 and our conversation, we realize that our offering may fall within your definition of a security. As a result, effective immediately, our opportunity will no longer be available to California residents.

Please contact me at your convenience with any questions at 1-888-755-3367 or 704-807-3943.

Sincerely

A handwritten signature in black ink, appearing to be "M. J. A.", is written above a large, dark, circular stamp or seal.



DEPARTMENT OF CORPORATIONS
California's Investment and Financing Authority

Los Angeles



September 27, 2006

Sports Dimensions, Inc.
Sports Dimensions, Inc. dba SDI
Marc Hubbard
8604 Cliff Cameron Drive, Suite 145
Charlotte, NC 28269

RE: Desist and Refrain Order for Violations of section 25110 of the Corporations Code

Dear Sir:

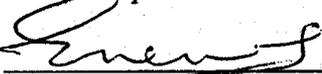
The Department of Corporations is enclosing a Desist and Refrain Order issued in the above-entitled matter.

Section 25532 of the California Corporations Code sets forth the authority of the Commissioner to issue such Order and your right to request an Administrative Hearing in writing if you challenge such Order.

If you have any questions, please contact me directly at (213) 576-7586

Very truly yours,

Preston DuFauchard
California Corporations Commissioner

By: 

Uche Enenwali
Corporations Counsel
Enforcement Division

Enclosure
ULE:Ulc

♦ Securities ♦ Franchises ♦ Off-Exchange Commodities ♦ Investment and Financial Services ♦
♦ Independent Escrows ♦ Consumer and Commercial Finance Lending ♦ Residential Mortgage Lending ♦

SACRAMENTO 95814-4052
1515 K STREET, SUITE 200
(916) 445-7205

SAN FRANCISCO 94102-5303
1390 MARKET STREET
(415) 557-3787

LOS ANGELES 90013-2344
320 WEST 4TH STREET
(213) 576-7500

SAN DIEGO 92101-3697
1350 FRONT STREET
(619) 525-4233

1-866-ASK-CORP

www.corp.ca.gov

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

TO: Sports Dimensions, Inc.
Sports Dimensions, Inc. dba SDI
Marc Hubbard
8604 Cliff Cameron Drive, Suite 145
Charlotte, NC 28269

DESIST AND REFRAIN ORDER
(For violations of section 25110 of the Corporations Code)

The California Corporations Commissioner finds that:

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2. At all relevant times, Marc Hubbard ("Hubbard") is, or was, president and chief executive officer of SDI.
3. In or about August 2006, and through means of general solicitation, including postings on its website, advertisements in the Los Angeles Times, and at <http://www.latimes.com/classified>, SDI and Hubbard offered to sell, and continue to offer to sell securities in the form of promissory notes of SDI, and investment contracts described as "CONTRACT" to the public, including California residents. By means of a Confidential Private Placement Memorandum ("PPM") that SDI placed on its website, SDI, and Hubbard offer a minimum of twenty, and a maximum of one thousand notes of SDI at \$1,000 per note. The notes SDI and Hubbard are offering to investors total between at least \$20,000 and \$1,000,000. SDI's PPM represents that an "investor must purchase the

1 notes as a lender to the company, for investment purposes only..." Investors are promised a 20%
2 quarterly rate of return on their investment. Further, SDI and Hubbard represent that the notes are
3 secured by box office receipts for various concerts and a \$4,000,000 surety bond issued by Tri-Point
4 Holdings. SDI's PPM prohibits note holders from retaining any voting rights in SDI, and provides in
5 pertinent part, "...all decisions with respect to the management of the company will be made
6 exclusively by the officers, directors and employees of the company. The Noteholders [sic] do not
7 have the right or power to take part in the management of the Company and will not be represented
8 on the Board of Directors of the Company. Accordingly, no person should purchase a Note unless he
9 is willing to entrust all aspects of the management of the Company to existing Management." [sic].

10 4. SDI and Hubbard's solicitation materials posted on their website also include an offer
11 to sell an investment contract in SDI described as "CONTRACT" ("Contract") to the general public,
12 including California residents. The Contract being offered promises a 25% return on investment to
13 investors.

14 5. The purported purpose of the offerings includes raising funds for further investment
15 and expansion of SDI's concert business, including but not limited to, producing and promoting
16 concerts featuring various artists.

17 6. These securities were offered or sold in this state in issuer transactions. The
18 Department of Corporations has not issued a permit or other form of qualification authorizing any
19 person to offer and sell these securities in this state.

20 Based upon the foregoing findings, the California Corporations Commissioner is of the
21 opinion that securities in the form of promissory notes of SDI and investment contracts in SDI
22 described as "CONTRACT" that were offered or sold, are securities subject to qualification under the
23 California Corporate Securities Law of 1968 and are being or have been offered or sold without being
24 qualified in violation of Corporations Code section 25110. Pursuant to section 25532 of the
25 Corporate Securities Law of 1968, Sports Dimensions, Inc., also known as Sports Dimensions, Inc.
26 dba SDI and Marc Hubbard are hereby ordered to desist and refrain from the further offer or sale in
27 the State of California of securities, including but not limited to, promissory notes of SDI and
28

1 investment contracts in SDI described as "CONTRACT" unless and until qualification has been made
2 under the law or unless exempt.

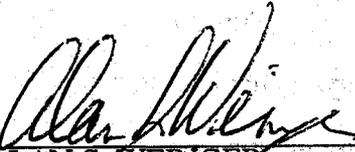
3 This Order is necessary, in the public interest, for the protection of investors and consistent
4 with the purposes, policies, and provisions of the Corporate Securities Law of 1968.

5 Dated: September 26, 2006.

6 Los Angeles, California



PRESTON DuFAUCHARD
California Corporations Commissioner

By 
ALAN S. WEINGER
Supervising Attorney
Enforcement Division

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DEPARTMENT OF CORPORATIONS
Uche Enenwali, Corporations Counsel
320 WEST 4TH STREET, 4TH FLOOR, LOS ANGELES, CA
90013
213.576.7500

For court use only

**BEFORE THE DEPARTMENT OF CORPORATIONS
OF THE STATE OF CALIFORNIA**
Business, Transportation and Housing Agency

In the Matter of the :

SPORTS DIMENSIONS, INC. SPORTS, DIMENSIONS, INC., DBA SDI

**PROOF OF PERSONAL SERVICE -
CORPORATIONS**

File Nos.:

1. I am over 18 years of age and **not a party to this action**. We are a Licensed Private Investigations Firm.
2. I served the following **documents**:
 - a. LETTER TO SPORTS DIMENSIONS, INC.,; SPORTS DIMENSIONS, INC. dba SDI; MARC HUBBARD
 - B. DESIST AND REFRAIN ORDER FOR VIOLATIONS OF CORPORATIONS CODE SECTION 25110
 - C. CORPORATIONS CODE SECTION 25532
3. I personally served the following person at the address, date and time stated:
 - a. Name: MARC HUBBARD, AN INDIVIDUAL
 - b. Address: 8604 CLIFF CAMERON DRIVE, SUITE 145, CHARLOTTE, NORTH CAROLINA, CA
 - c. Date: October 11, 2006 10:00 a.m.
4. I am
 - b. a registered California Process serverAnd exempt from registration under Business & Professions Code section 22350 (b) - Licensed Private Investigator # PI.7026

Page 1 of 2

Complainant: In the Matter of the Accusation of THE CALIFORNIA CORPORATIONS
COMMISSIONER,

Respondent: : SPORTS DIMENSIONS, INC.,

File Nos.:

5. My name, address, telephone number, and, if applicable, county of registration and number are:

CAROLINE BALDERMAN OR ALICE YOAKUM OF
YOAKUM INVESTIGATIONS
350 S. FIGUEROA STREET, SUITE # 137
LOS ANGELES, CALIFORNIA 90071.1103
213.485.0555

Los Angeles County Process Server - #5031
California Private Investigator # PI.7026

6. **I declare** under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Date: October 13, 2006

Caroline Balderman of Yoakum Investigations



(signature)

POS-020- (New January 1, 2005)
Form Approved for Optional Use
Judicial Council of California

Page 2 of 2

PROOF OF PERSONAL SERVICE - CORPORATIONS

NEVADA SECRETARY OF STATE
SECURITIES DIVISION
DATE FILED:
02.23.2009
By: *Laura Johnson*

STATE OF NEVADA
OFFICE OF THE SECRETARY OF STATE
SECURITIES DIVISION

555 EAST WASHINGTON AVE., SUITE 5200
LAS VEGAS, NEVADA 89101

In the Matter of:

Sports Dimensions, Inc. d/b/a SDI;
Marc Hubbard; and Christian Genitrini

Respondents.

SUMMARY ORDER
TO CEASE AND DESIST

File No. i09-056

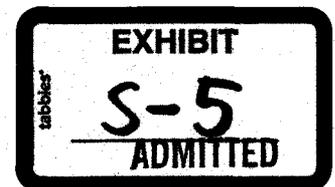
TO: SPORTS DIMENSIONS, INC.
C/O Marc Hubbard, its Resident Agent
9219 Woodhall Lake Drive
Waxhaw, NC 28173

TO: MARC HUBBARD
9219 Woodhall Lake Drive
Waxhaw, NC 28173

TO: CHRISTIAN GENITRINI
510 E. 84TH Street, Apt. 3C
New York, NY 10028

Please be advised that the Administrator hereby issues this SUMMARY ORDER TO CEASE AND DESIST TO RESPONDENTS SPORTS DIMENSIONS, INC., MARC HUBBARD, AND CHRISTIAN GENITRINI to NRS 90.310; NRS 90.460; and NRS 90.630; The Nevada Secretary of State, Securities Division, (hereinafter "Division") under the authority of Nevada Uniform Securities Act, NRS 90.211 et. seq. (hereinafter "Act"), conducted an investigation into the activities of the Respondents in connection with the offer and/or sale of unregistered securities in the State of Nevada.

The Administrator of the Division hereby sets forth the following Proposed Findings of Fact, Authorities and Conclusions of Law:



FINDINGS OF FACT

1. Respondent, SPORTS DIMENSIONS, INC., (hereinafter "SDI") is a North Carolina corporation with a registered office address of 9219 Woodhall Lake Drive, Waxhaw, North Carolina 28173, and its principal office address of 620 West Blackstock Road, Spartanburg, South Carolina 29301.
2. At all relevant times, Respondent Marc Hubbard (hereinafter "HUBBARD") is, or was, president and chief executive officer of SDI.
3. At all relevant times, Respondent Christian Genitrini (hereinafter "GENITRINI") is, or was, the chief financial officer of SDI.
4. In or about February of 2009, and through means of a general solicitation through a bulk mailing, SDI, through HUBBARD as the signatory on the offer letter and GENITRINI as a listed officer of SDI in the documents included with the offer letter, offered to sell securities in the form of "Series 2009-A Convertible Corporate Notes" of SDI to residents of Nevada, including to Steve H. Roebuck of Las Vegas, Nevada. By means of this bulk mailing, SDI, HUBBARD and GENITRINI offer to sell said Notes in "Units" of \$10,000.00. The offer represents that the investment "Yields 30% Annually Guaranteed", "Gives you the opportunity to triple your money within 18 months", and that the Notes will be convertible to common stock at \$2.00 per share after one year. The offer also states that SDI plans to be a publically traded company within the next eighteen (18) months and that their "analysts" have projected an offering price to the general public of \$6.00 to \$7.00 per share.
5. The purported purpose of the offer is to expand SDI's business of concert promotion to a national level.
6. Respondents are not licensed with the State of Nevada to sell securities as Broker Dealers, or as a Sales Representatives or Agents of the Issuer.
7. SDI's securities offering is not registered with the State of Nevada or exempt from registration.

- 1 8. Respondents did not disclose in the afore-described bulk mailing offer that it was
2 illegal to sell the afore-described securities in the State of Nevada because they
3 were not registered.
- 4 9. Respondents' offer omitted to disclose that any stock issued in exchange for the
5 "Convertible Notes" would be restricted and not available for immediate public sale.
- 6 10. Respondents' offer omitted to disclose that SDI and HUBBARD had been the
7 subject of a Cease and Desist Order in the State of California in 2006 for the offer
8 and/or sale of unlicensed securities in the form of investment contracts.
9
10

11 AUTHORITIES

- 12 11. **NRS 90.285** provides in pertinent part:

13 "Sales representative" means a natural
14 person other than a broker-dealer, authorized to
15 act and acting for a broker-dealer or issuer,
16 effecting or attempting to effect purchases or sales
17 of securities.

- 18 12. **NRS 90.295** provides in pertinent part:

19 "Security" means a note, stock, bond, debenture,
20 evidence of indebtedness, certificate of interest or
21 participation in a profit-sharing agreement, a
22 limited partnership interest, an interest in a limited
23 liability company, collateral-trust certificate,
24 preorganization certificate or subscription,
25 transferable share, investment contract, voting-
26 trust certificate, certificate of deposit for a security,
27 fractional undivided interest in an oil, gas or other
28 mineral lease or in payments out of production of
such a lease, right or royalty, a put, call, straddle
or option on a security, certificate of deposit of any
group or index of securities including any interest
therein or based on the value of any of the
foregoing, or, in general, any interest or instrument
commonly known as a security or any certificate of
interest or participation in, temporary or interim
certificate for, receipt for, whole or partial
guarantee of or warrant or right to subscribe to or
purchase any of the foregoing. (Emphasis added)

13. **NRS 90.310** provides in pertinent part:

1. It is unlawful for any person to transact business in this state as a broker-dealer or sales representative unless licensed or exempt from licensing under this chapter.

2. It is unlawful for any issuer or any broker-dealer licensed under this chapter to employ or contract with a person as a sales representative within this state unless the sales representative is licensed or exempt from licensing under this chapter.

14. **NRS 90.460** provides:

It is unlawful for a person to offer to sell or sell any security in this state unless the security is registered or the security or transaction is exempt under this chapter.

15. **NRS 90.570** provides in pertinent part:

In connection with the offer to sell, sale, offer to purchase or purchase of a security, a person shall not, directly or indirectly:

(2) Make an untrue statement of a material fact or omit to state a material fact necessary in order to make the statement made not misleading in light of the circumstances under which they are made; or

(3) Engage in an act, practice or course of business which operates or would operate as a fraud or deceit upon a person. (Emphasis added)

16. **NRS 90.620** provides in pertinent part:

1. The administrator may make an investigation, within or outside of this state, as he finds necessary to determine whether a person has violated or is about to violate this chapter or any regulation or order of the administrator under this chapter or to aid in enforcement of this chapter.

2. Except as otherwise provided in subsection 4 of NRS 90.730, the administrator may publish information concerning a violation of this chapter or a regulation or order of the administrator under this chapter or concerning types of securities or acts or practices in the offer, sale or purchase of types of securities which may operate as a fraud or deceit.

3. For the purposes of an investigation or proceeding under this chapter the administrator or any officer or

1 employee designated by the administrator by regulation,
2 order or written direction may conduct hearings,
3 administer oaths and affirmations, render findings of fact
4 and conclusions of law, subpoena witnesses, compel
5 their attendance, take evidence and require the
6 production, by subpoena or otherwise, of books, papers,
7 correspondence, memoranda, agreements or other
8 documents or records which the administrator determines
9 to be relevant or material to the investigation or
10 proceeding. A person whom the administrator does not
11 consider to be the subject of an investigation is entitled to
12 reimbursement at the rate of 25 cents per page for copies
13 of documents which he is required by subpoena to
14 produce. The administrator may require or permit a
15 person to file a statement, under oath or otherwise as the
16 administrator determines, as to the facts and
17 circumstances concerning the matter to be investigated.

18 **17. NRS 90.630(1)(2) & (6) provide in pertinent part:**

19 1. If the Administrator reasonably believes,
20 whether or not based upon an investigation conducted
21 under NRS 90.620, that:

22 (a) The sale of a security is subject to registration
23 under this chapter and the security is being offered or
24 has been offered or sold by the issuer or another person
25 in violation of 90.460

26 The Administrator, in addition to any specific
27 power granted under this chapter and subject to
28 compliance with the requirements of NRS 90.820, may
issue, without a prior hearing, a summary order against
the person engaged in the prohibited activities, directing
him to desist and refrain from further activity until the
security is registered or he is licensed under this chapter.

.... 2. If the administrator reasonably believes,
whether or not based upon an investigation conducted
under NRS 90.620, that a person has violated this
chapter ... the administrator, in addition to any specific
power granted under this chapter, after giving notice by
registered or certified mail and conducting a hearing in an
administrative proceeding, unless the right to notice and
hearing is waived by the person against whom the
sanction is imposed, may:

(a) Issue an order against him to cease and desist;

(b) Censure him if he is a licensed broker-dealer, sales
representative, investment adviser or representative of
an investment adviser;

(c) Bar or suspend him from association with a licensed
broker-dealer or investment adviser in this state;

(d) Issue an order against an applicant, licensed person
or other person who willfully violates this chapter,

1 imposing a civil penalty of not more than \$2,500 for a
2 single violation or \$100,000 for multiple violations in a
3 single proceeding or a series of related proceedings; or
(e) Initiate one or more of the actions specified in NRS
90.640.

4 6. If a sanction is imposed pursuant to this
5 section, the costs of the proceeding, including
6 investigative costs and attorney's fees, may be recovered
7 by the Administrator.

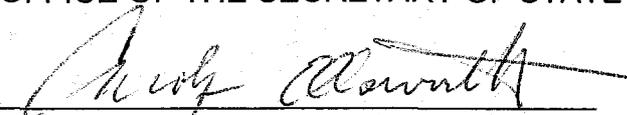
8 **PROPOSED CONCLUSIONS OF LAW**

- 9 18. The offer or the investments described above constitute the offer for sale of a
10 security as the term "security" is defined by NRS 90.295.
11 19. Respondents, in violation of NRS 90.460, offered securities in the form of notes that
12 were not registered to be offered or sold in or from the State of Nevada.
13 20. Respondents acted as a broker dealer, sales representative and/or agent of the
14 issuer without the benefit of being licensed, in violation of NRS 90.310.
15 21. The Administrator of the Division has authority granted by NRS 90.630 to issue a
16 Summary Order to Respondents to Cease and Desist offering for sale unregistered
17 securities in violation of NRS 90.460 and/or acting as broker dealer, sales
18 representative, or agent of the issuer in the state of Nevada in violation of NRS
19 90.310.
20

21 IT IS SO ORDERED.

22 DATED this 23rd day of February, 2009

23
24 SECURITIES DIVISION
OFFICE OF THE SECRETARY OF STATE

25 
26 _____
27 CAROLYN ELLSWORTH
Administrator
28

1 **YOU ARE HEREBY NOTIFIED** that you have a right to request a hearing on the matters
2 set forth in the Complaint. If you do not request a hearing within 45 days after receipt of this
3 notice you waive your right to a hearing and the administrator may issue a permanent order. If
4 you request a hearing, the Administrator shall set the matter for hearing at her earliest
5 convenience but not less than 15 days or more than 60 days after she receives notice of that
6 request for a hearing. If you request a hearing, the Administrator will notify you by certified mail of
7 the time and place set for the hearing.

8
9 **NRS 90.650 Criminal penalties.**

10 1. A person who willfully violates:

11 (a) A provision of this chapter, except NRS 90.600, or who violates NRS 90.600 knowing that the statement made
12 is false or misleading in any material respect;

13 (b) A regulation adopted pursuant to this chapter; or

14 (c) An order denying, suspending or revoking the effectiveness of registration or an order to cease and desist
15 issued by the Administrator pursuant to this chapter, is guilty of a category B felony and shall be punished by
16 imprisonment in the state prison for a minimum term of not less than 1 year and a maximum term of not more than 20
17 years, or by a fine of not more than \$500,000, or by both fine and imprisonment, for each violation. In addition to any
18 other penalty, the court shall order the person to pay restitution.

19 2. A person convicted of violating a regulation or order under this chapter may be fined, but must not be
20 imprisoned, if the person proves lack of knowledge of the regulation or order.

21 3. This chapter does not limit the power of the State to punish a person for conduct which constitutes a crime
22 under other law.

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CERTIFICATE OF MAILING

The undersigned hereby certifies that on February 23, 2009, a true and correct copy of the foregoing Summary Order to Cease and Desist was served by mailing, United States Certified Mail, return receipt requested and postage prepaid to :

SPORTS DIMENSIONS, INC.
C/O Marc Hubbard, its Resident Agent
9219 Woodhall Lake Drive
Waxhaw, NC 28173

MARC HUBBARD
9219 Woodhall Lake Drive
Waxhaw, NC 28173

CHRISTIAN GENITRINI
510 E. 84TH Street, Apt. 3C
New York, NY 10028

Laura Johnson
An employee of the Securities Division

U.S. Postal Service
CERTIFIED MAIL RECEIPT
(Domestic Mail Only - No Insurance Coverage Provided)

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

COMPLETE THIS SECTION ON DELIVERY

A. Received by (Please Print Clearly) _____ B. Date of Delivery _____

C. Signature *[Signature]* Agent Addressee

D. Is delivery address different from item 1? Yes No
If YES, enter delivery address below: _____

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

1. Article Addressed to:

MARC HUBBARD
9219 Woodhall Lake Drive
Waxhaw, NC 28173

7000 0520 0023 9272 0861
7000 0520 0023 9272 0854
7000 0520 0023 9272 0828
7000 0520 0023 9272 0828

2. Article Number (Copy from service label)
7000 0520 0023 9272 0861

PS Form 3811, July 1999 Domestic Return Receipt 102595-99-M-1789

2. Article Number (Copy from service label)
7000 0520 0023 9272 0828

PS Form 3811, July 1999 Domestic Return Receipt 102595-99-M-1789

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5
STATE OF NEVADA
OFFICE OF THE SECRETARY OF STATE
SECURITIES DIVISION

555 EAST WASHINGTON AVE., SUITE 5200
LAS VEGAS, NEVADA 89101

6 In the Matter of:

7 Sports Dimensions, Inc. d/b/a SDI;
8 Marc Hubbard; and Christian Genitrini

9 Respondents.

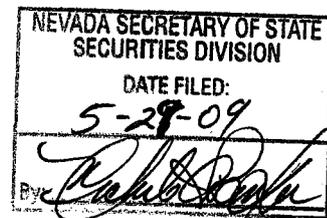
)
) **AMENDED SUMMARY ORDER**
) **TO CEASE AND DESIST**

) File No. i09-056
)
)
)
)
)
)

11 TO: **SPORTS DIMENSIONS, INC.**
12 **C/O Marc Hubbard, its Resident Agent**
13 **9219 Woodhall Lake Drive**
Waxhaw, NC 28173

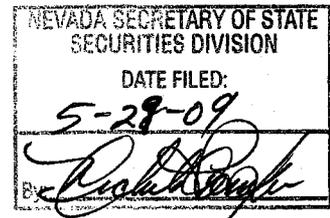
14 TO: **MARC HUBBARD**
15 **9219 Woodhall Lake Drive**
16 **Waxhaw, NC 28173**

17 TO: **CHRISTIAN GENITRINI**
18 **510 E. 84TH Street, Apt. 3C**
New York, NY 10028



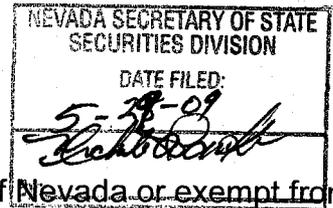
19 Please be advised that the Administrator of the Securities Division of the Office of the
20 Secretary of State (hereinafter "the Administrator) hereby issues this AMENDED SUMMARY
21 ORDER TO CEASE AND DESIST TO RESPONDENTS SPORTS DIMENSIONS, INC. and
22 MARC HUBBARD pursuant to NRS 90.310; NRS 90.460; and NRS 90.630. The Securities
23 Division, of the Office of the Secretary of State, State of Nevada (hereinafter "Division") under the
24 authority of Nevada Uniform Securities Act, NRS 90.211 et. seq. (hereinafter " the Act"),
25 conducted an investigation into the activities of the Respondents in connection with the offer
26 and/or sale of unregistered securities in the State of Nevada.

27 The Administrator hereby sets forth the following Proposed Findings of Fact, Authorities
28 and Conclusions of Law:



FINDINGS OF FACT

1. Respondent, SPORTS DIMENSIONS, INC., (hereinafter "SDI") is a North Carolina corporation with a registered office address of 9219 Woodhall Lake Drive, Waxhaw, North Carolina 28173, and its principal office address of 620 West Blackstock Road, Spartanburg, South Carolina 29301.
2. At all relevant times, Respondent Marc Hubbard (hereinafter "HUBBARD") is, or was, President and Chief Executive Officer of SDI.
3. At all relevant times, SDI listed Christian Genitrini (hereinafter "GENITRINI") as the Chief Financial Officer of SDI.
4. In or about February of 2009, and through means of a general solicitation through a bulk mailing, SDI, through HUBBARD as the signatory on the offer letter, offered to sell securities in the form of "Series 2009-A Convertible Corporate Notes" of SDI to residents of Nevada, including to Steve H. Roebuck of Las Vegas, Nevada. By means of this bulk mailing, SDI and HUBBARD offer to sell said Notes in "Units" of \$10,000.00. The offer represented that the investment "Yields 30% Annually Guaranteed", "Gives you the opportunity to triple your money within 18 months", and that the Notes will be convertible to common stock at \$2.00 per share after one year. The offer also stated that SDI plans to be a publically traded company within the next eighteen (18) months and that their "analysts" have projected an offering price to the general public of \$6.00 to \$7.00 per share. The offer letter also contained enclosures which represented that GENITRINI was the Chief Financial Officer for SDI and actively engaged in the business of the company.
5. The purported purpose of the offer is to expand SDI's business of concert promotion to a national level.
6. Respondents are not licensed with the State of Nevada to sell securities as Broker Dealers, or as a Sales Representatives or Agents of the Issuer.



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7. SDI's securities offering is not registered with the State of Nevada or exempt from registration.
8. Respondents did not disclose in the afore-described bulk mailing offer that it was illegal to sell the afore-described securities in the State of Nevada because they were not registered.
9. Respondents' offer omitted to disclose that any stock issued in exchange for the "Convertible Notes" would be restricted and not available for immediate public sale.
10. Respondents' offer omitted to disclose that on or about July of 2005 SDI had signed a contract with GoPublicToday.Com, Inc., a Nevada corporation, to take SDI public, but that SDI had not been taken public.
11. Respondents' offer omitted to disclose that SDI and HUBBARD had been the subject of a Cease and Desist Order in the State of California in 2006 for the offer and/or sale of unlicensed securities in the form of investment contracts.
12. On February 23, 2009, the Division issued a Summary Order to Cease and Desist to SDI, HUBBARD, and GENITRINI.
13. In response to the February 23, 2009 Order, GENITRINI provided to the Division evidence that he was employed by another entity during the time that SDI claimed he was listed as the Chief Financial Officer of SDI. SDI and HUBBARD could not provide any written evidence showing that GENITRINI was the official Chief Financial Officer of SDI. As such, there was no evidence remaining that GENITRINI was in fact the Chief Financial Officer of SDI. In turn, Respondent's documents falsely represented GENITRINI as an officer of SDI.
14. Further, in response to a Subpoena from the Division following the February 23, 2009 Order, SDI and Hubbard provided further documents. A review of said documents revealed that there were several conflicting statements with regards to operating history and financial history. There were representations that SDI was

1 incorporated in 2002, that SDI has an "11-year operating history," that SDI "has been
2 operating for over 12 successful years", that SDI is a "development stage company
3 formed in 2006" and "is relatively new and as such has no substantial long-term
4 operating history." Respondents' statements amount to further misrepresentations
5 of material fact.

6 AUTHORITIES

- 7 15. **NRS 90.285** provides in pertinent part:

8 "Sales representative" means a natural
9 person other than a broker-dealer, authorized to
10 act and acting for a broker-dealer or issuer,
11 effecting or attempting to effect purchases or sales
12 of securities.

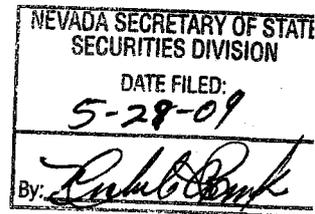
- 13 16. **NRS 90.295** provides in pertinent part:

14 "Security" means a note, stock, bond, debenture,
15 evidence of indebtedness, certificate of interest or
16 participation in a profit-sharing agreement, a
17 limited partnership interest, an interest in a limited
18 liability company, collateral-trust certificate,
19 preorganization certificate or subscription,
20 transferable share, investment contract, voting-
21 trust certificate, certificate of deposit for a security,
22 fractional undivided interest in an oil, gas or other
23 mineral lease or in payments out of production of
24 such a lease, right or royalty, a put, call, straddle
25 or option on a security, certificate of deposit of any
26 group or index of securities including any interest
27 therein or based on the value of any of the
28 foregoing, or, in general, any interest or instrument
commonly known as a security or any certificate of
interest or participation in, temporary or interim
certificate for, receipt for, whole or partial
guarantee of or warrant or right to subscribe to or
purchase any of the foregoing. (Emphasis added)

17. **NRS 90.310** provides in pertinent part:

1. It is unlawful for any person to transact business in this
state as a broker-dealer or sales representative unless
licensed or exempt from licensing under this chapter.

2. It is unlawful for any issuer or any broker-dealer
licensed under this chapter to employ or contract with a
person as a sales representative within this state unless
the sales representative is licensed or exempt from
licensing under this chapter.



1 18. **NRS 90.460** provides:

2 It is unlawful for a person to offer to sell or sell any
3 security in this state unless the security is registered or
4 the security or transaction is exempt under this chapter.

5 19. **NRS 90.570** provides in pertinent part:

6 In connection with the offer to sell, sale, offer to
7 purchase or purchase of a security, a person shall not,
8 directly or indirectly:

9 (2) Make an untrue statement of a material fact
10 or omit to state a material fact necessary in order to
11 make the statement made not misleading in light of the
12 circumstances under which they are made; or

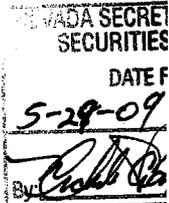
13 (3) Engage in an act, practice or course of
14 business which operates or would operate as a fraud or
15 deceit upon a person. (Emphasis added)

16 20. **NRS 90.620** provides in pertinent part:

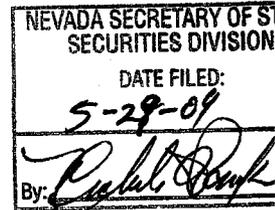
17 1. The administrator may make an investigation, within
18 or outside of this state, as he finds necessary to
19 determine whether a person has violated or is about to
20 violate this chapter or any regulation or order of the
21 administrator under this chapter or to aid in enforcement
22 of this chapter.

23 2. Except as otherwise provided in subsection 4 of NRS
24 90.730, the administrator may publish information
25 concerning a violation of this chapter or a regulation or
26 order of the administrator under this chapter or
27 concerning types of securities or acts or practices in the
28 offer, sale or purchase of types of securities which may
operate as a fraud or deceit.

3. For the purposes of an investigation or proceeding
under this chapter the administrator or any officer or
employee designated by the administrator by regulation,
order or written direction may conduct hearings,
administer oaths and affirmations, render findings of fact
and conclusions of law, subpoena witnesses, compel
their attendance, take evidence and require the
production, by subpoena or otherwise, of books, papers,
correspondence, memoranda, agreements or other
documents or records which the administrator determines
to be relevant or material to the investigation or
proceeding. A person whom the administrator does not



1 consider to be the subject of an investigation is entitled to
2 reimbursement at the rate of 25 cents per page for copies
3 of documents which he is required by subpoena to
4 produce. The administrator may require or permit a
5 person to file a statement, under oath or otherwise as the
6 administrator determines, as to the facts and
7 circumstances concerning the matter to be investigated.



8 21. **NRS 90.630(1)(2) & (6)** provide in pertinent part:

9 1. If the Administrator reasonably believes,
10 whether or not based upon an investigation conducted
11 under NRS 90.620, that:

12 (a) The sale of a security is subject to registration
13 under this chapter and the security is being offered or
14 has been offered or sold by the issuer or another person
15 in violation of 90.460

16 The Administrator, in addition to any specific
17 power granted under this chapter and subject to
18 compliance with the requirements of NRS 90.820, may
19 issue, without a prior hearing, a summary order against
20 the person engaged in the prohibited activities, directing
21 him to desist and refrain from further activity until the
22 security is registered or he is licensed under this chapter.

23
24 2. If the administrator reasonably believes,
25 whether or not based upon an investigation conducted
26 under NRS 90.620, that a person has violated this
27 chapter ... the administrator, in addition to any specific
28 power granted under this chapter, after giving notice by
registered or certified mail and conducting a hearing in an
administrative proceeding, unless the right to notice and
hearing is waived by the person against whom the
sanction is imposed, may:

(a) Issue an order against him to cease and desist;

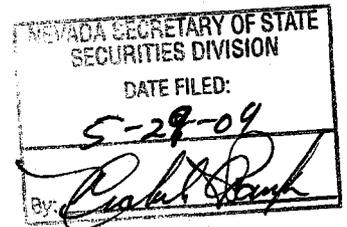
(b) Censure him if he is a licensed broker-dealer, sales
representative, investment adviser or representative of
an investment adviser;

(c) Bar or suspend him from association with a licensed
broker-dealer or investment adviser in this state;

(d) Issue an order against an applicant, licensed person
or other person who willfully violates this chapter,
imposing a civil penalty of not more than \$2,500 for a
single violation or \$100,000 for multiple violations in a
single proceeding or a series of related proceedings; or

(e) Initiate one or more of the actions specified in NRS
90.640.

6. If a sanction is imposed pursuant to this
section, the costs of the proceeding, including
investigative costs and attorney's fees, may be recovered
by the Administrator.



CONCLUSIONS OF LAW

- 1
- 2
- 3 22. The offer or the investments described above constitute the offer for sale of a
- 4 security as the term "security" is defined by NRS 90.295.
- 5 23. Respondents, in violation of NRS 90.460, offered securities in the form of notes that
- 6 were not registered to be offered or sold in or from the State of Nevada.
- 7 24. Respondents acted as a broker dealer, sales representative and/or agent of the
- 8 issuer without the benefit of being licensed, in violation of NRS 90.310.
- 9 25. Respondents, in violation of NRS 90.570, in connection with the offer or sale of
- 10 securities made untrue statements of material fact, omitted to state material facts,
- 11 and engaged in acts, practices or course of business which operated or would have
- 12 operated as a fraud or deceit upon a person.
- 13 26. GENITRINI is now and was not prior the Chief Financial Officer of SDI as
- 14 Respondents represented, and as such should be dismissed as a Respondent in
- 15 this matter.
- 16 27. The Administrator of the Division has authority granted by NRS 90.630 to issue a
- 17 Summary Order to Respondents to Cease and Desist offering for sale unregistered
- 18 securities in violation of NRS 90.460 and/or acting as broker dealer, sales
- 19 representative, or agent of the issuer in the state of Nevada in violation of NRS
- 20 90.310.
- 21

SUMMARY ORDER

22

23 Based upon the foregoing Findings of Fact, Authorities, and Conclusions of Law,

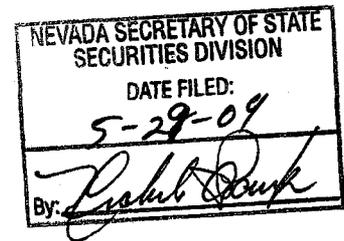
24 Respondents, SPORTS DIMENSIONS, INC. and MARC HUBBARD are hereby ordered to Cease

25 and Desist from violating NRS 90.460 and NRS 90.310. In addition, Respondent, Christian

26 Genitrini, is hereby dismissed as Respondent in this matter.

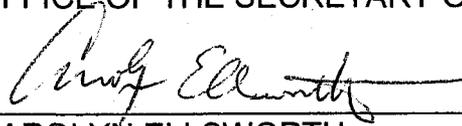
27

28 IT IS SO ORDERED.



1 DATED this 29th day of May, 2009

2
3 SECURITIES DIVISION
4 OFFICE OF THE SECRETARY OF STATE

5 
6 CAROLYN ELLSWORTH
7 Administrator

8 **NOTICE OF INTENDED ACTION PURSUANT TO NRS 90.630(2)**
9 **AND NOTICE OF OPPORUNTIY FOR HEARING**
10 **PURSUANT TO NRS 90.630(3)**
11 **(Complaint)**

12
13 You are hereby notified that the Administrator, in addition to making permanent her
14 summary order to cease, desist and refrain, may also seek any of the sanctions allowed pursuant
15 to NRS 90.630. The Administrator will also seek to have Respondent held liable for the cost of
16 investigation in this matter. The Administrator does not waive the right to seek criminal
17 prosecution pursuant to NRS 90.570 and 90.650.

18 **YOU ARE HEREBY NOTIFIED** that you have a right to request a hearing on the matters
19 set forth in the Complaint. If you do not request a hearing within 45 days after receipt of this
20 notice you waive your right to a hearing and the administrator may issue a permanent order. If
21 you request a hearing, the administrator shall set the matter for hearing at her earliest
22 convenience but not less than 15 days or more than 60 days after he receives notice of that
23 request for a hearing. If you request a hearing, the administrator will notify you by registered mail
24 of the time and place set for the hearing.

25 **NRS 90.650 Criminal penalties.**

- 26 1. A person who willfully violates:
27 (a) A provision of this chapter, except NRS 90.600, or who violates NRS 90.600 knowing that the statement made
28 is false or misleading in any material respect;
(b) A regulation adopted pursuant to this chapter; or
(c) An order denying, suspending or revoking the effectiveness of registration or an order to cease and desist issued by the Administrator pursuant to this chapter, is guilty of a category B felony and shall be punished by

1 imprisonment in the state prison for a minimum term of not less than 1 year and a maximum term of not more than 20
2 years, or by a fine of not more than \$500,000, or by both fine and imprisonment, for each violation. In addition to any
3 other penalty, the court shall order the person to pay restitution.

4 2. A person convicted of violating a regulation or order under this chapter may be fined, but must not be
5 imprisoned, if the person proves lack of knowledge of the regulation or order.

6 3. This chapter does not limit the power of the State to punish a person for conduct which constitutes a crime
7 under other law.

8 **CERTIFICATE OF MAILING**

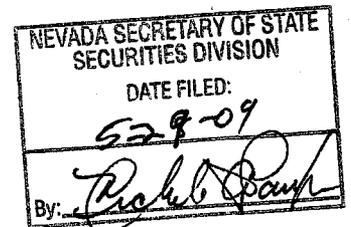
9 The undersigned hereby certifies that on May ~~27~~²⁹ 2009, a true and correct copy of the
10 foregoing Summary Order to Cease and Desist was served by mailing, United States Certified
11 Mail, return receipt requested and postage prepaid to:

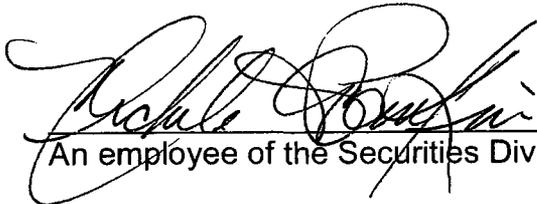
12 SPORTS DIMENSIONS, INC.
13 C/O Marc Hubbard, its Resident Agent
14 9219 Woodhall Lake Drive
15 Waxhaw, NC 28173

16 FRANKLIN GREEN, ESQ.
17 1101 Pennsylvania Avenue, NW
18 6th Floor
19 Washington, DC 20004
20 Attorney for Sports Dimensions, Inc.

21 MARC HUBBARD
22 9219 Woodhall Lake Drive
23 Waxhaw, NC 28173

24 CHRISTIAN GENITRINI
25 510 E. 84TH Street, Apt. 3C
26 New York, NY 10028



27 
28 An employee of the Securities Division



Accredited Investors,

Today's economy has dealt a serious blow to traditional investments and top investors have started to add non traditional investments to their portfolios. How would you like to have an investment that:

- Yields 30% Annually Guaranteed!
- Gives you the opportunity to triple your money within 18 months!
- Company does business in a recession proof industry!

SDI is the answer! We are a regional company specializing in the Concert Business. We have been operating for over 12 successful years and we are now looking to expand nationally. We are offering a unique and prosperous opportunity to selected individuals to invest with us in the Concert promotion segment of the entertainment industry. This industry has been recently recording record numbers of growth and has proven to be virtually recession proof.

We are offering Series 2009-A Convertible Corporate Notes. Our Notes yield 30% annually and mature in One year. Units sell for \$10,000.00. In addition, the Notes are convertible to common stock at \$2.00 per share after a year. We are making plans to be a publically traded company within the next 18 months. Our analysts have projected an offering price to the general public of \$6.00 to \$7.00 per share!

~~Do any of your other investments give you this type of guaranteed short term return with~~
an upside that can triple in value within 18 months? Please review our executive summary that will provide more detailed information about us and feel free to contact us with any questions. Log on to our secure website at www.sdiconcerts.com to review offering documents. We strive to be a part of your portfolio and will do everything possible to earn your business. Thank you for your time and consideration.

Sincerely,

Marc Hubbard
President
SDI



ACC000116
FILE #7991

From: SDI <info@sdiconcerts.com>

To: [REDACTED]

Sent: Monday, February 23, 2009 9:49:33 AM

Subject: Your SDI Accredited Investor Log-In Information

Ronald [REDACTED]

Thank you for filling out our Investor Accreditation form. Below is your login information to access the appropriate Private Placement Memorandums. Please keep this information in a secure place.

You may access the site by logging in at <http://www.sdiconcerts.com> under the Accredited Investor Login box.

Username: [REDACTED]

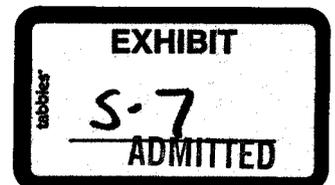
Password: Buster22

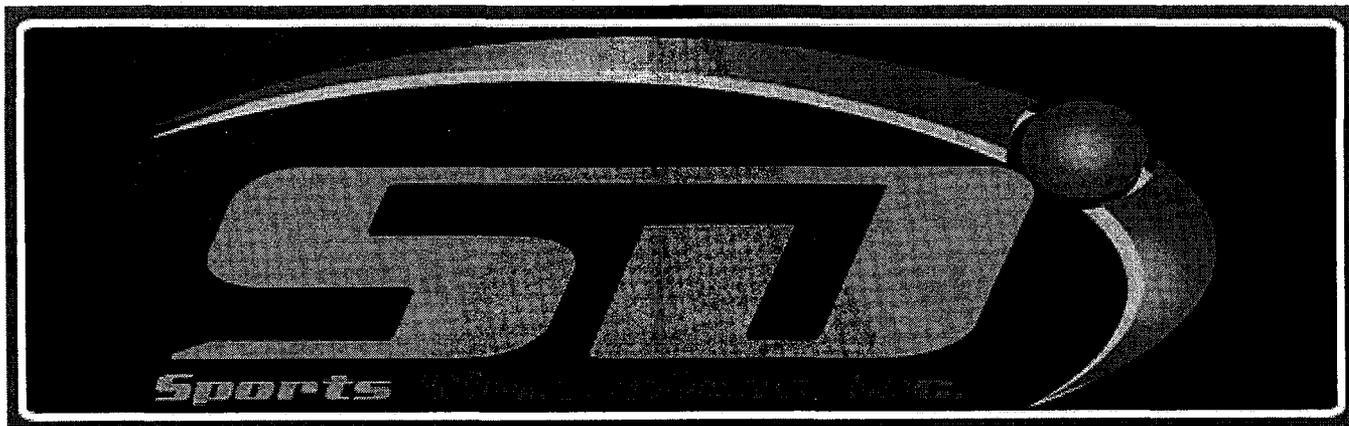
Marc Hubbard

President/CEO

SDI

marc@sdiconcerts.com





Investor Accreditation

Representations and Warranties. I represent and warrant to Sports Dimensions as follows:

I am or represent an organization, which meets or exceeds at least one of the accreditation requirements listed below.

Fields in **bold** are required.

Accreditation Requirement

At least one item must be checked!

- A bank as defined in section 3(a)(2) of the Act, or a savings and loan association or other institution as defined in section 3(a)(5)(A) of the Act whether acting in its individual or fiduciary capacity; a broker or dealer registered pursuant to section 15 of the Securities Exchange Act of 1934; a insurance company as defined in section 2(13) of the Act; an investment company registered under the Investment Company Act of 1940 or a business development company as defined in section 2(a)(48) of that Act; a Small Business Investment Company licensed by the U.S. Small Business Administration under section 301(c) or (d) of the Small Business Investment Act of 1958; a plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of \$5,000,000; an employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974 if the investment decision is made by a plan fiduciary, as defined in section 3(21) of such Act, which is either a bank, savings and loan association, insurance company, or registered adviser, or if the employee benefit plan has total assets in excess of \$1,800,000 or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors;
- A private business development company as defined in section 202(a)(22) of the Investment Advisers Act of 1940;
- An organization described in section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of \$5,000,000;
- A director, executive officer, or general partner of the issuer of the securities being offered or sold, or any director, executive officer, or general partner of a general partner of that issuer;
- A natural person whose individual net worth, or joint net worth with that person's spouse, at the time of his purchase exceeds \$1,000,000;
- A natural person who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with that person's spouse in excess of \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year;
- A trust, with total assets in excess of \$5,000,000, not formed for the specific purpose of

ACC000117
FILE #7991

acquiring the securities offered, whose purchase is directed by a sophisticated person as described in § 230.506(b)(2)(ii); and

An entity in which all of the equity owners are accredited investors.

First Name Ronald

Last Name [REDACTED]

Address [REDACTED]

Address [REDACTED]

City [REDACTED]

State Arizona

Zip/Postal Code [REDACTED]

Phone 602-[REDACTED]

Email [REDACTED]

Password

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Affirm and Continue

From: Marc Hubbard <marc@allstarconcerts.com>
To: [REDACTED]
Cc: [REDACTED]
Sent: Wednesday, February 25, 2009 7:35:34 AM
Subject:

Dear Ronald:

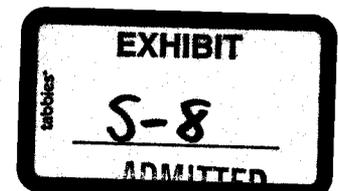
Thank you for filling out the investor suitability questionnaire for SDI. We had some technical issues with our website that may have prevented you from accessing the offering documents for SDI. Attached is a PDF version of the material. Please review the information at your convenience. In addition, Phil Jant, our Sales Director will be following up with you to answer any questions. Also feel free to contact me at any time.

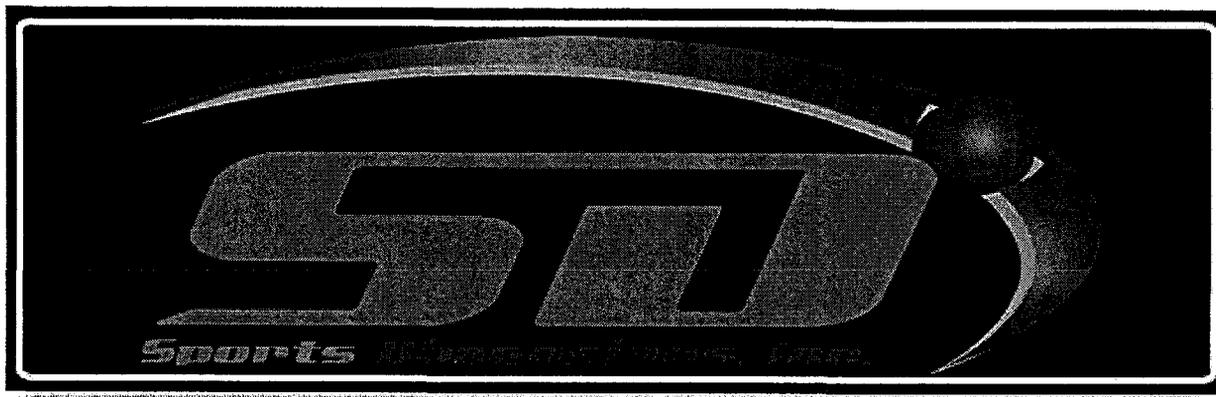
I remain

Marc Hubbard
President
SDI

(888) 755-3367 x 704 (office)
(704) 943-1538 (fax)

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SDI Accredited Investors

Please note, the use of this section of the website is only suitable for Accredited Investors who are familiar with and willing to accept the high risk associated with private investments. Any Investor who intends to utilize this Web site must be an accredited investor. By registering for access to this section of the website, as an Accredited Investor, I acknowledge that the password is for my personal use only.

Info on the Company Offering Here

Christian Genitrini
cfo@sdiconcerts.com

A Brief Summary of Sports Dimensions May Be Viewed Here

For access to download the Company Private Placement, please register here.

ACCREDITED INVESTOR LOGIN

Email

Password

* For User Name & Password, Please Complete Our Required Investor Accreditation

** Forgot your password or email?

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The SEC has issued a number of no action letters for online bulletin board services. It has indicated it will issue no further "No Action" letters as it considers the letters it has issued sufficient to cover future similar applications. Listed are some of the more important letters that can be found at www.sec.gov.

SEC No-Action Letter, [1996-1997 Transfer Binder] Fed. Sec. L. Rep. (CCH) ¶ 77,252, at 77,270, July 26, 1996, IPONet Also available at 1996 SEC No-Act LEXIS 642

SEC No-Action Letter [1997 Decisions Transfer Binder] Fed. Sec. L. Rep. (CCH) ¶ 77,305, at 77,516, Oct. 25, 1996, Angel Capital Elec. Network

SEC No-Action Letter [1997 Decisions Transfer Binder] Fed. Sec. L. Rep. (CCH) ¶ 77,359, at 77,804, May 29, 1997, Lamp Technologies, Inc.

Investors are advised to read the SEC's "Cyberspace" Alert before purchasing any investment promoted on the Internet. The free publication, which alerts investors to the telltale signs of online investment fraud, is available at [Protect yourself from investment fraud](http://www.sec.gov). It can also be obtained by calling 800-SEC-0330.

Investors are encouraged to report suspicious Internet offerings (or other suspicious offerings) via e-mail to enforcement@sec.gov. A user

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FILE #7991

friendly form to assist you in making a report is available at the SEC Home Page <http://www.sec.gov>. Investors can also mail a report to SEC's Enforcement Complaint Center, Mail Stop 8-4, 450 Fifth Street, N.W., Washington, D.C. 20549.

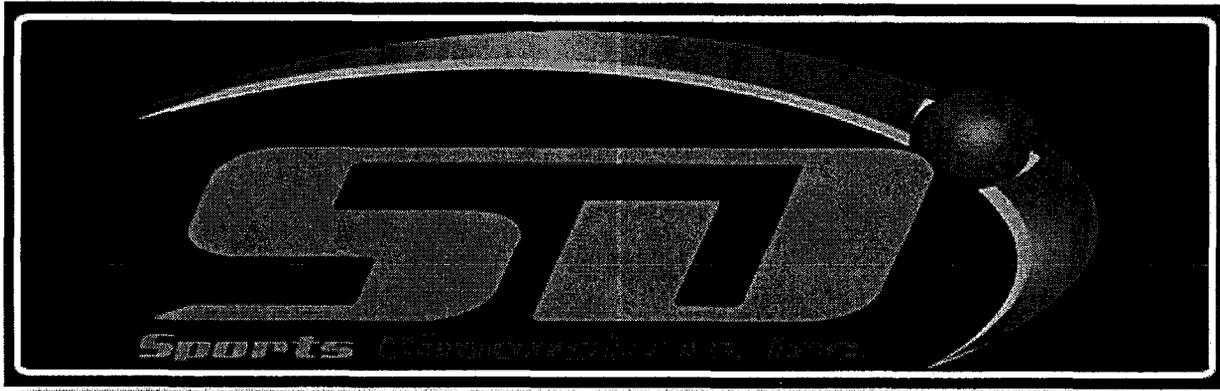
EFFECTIVELY AND LEGALLY RAISING PRIVATE CAPITAL ON-LINE

Sports Dimensions, Inc. © 2008

ADDRESS 620 West Blackstock Road
Spartanburg, SC 29301



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FILE #7991



Investor Accreditation

Representations and Warranties. I represent and warrant to Sports Dimensions as follows:

I am or represent an organization, which meets or exceeds at least one of the accreditation requirements listed below.

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- A natural person who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with that person's spouse in excess of \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year;
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- An entity in which all of the equity owners are accredited investors.

ACC000003

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First Name

Last Name

Address

Address

City

State

Zip/Postal Code

Phone

Email

Password

Personal Use I acknowledge that I am aware that this section of the website is restricted and is for my personal use only, and that I am constrained from forwarding the password to others.

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Affirm and Continue

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FILE #7991



SDI Investor Documents

1. SDI Executive Summary Cover Letter
2. SDI One Page Summary
3. Private Placement of Convertible Corporate Note
4. Self Directed Retirement Funds Application
5. Self Directed Retirement Funds Placement

[Logout](#)

Sports Dimensions, Inc. © 2009

ADDRESS 620 West Blackstock Road
Spartanburg, SC 29301

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Accredited Investors,

Today's economy has dealt a serious blow to traditional investments and top investors have started to add non traditional investments to their portfolios. How would you like to have an investment that:

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- Gives you the opportunity to triple your money within 18 months !
- Company does business in a recession proof industry

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Do any of your other investments give you this type of guaranteed short term return with an upside that can triple in value within 18 months? Please review our executive summary that will provide more detailed information about us and feel free to contact us with any questions. Logon to our secure website at www.sdiconcerts.com to review offering documents. We strive to be a part of your portfolio and will do everything possible to earn your business. Thank you for your time and consideration.

Sincerely

Marc Hubbard
President
SDI

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FILE #7991

Sports Dimensions, Inc. (SDI)



Business Summary: Sports Dimensions, Inc. ("SDI" or the "Company") is a regional entertainment company that in 11 years of operations (including the time in which SDI operated as a sole proprietorship) has sponsored approximately 350 concerts of emerging and well know artists, such as Mariah Carey, Mary J. Blige, Anita Baker, Toni Braxton, Alicia Keys, Gwen Stefani, Prince, and Beyonce', to name just a few. SDI has been primarily operating in the southern regions of the United States and it is a leading concert promoter in its geographical area.

Management: Marc Hubbard, President and CEO, played football at North Carolina A&T, worked out for several NFL teams, and played professionally in the United Football League and the Arena Football. He graduated with a degree in Banking and Finance from NC A&T in 1991 and formed Sports Dimensions in 1996. Christian Genitrini, CFO, has an extensive professional experience as investment banker, valuation professional, CFO of several companies, and auditor. Mr. Genitrini holds a BS (valedictorian from the Honors College) and a MS in Accounting, an MBA in Finance from the University of Chicago, a JD and a LLM (summa cum laude); he is also a CPA.

Operations and Results: SDI sponsored its first musical concert in 1986. The Company has posted a profit in each year of operation and it reached \$15mm in revenues in 2007. The management's operational experience and capabilities are demonstrated by SDI's average ROI per concert which exceeds 30%. With the proceeds from this second round of financing, the Company plans to book up to three major North American tours in each of the next three years.

Market Strategy: SDI implements its aggressive advertising campaign using several marketing mediums such as local radio and television, customized email, internet advertising, local newspapers and fliers. The Company uses outside providers to coordinate most of its marketing campaign.

Business Model: The music industry has been posting record revenues for nine years in a row, showing no negative impact from economic downturns. The industry is not subject to cyclicity and it is constantly fueled by new emerging artists. Concert promoters earn money primarily from the sale of tickets and a percentage of revenues from concessions. Artists are paid by the promoter under one of several different formulas, which may include fixed guarantees, percentages of ticket sales or the greater of guaranteed amounts or profit sharing payments based on gross ticket revenues. SDI has built-in internal mechanisms to generate ongoing growth capital from high profit recurring revenue. Such strategy is intended to rapidly build an expanding business independent of a need for ongoing capital infusion. Currently, SDI funds its events primarily by using its own funds. This limits the Company's ability to book multiple events concurrently and expand its operations within a short time frame. In some occasions, SDI has either co-sponsored events with other producers or has used private money from small investors to produce events.

Competitors: The concert promotion industry enjoys a low level of competition nationwide. Only a handful of enterprises have the financial ability and operational knowledge to operate successfully in the industry. Aside from the very few large national promotion companies, there is a layer of regional companies that operate in niche markets or territories, seldom competing for the same event.

Competitive Advantage: By having proved its ability to finance and sponsor events, and by having established extensive relationships in the industry, SDI can count on a fairly regular flow of events to sponsor, although it is often forced to pay a higher price and absorb greater risks than the national promoters. With the proceeds of this offering, SDI will be able to promote entire tours. This will allow SDI to maintain a significant growth in revenue and take advantage of economies of scale. It will also allow the Company to selectively resell the rights for dates considered less profitable to other smaller promoters, therefore booking gains without employing any capital.

Financial Projections

| | <u>Year 1</u> | <u>Year 2</u> | <u>Year 3</u> | <u>3-Yr Total</u> |
|------------------------|---------------|---------------|---------------|---|
| Total Revenues | 24,790,287 | 36,505,801 | 48,225,091 | 109,521,179 |
| EBIT | 7,823,500 | 11,721,000 | 14,611,000 | 34,155,500 |
| 10% Par Dividend | \$1,000,000 | \$1,000,000 | \$1,000,000 | 3,000,000 |
| 14% Net Participating | \$1,061,401 | \$1,585,904 | \$2,110,526 | 4,757,831 (continues until 2x Par realized) |
| Call at 122% Par | \$0 | \$0 | \$12,200,000 | 12,200,000 |
| Total 3-Yr Est. Return | \$2,061,401 | \$2,585,904 | \$15,310,526 | 19,957,831 30.43% IRR |

Company Profile:
 URL: www.sdiconcerts.com
 Industry: Entertainment
 Founded: 1996

Contact:
 Christian Genitrini, CFO
 Ph. (646) 216-1500

Financial Information:
 Funding Stage: Second
 Round Expansion
 Capital Seeking: \$10,000,000
 Deal Structure: Participating
 Preferred - 10% Dividend,
 2x Par Participating
 Redeemable at 122% Par
 Targeted IRR: 30.43%

Management:
 Marc Hubbard, Founder &
 CEO
 Christian Genitrini, CFO



PRIVATE PLACEMENT

**CONFIDENTIAL
JANUARY 2009**

SDI

\$10,000,000 US

PRIVATE PLACEMENT OF CONVERTIBLE CORPORATE NOTES, SERIES 2009-A

THE NOTES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR ANY OTHER APPLICABLE SECURITIES LAW, AND OFFERS AND SALES THEREOF MAY BE MADE ONLY IN COMPLIANCE WITH AN APPLICABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS. BY ITS ACCEPTANCE OF A NOTE, THE PURCHASER WILL BE DEEMED TO REPRESENT THAT IT HAS BEEN AFFORDED AN OPPORTUNITY TO INVESTIGATE MATTERS RELATING TO THE ISSUER AND THE NOTES, THAT IT IS NOT ACQUIRING SUCH NOTE WITH A VIEW TO ANY DISTRIBUTION THEREOF AND THAT IT IS EITHER (A) AN INSTITUTIONAL INVESTOR THAT IS AN ACCREDITED INVESTOR WITHIN THE MEANING OF RULE 501(a) UNDER THE ACT (AN "INSTITUTIONAL ACCREDITED INVESTOR") AND THAT IT IS EITHER PURCHASING NOTES FOR ITS OWN ACCOUNT, IS A U.S. BANK (AS DEFINED IN SECTION 3(a)(2) OF THE ACT) OR A SAVINGS AND LOAN ASSOCIATION OR OTHER INSTITUTION (AS DEFINED IN SECTION 3(a)(5)(a) OF THE ACT) ACTING IN ITS INDIVIDUAL OR FIDUCIARY CAPACITY OR IS A FIDUCIARY OR AGENT (OTHER THAN A U.S. BANK OR SAVINGS AND LOAN ASSOCIATION) PURCHASING NOTES FOR ONE OR MORE ACCOUNTS EACH OF WHICH IS SUCH AN INSTITUTIONAL ACCREDITED INVESTOR (i) WHICH ITSELF POSSESSES SUCH KNOWLEDGE AND EXPERIENCE OR (ii) WITH RESPECT TO WHICH SUCH PURCHASER HAS SOLE INVESTMENT DISCRETION; OR (B) A QUALIFIED INSTITUTIONAL BUYER ("QIB") WITHIN THE MEANING OF RULE 144A UNDER THE ACT WHICH IS ACQUIRING NOTES FOR ITS OWN ACCOUNT OR FOR ONE OR MORE ACCOUNTS, EACH OF WHICH IS A QIB AND WITH RESPECT TO EACH OF WHICH THE PURCHASER HAS SOLE INVESTMENT DISCRETION; AND THE PURCHASER ACKNOWLEDGES THAT IT IS AWARE THAT THE SELLER MAY RELY UPON THE EXEMPTION FROM THE REGISTRATION PROVISIONS OF SECTION 5 OF THE ACT PROVIDED BY RULE 144A. BY ITS ACCEPTANCE OF A NOTE, THE PURCHASER THEREOF SHALL ALSO BE DEEMED TO AGREE THAT ANY RESALE OR OTHER TRANSFER THEREOF WILL BE MADE ONLY (A) IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE ACT, EITHER (1) TO THE ISSUER OR TO A PLACEMENT AGENT DESIGNATED BY THE ISSUER AS A PLACEMENT AGENT FOR THE NOTES (COLLECTIVELY, THE "PLACEMENT AGENTS"), NONE OF WHICH SHALL HAVE ANY OBLIGATION TO ACQUIRE SUCH NOTE, (2) THROUGH A PLACEMENT AGENT TO AN INSTITUTIONAL ACCREDITED INVESTOR OR A QIB BY A PLACEMENT AGENT, OR (3) TO A QIB IN A TRANSACTION THAT MEETS THE REQUIREMENTS OF RULE 144A AND (B) IN MINIMUM AMOUNTS OF \$250,000.

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FILE #7991



SUMMARY OF PRIVATE PLACEMENT

\$10,000,000

**No Minimum Offering Amount
\$10,000 per Note (Unit)
MINIMUM PURCHASE - 1 Note
30% Rate of Return Per Year
Maturity Date: 12 months
Redemption at Maturity - \$13,000 per Unit**

Convertible into Series A Common Shares at \$2.00 per share

**Convertible at Note Maturity
Private Placement Memorandum Dated 01/15/2009 - Offering expires
01/15/2010.**

ACC000009
FILE #7991

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INTRODUCTORY STATEMENT

Sports Dimensions, Inc., "the Company", is offering Corporate Notes in the form of "Series 2009-A Convertible Corporate Notes" (the "Notes") only to Accredited Investors who meet the qualifications necessary for the offer and sale of the Shares to be exempt from registration under state and federal securities laws

Only those who meet the Accreditation Requirements, as set forth under the Securities Act of 1933 Sub-Section 4(2), Regulation D, 506, and 4(6) the "Accredited Investor Exemption" as denoted within the "Subscription Agreement" contained herein, are authorized to receive this Private Placement Memorandum and participate in the offering.

The \$10,000,000 in this round of financing of Series 2009-A Convertible Corporate Notes, sought through this securities offering, is to be used as general working capital to execute the business plan contained herein. A complete "Use of Funds" statement is contained in the Terms of Offering Section.

One Thousand (1,000) Series 2009-A Convertible Corporate Notes are hereby made available to the prospective investor(s) who are named on the cover page of this private placement memorandum. The securities are offered at a Unit price of \$10,000.00. 1,000 subscriptions are available. The minimum purchase amount per subscription is 1 Unit for an aggregate amount of \$10,000. Notes are convertible into Common Stock at \$2.00 per share upon maturity.

Investors who convert to Common stock will become a Common Shareholders in the Company with only those rights, duties, and obligations accorded a Common Shareholder pursuant to the Company's Articles of Incorporation and By-laws, and under North Carolina law.

This Private Placement Memorandum (the "Memorandum" or "PPM") is submitted on a confidential basis for use solely in connection with this Offering of the Series 2009-A Convertible Corporate Notes. This offering is a private placement intended to be exempt from the registration requirements of the Securities Act of 1933, as amended (the "1933 Act"). The Notes are being offered to prospective qualified accredited investors by the Company's officers and directors only. The use of the Memorandum for any other purpose is not authorized.

By accepting this Memorandum the recipient (and his, hers or its officers, directors, employees, agents, associates or affiliates) agrees that such person(s) will:

1. Not disclose to any other party any information contained herein or in any notes, summaries or analysis derived from this Memorandum, and
2. Not reproduce or redistribute the Memorandum in whole or in part.

This Memorandum does not purport to contain all of the information that a prospective investor may desire in investigating the Company. Each investor must conduct and rely upon his/her or its own evaluation of the Company and of the terms of the offering, including the merits and risks, involved in making an investment decision. The Company hereby offers to the investor the opportunity to ask

questions and receive answers concerning the terms and conditions of the offering and to obtain any additional information which the Company possesses or can acquire without unreasonable effort or expense, that is necessary to verify the accuracy of the information furnished to the investor.

This Memorandum is not intended to be, nor shall it be construed as, a complete description of the facts, risks or consequences regarding an investment in the offering or as legal, accounting, tax, business, investment or other expert advice. All potential investors should perform their own independent investigations of the offering, the market potential, the Management, the securities, and similar industries. All potential investors should consult their own qualified advisors concerning the investment and the suitability relating to an individual or an institutional investor's ability to sustain a total financial loss of an investment in the Company.

This Memorandum is presented as of the date shown on the cover. Neither the delivery of this Memorandum nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Company after the date hereof.

No person has been authorized to give any information other than that contained in this Memorandum, or to make any representations in connection with the Offering made hereby, except information given to you by an officer of the Company on letterhead. If given or made, such other information or representations must not be relied upon as having been authorized by the Company.

Investors will be required to represent that: (1) they are sophisticated in business and financial matters or have been properly advised by someone who is; (2) they are familiar with and understand the terms of the Offering; (3) they are either non-accredited investors or accredited investors as further defined within the subscription agreement; and (4) they, either individually or together with their purchaser-representative/advisor, have such knowledge and experience in financial and business matters that they are capable of evaluating the merits and risks of the investment.

Other information contained herein has been obtained by Management and from sources deemed reliable. Such information necessarily incorporates significant assumptions, as well as, factual matters. Therefore, Management cannot guarantee the accuracy of the information contained herein.

These securities are subject to restrictions on transferability and resale, and may not be transferred or resold except as permitted under the Securities Act and the applicable state securities laws, pursuant to registration thereunder or exemption therefrom. Investors should be aware that they might be required to bear the financial risks of the investment for an indefinite period of time.

The purchase of Notes involves risk. See "Risks and Other Important Factors". Each prospective investor is urged to read this entire Memorandum, including the exhibits, and complete his/her own separate due diligence of the Company in light of the risk factors.

THE RECIPIENT ACCEPTING DELIVERY OF THIS MEMORANDUM AGREES TO ABSOLUTE CONFIDENTIALITY AND TO RETURN THIS MEMORANDUM AND ALL FURNISHED DOCUMENTS HERewith TO THE COMPANY OR ITS AFFILIATED COMPANIES UPON REQUEST, IF THE RECIPIENT DOES NOT PURCHASE ANY OF THE NOTES OFFERED HEREIN.

All potential investors are invited to ask questions and obtain additional information from the

management concerning the terms and conditions of the offering, the management and any affiliations thereof, and any other relevant matters, including, but not limited to, additional information to verify the accuracy of the information set forth in this Memorandum. Questions concerning the Company or corporate information, this Offering, and any Subscription requests should be directed to:

Marc Hubbard
620 W. Blackstock Road
Spartanburg, SC 29301
(888) 755-3367 x704

This Memorandum contains certain “forward-looking statements” within the meaning of section 27a of the Securities Act and section 21e of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). All statements, other than statements of historical fact included in this Memorandum, including without limitation certain statements under the headings “Summary of the Offering,” “The Company” and other similar headings, may constitute forward-looking statements. Forward-looking statements can often (but not always) be identified by terminology such as “may,” “will,” “could,” “anticipate,” “believe,” “estimate,” “intend,” “expect,” and “continue,” or variations thereof, and similar expressions.

Although Management believes that the expectations reflected in such forward-looking statements are reasonable, it can give no assurance that such expectations will prove to be correct. Important factors that could cause actual results to differ materially from the Company’s expectations (“cautionary statements”) are disclosed in this Memorandum, including without limitation in conjunction with the forward-looking statements included in this Memorandum and in the section of this Memorandum entitled “Risks and Other Important Factors,” and under the description of the Company and its business.

All subsequent written and oral forward-looking statements attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by the cautionary statements set forth herein. The Company disclaims any intention or obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.

This Memorandum does not constitute an offer to sell or a solicitation of an offer to sell these securities to anyone other than a limited amount of non-accredited investors, accredited investors with the requirements set forth in the subscription agreement, or to any person to whom it is unlawful to make such an offer or solicitation and does not constitute an offer to sell or solicitation to any member of the general public. This Memorandum constitutes an offer or a solicitation of an offer only to the person named as offeree and to whom this Memorandum is delivered by Management of the Company or through a representative NASD Member firm(s), if any.

The Notes are being offered by the Company hereunder subject to prior sale, withdrawal, cancellation, or modification of the offer without notice, and, when modified by notice, as and if delivered to and accepted by the purchasers thereof. No sale of any of the Notes offered hereunder shall be complete unless accepted in writing by the Company. The Company may decline any subscription for any of the Notes at its sole discretion and for any reason or for no reason.

The Company’s executive officers, directors, and principals may, from time-to-time, be engaged in related or un-related activities. Such individuals may serve as executive officers, directors, and

principals of other organizations, which are not in direct competition with the Company, its financial goals, and objectives.

No dealer, salesperson, finder or any other person has been authorized to give any information or to make any representations or promises other than those contained in this Memorandum, and any such other information, representations, or promises, if given or made, must not be relied upon as having been so authorized. The delivery of this Memorandum or any sale hereunder at any time does not imply that the information herein is correct as of any time subsequent to the date hereof. Securities are sold by this Private Placement Memorandum only.

This Memorandum contains all of the representations made by the Company concerning this offering and no person shall make different or broader statements than those contained herein. Investors are cautioned not to rely upon any information not expressly set forth in this Memorandum.

This Memorandum includes summaries and/or descriptions of various documents. Such summaries do not purport to be complete and are qualified in their entirety by reference to the original documents, which are attached, either as exhibits to this Memorandum or will be made available to any prospective investor upon written request to the Company.

The Company will provide all purchasers of Series 2009-A Notes with a detailed written statement of the application of the proceeds of the offering within six (6) months after the completion of the offering and with annual current balance sheets and income statements thereafter.

The Company will make available to any shareholder or his designated representative the right to inspect the books and records of the Company at any reasonable time for proper purposes, upon written request to the Company. The Company agrees to maintain at its offices a list of the names and addresses of all shareholders, which shall be available to any shareholder or his designated representative.

This investment involves a high degree of risk. The Company is in the early stages of development and expansion with a limited history of proven record of business operations in these products and service applications as described throughout this Memorandum. An investor could lose his/her or its entire investment in the Notes offered hereby.

Among the risks and other factors to be considered carefully by potential investors are those set forth below under the heading "Risks and Other Important Factors."

This Memorandum has been prepared solely for informational purposes and is for distribution to a limited number of investors. The Company anticipates that this offering may continue through January 15, 2010 unless the Company, in its sole discretion, sooner terminates or extends the offering. Management shall use the proceeds from this offering as received.

STATE RESTRICTIVE LEGENDS

THE INCLUSION OF RESTRICTIVE LEGENDS FOR EACH STATE IN THIS MEMORANDUM IS NOT INTENDED TO IMPLY THAT THE SECURITIES COVERED BY THIS MEMORANDUM ARE TO BE OFFERED FOR SALE IN EVERY STATE, BUT IS MERELY A PRECAUTION IN THE EVENT THIS MEMORANDUM MAY BE TRANSMITTED INTO ANY STATE OTHER THAN AS MAY BE DELIVERED BY THE COMPANY.

NOTICE TO RESIDENTS OF ALL STATES:

THE SECURITIES OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT") OR THE SECURITIES LAWS OF ANY STATE AND ARE BEING OFFERED AND SOLD SOLELY IN RELIANCE UPON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THE ACT AND SUCH LAWS. THERE IS NO PUBLIC MARKET FOR THE SECURITIES OF THE COMPANY. EVEN IF SUCH MARKET EXISTED, PURCHASERS OF SECURITIES WILL BE REQUIRED TO REPRESENT THAT THE SECURITIES ARE BEING ACQUIRED FOR INVESTMENT PURPOSES ONLY AND NOT WITH A VIEW TO SALE OR DISTRIBUTION, AND PURCHASERS WILL NOT BE ABLE TO RESELL THE SECURITIES UNLESS THE SECURITIES ARE REGISTERED UNDER THE ACT AND QUALIFIED UNDER THE APPLICABLE STATE STATUTES (OR UNLESS AN EXEMPTION FROM SUCH REGISTRATION AND QUALIFICATION IS AVAILABLE). PURCHASERS OF THE SECURITIES SHOULD BE PREPARED TO BEAR THE ECONOMIC RISK OF THEIR INVESTMENT FOR AN INDEFINITE PERIOD OF TIME. THE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES COMMISSION OR ANY OTHER STATE OR FEDERAL REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THIS OFFERING, NOR THE ACCURACY OR ADEQUACY OF THIS MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. SEE "INVESTOR SUITABILITY STANDARDS," "RISK AND OTHER IMPORTANT FACTORS."

THE PRESENCE OF A LEGEND FOR ANY GIVEN STATE REFLECTS ONLY THAT A LEGEND MAY BE REQUIRED BY THAT STATE AND SHOULD NOT BE CONSTRUED TO MEAN AN OFFER OR SALE MAY BE MADE IN ANY PARTICULAR STATE. THIS MEMORANDUM MAY BE SUPPLEMENTED BY ADDITIONAL STATE LEGENDS.

THE SECURITIES REPRESENTED HEREIN HAVE NOT BEEN REGISTERED WITH THE SECURITIES COMMISSION PURSUANT TO SECTION 5 OF THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT") IN RELIANCE ON EXEMPTIONS FROM REGISTRATION INCLUDING SECTION 3(B), SECTION 4(2), REGULATION D, RULE 504, 505 OR 506 AND SECTION 4(6) THE "ACCREDITED INVESTOR EXEMPTION" THEREUNDER FOR LIMITED OFFERINGS, FOR PRIVATE OFFERINGS AND RELEASE 33-4708 ISSUED BY THE SECURITIES COMMISSION ON JULY 9, 1964, FOR OFFERINGS TO FOREIGNERS.

NOTICE TO ALABAMA RESIDENTS

THESE SECURITIES ARE OFFERED PURSUANT TO A CLAIM OF EXEMPTION UNDER THE ALABAMA SECURITIES ACT. A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS NOT BEEN FILED WITH THE ALABAMA SECURITIES COMMISSION.

THE COMMISSION DOES NOT RECOMMEND OR ENDORSE THE PURCHASE OF ANY SECURITIES, NOR DOES IT PASS UPON THE ACCURACY OR COMPLETENESS OF THIS PRIVATE PLACEMENT MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

NOTICE TO ALASKA RESIDENTS

THE SECURITIES OFFERED HAVE NOT BEEN REGISTERED WITH THE ADMINISTRATOR OF SECURITIES OF THE STATE OF ALASKA PROVISIONS OF 3 AAC 08.500—3 THROUGH AAC 08.506. THE INVESTOR IS ADVISED THAT THE ADMINISTRATOR HAS MADE ONLY A CURSORY REVIEW OF THE REGISTRATION STATEMENT AND HAS NOT REVIEWED THIS DOCUMENT SINCE THE DOCUMENT IS NOT REQUIRED TO BE FILED WITH THE ADMINISTRATOR. THE FACT OF THE REGISTRATION DOES NOT MEAN THAT THE ADMINISTRATOR HAS PASSED IN ANY WAY UPON THE MERITS, RECOMMENDED, OR APPROVED THE SECURITIES. ANY REPRESENTATION TO THE CONTRARY IS A VIOLATION OF A.S. 45.55.170.

THE INVESTOR MUST RELY ON THE INVESTOR'S OWN EXAMINATION OF THE PERSON OR ENTITY CREATING THE SECURITIES AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED IN MAKING AN INVESTMENT DECISION ON THESE SECURITIES.

NOTICE TO ARIZONA RESIDENTS

THE UNITS OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF THE STATE OF ARIZONA (THE "ARIZONA ACT"), AND THEY THEREFORE HAVE THE STATUS OF SECURITIES ACQUIRED IN AN EXEMPT TRANSACTION UNDER ARS SECTION 44-1844 OF THE ARIZONA ACT. THE UNITS CANNOT BE RESOLD WITHOUT REGISTRATION UNDER THE ARIZONA ACT OR UNLESS AN EXEMPTION THEREFROM IS AVAILABLE.

NOTICE TO ARKANSAS RESIDENTS

THESE SECURITIES ARE OFFERED PURSUANT TO A CLAIM OF EXEMPTION UNDER SECTION 14(B)(14) OF THE ARKANSAS SECURITIES ACT AND SECTION 4(2) OF THE SECURITIES ACT OF 1933, AS AMENDED. A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS NOT BEEN FILED WITH THE ARKANSAS SECURITIES DEPARTMENT OR WITH THE SECURITIES COMMISSION. NEITHER THE DEPARTMENT NOR THE COMMISSION HAVE PASSED UPON THE VALUE OF THESE SECURITIES, MADE ANY RECOMMENDATIONS AS TO THEIR PURCHASE, APPROVED OR DISAPPROVED THE OFFERING, OR PASSED UPON THE ACCURACY OR ADEQUACY OF THE MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

NOTICE TO CALIFORNIA RESIDENTS

IT IS UNLAWFUL TO CONSUMMATE A SALE, TRANSFER OF THESE SECURITIES OR ANY INTEREST THEREIN, OR TO RECEIVE ANY CONSIDERATION THEREFROM WITHOUT THE PRIOR WRITTEN CONSENT OF THE COMMISSIONER OF CORPORATIONS OF THE STATE OF CALIFORNIA, EXCEPT AS PERMITTED IN THE COMMISSIONER'S RULES. THE SALE OF THE SECURITIES DESCRIBED IN THIS MEMORANDUM HAVE NOT BEEN QUALIFIED WITH THE COMMISSIONER OF CORPORATIONS OF THE STATE OF CALIFORNIA AND THE ISSUANCE OF SUCH SECURITIES OR THE PAYMENT OR THE RECEIPT OF CONSIDERATION THEREFORE PRIOR TO SUCH QUALIFICATION IS

UNLAWFUL, UNLESS THE SALE THEREOF IS EXEMPT UNDER APPLICABLE LAW. THE COMPANY IS RELYING ON THE EXEMPTION FROM SUCH QUALIFICATION PROVIDED BY SECTION 10102(f) OF THE CALIFORNIA CORPORATIONS CODE.

NOTICE TO COLORADO RESIDENTS

THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE COLORADO SECURITIES ACT OF 1981 BY REASON OF SPECIFIC EXEMPTION THEREUNDER RELATING TO THE LIMITED AVAILABILITY OF THE OFFERING. THESE SECURITIES CANNOT BE SOLD, TRANSFERRED OR OTHERWISE DISPOSED OF TO ANY PERSON OR ENTITY UNLESS SUBSEQUENTLY REGISTERED UNDER THE SECURITIES ACT OF 1981, IF SUCH REGISTRATION IS REQUIRED.

NOTICE TO CONNECTICUT RESIDENTS

THE SECURITIES OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER SECTION 36-485 OF THE CONNECTICUT GENERAL STATUTES, THE UNIFORM SECURITIES ACT, AS AMENDED (THE "CONNECTICUT ACT"), AND THEREFORE CANNOT BE RESOLD UNLESS THEY ARE REGISTERED UNDER SECTION 36-485 OF THE CONNECTICUT ACT OR UNLESS AN EXEMPTION FROM REGISTRATION PURSUANT TO SECTION 36-490(B)(9) OF THE CONNECTICUT UNIFORM SECURITIES ACT OR ANY OTHER SECTION OF THE CONNECTICUT ACT IS AVAILABLE. THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE BANKING COMMISSIONER OF THE STATE OF CONNECTICUT, NOR HAS THE COMMISSIONER PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFERING. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

NOTICE TO FLORIDA RESIDENTS

THE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE FLORIDA SECURITIES ACT (THE "FLORIDA ACT"), AND THEREFORE CANNOT BE RESOLD OR TRANSFERRED BY THE INVESTOR EXCEPT IN A TRANSACTION WHICH IS EXEMPT UNDER THE ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION UNDER THE ACT.

NOTICE TO FLORIDA RESIDENTS

THE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE FLORIDA SECURITIES AND INVESTOR PROTECTION ACT (THE "FLORIDA ACT") AND ARE BEING SOLD IN RELIANCE UPON AN EXEMPTION PROVISION CONTAINED THEREIN. PURSUANT TO SECTION 517.061(11)(a)(5) OF THE FLORIDA STATUTES, IF SECURITIES ARE SOLD TO FIVE OR MORE FLORIDA RESIDENTS, FLORIDA INVESTORS WILL HAVE A THREE (3) DAY RIGHT OF RESCISSION. INVESTORS WHO HAVE EXECUTED A SUBSCRIPTION AGREEMENT MAY ELECT, WITHIN THREE (3) BUSINESS DAYS AFTER THE FIRST TENDER OF CONSIDERATION THEREFORE TO WITHDRAW THEIR SUBSCRIPTION AND RECEIVE A FULL REFUND OF ANY MONEY PAID BY THEM. SUCH WITHDRAWAL WILL BE WITHOUT ANY FURTHER LIABILITY TO ANY PERSON. TO ACCOMPLISH SUCH WITHDRAWAL, AN INVESTOR NEED ONLY SEND A LETTER OR TELEGRAM TO THE COMPANY AT THE ADDRESS SHOWN HEREIN INDICATING HIS INTENTION TO WITHDRAW. SUCH LETTER OR TELEGRAM MUST BE SENT AND POSTMARKED PRIOR TO THE END OF THE AFOREMENTIONED THIRD BUSINESS DAY. IF SENDING A LETTER, AN INVESTOR SHOULD SEND IT BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO ENSURE THAT IT IS RECEIVED AND TO EVIDENCE THE TIME WHEN IT

IS MAILED. ANY ORAL REQUESTS FOR RESCISSION SHOULD BE ACCOMPANIED BY A REQUEST FOR WRITTEN CONFIRMATION THAT THE ORAL REQUEST WAS RECEIVED ON A TIMELY BASIS. THE COMPANY'S ADDRESS IS SET FORTH UNDER "THE COMPANY."

NOTICE TO GEORGIA RESIDENTS

THESE SECURITIES ARE BEING OFFERED AND SOLD IN RELIANCE ON PARAGRAPH (13) OF CODE SECTION 10-5-9 OF THE GEORGIA SECURITIES ACT OF 1973, AND MAY NOT BE SOLD OR TRANSFERRED EXCEPT IN A TRANSACTION WHICH IS EXEMPT UNDER SUCH ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION UNDER SUCH ACT.

NOTICE TO HAWAII RESIDENTS

NEITHER THIS MEMORANDUM NOR THE SECURITIES DESCRIBED HEREIN HAVE BEEN APPROVED OR DISAPPROVED BY THE COMMISSIONER OF SECURITIES OF THE STATE OF HAWAII, NOR HAS THE COMMISSIONER PASSED UPON THE ACCURACY OR ADEQUACY OF THIS MEMORANDUM.

NOTICE TO IDAHO RESIDENTS

THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE IDAHO SECURITIES ACT AND THEREFORE CANNOT BE RESOLD OR TRANSFERRED, UNLESS THEY ARE SO REGISTERED OR UNLESS AN EXEMPTION FROM REGISTRATION IS AVAILABLE.

NOTICE TO ILLINOIS RESIDENTS

THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER SECTION 5 OF THE ILLINOIS SECURITIES ACT OF 1953 (THE "ILLINOIS ACT"). THE SECURITIES MAY NOT BE RESOLD, TRANSFERRED OR OTHERWISE DISPOSED OF TO ANY PERSON OR ENTITY, UNLESS SUBSEQUENTLY REGISTERED UNDER THE ACT OR UNLESS AN EXEMPTION FROM REGISTRATION THEREFROM IS AVAILABLE.

NOTICE TO INDIANA RESIDENTS

THE INDIANA SECURITIES DIVISION HAS NOT IN ANY WAY PASSED UPON THE MERITS OR QUALIFICATION OF, NOR RECOMMENDED, NOR GIVEN APPROVAL TO THE SECURITIES HEREBY OFFERED, NOR PASSED UPON THE ACCURACY OR ADEQUACY OF THIS MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. PENDING PERFECTION OF THE EXEMPTION UNDER SECTION 23-1-2(B) (10) OF THE INDIANA BLUE SKY LAW, THE OFFERING IS PRELIMINARY AND SUBJECT TO MATERIAL CHANGE. THESE SECURITIES ARE SPECULATIVE, HAVE NOT BEEN REGISTERED UNDER SECTION 3 OF THE INDIANA SECURITIES ACT AND THEREFORE, CANNOT BE RESOLD OR TRANSFERRED, UNLESS THEY ARE SO REGISTERED, NOR UNLESS AN EXEMPTION FROM REGISTRATION IS AVAILABLE.

NOTICE TO KANSAS RESIDENTS

THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES ACT OF ANY JURISDICTION BY REASON OF SPECIFIC EXEMPTION THEREUNDER RELATING TO THE LIMITED AVAILABILITY OF THE OFFERING. THESE SECURITIES CANNOT BE SOLD, TRANSFERRED OR OTHERWISE DISPOSED OF TO ANY PERSON OR ENTITY UNLESS SUBSEQUENTLY REGISTERED

UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAW, IF SUCH REGISTRATION IS REQUIRED.

NOTICE TO KENTUCKY RESIDENTS

FOR KENTUCKY RESIDENTS, THE OPERATOR IN ALL SALES TO NON-ACCREDITED INVESTORS MUST HAVE REASONABLE GROUNDS TO BELIEVE, AFTER MAKING INQUIRY THAT: (1) THE INVESTMENT IS SUITABLE FOR THE PURCHASER ON THE BASIS OF THE FACTS DISCLOSED BY THE PURCHASER AS TO HIS OR HER OTHER SECURITY HOLDINGS AND TO HIS OR HER FINANCIAL SITUATION AND NEEDS. (THERE IS A PRESUMPTION FOR THE LIMITED PURPOSE OF THIS CONDITION THAT IF THE INVESTMENT DOES NOT EXCEED 10% OF THE INVESTOR'S NET WORTH THAT IT IS SUITABLE). (2) THE INVESTOR, EITHER ALONE OR WITH REPRESENTATIVES, HAS SUFFICIENT KNOWLEDGE AND EXPERIENCE TO EVALUATE THE MERITS AND RISKS OF THE INVESTMENT.

THE SECURITIES REPRESENTED IN THIS MEMORANDUM AND SUBSCRIPTION DOCUMENTS ARE BEING SOLD PURSUANT TO A CLAIM OF EXEMPTION FROM THE REGISTRATION OR QUALIFICATION PROVISIONS OF THE FEDERAL AND STATE SECURITIES LAWS AND MAY NOT BE SOLD OR TRANSFERRED WITHOUT COMPLIANCE WITH THE REGISTRATION OR QUALIFICATION PROVISIONS OF APPLICABLE FEDERAL AND STATE SECURITIES LAWS OR APPLICABLE EXEMPTIONS THEREFROM.

NOTICE TO LOUISIANA RESIDENTS

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

NOTICE TO MARYLAND RESIDENTS

THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR THE MARYLAND SECURITIES ACT, BY REASON OF SPECIFIC EXEMPTIONS THEREUNDER RELATING TO THE LIMITED AVAILABILITY OF THE OFFERING. THESE SECURITIES CANNOT BE RESOLD, TRANSFERRED OR OTHERWISE DISPOSED OF TO ANY PERSON OR ENTITY, UNLESS SUBSEQUENTLY REGISTERED UNDER THE ACT OR THE MARYLAND SECURITIES ACT, IF SUCH REGISTRATION IS REQUIRED.

NOTICE TO MASSACHUSETTS RESIDENTS

THE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE MASSACHUSETTS SECURITIES ACT BY REASON OF SPECIFIC EXEMPTIONS THEREUNDER RELATING TO THE LIMITED AVAILABILITY OF THE OFFERING. THESE SECURITIES CANNOT BE SOLD, TRANSFERRED OR OTHERWISE DISPOSED OF TO ANY PERSON OR ENTITY UNLESS SUBSEQUENTLY REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE MASSACHUSETTS IS SECURITIES ACT, IF SUCH REGISTRATION IS REQUIRED.

NOTICE TO MICHIGAN RESIDENTS

THE SECURITIES REFERRED TO IN THIS MEMORANDUM WILL BE SOLD TO AND ACQUIRED BY THE HOLDER IN A TRANSACTION EXEMPT UNDER SECTION 4(2)(b)(9) OF THE MICHIGAN BLUE SKY LAW. THE SECURITIES HAVE NOT BEEN REGISTERED UNDER SAID LAW AND MAY NOT BE RESOLD EXCEPT IN ACCORDANCE WITH SAID LAW WITHIN SIX MONTHS OF THE COMMENCEMENT OF THE OFFERING OF THE SECURITIES, OR THE TERMINATION OF THE SUBSCRIPTION PERIOD AS SET FORTH IN THIS PRIVATE PLACEMENT MEMORANDUM, WHICHEVER FIRST OCCURS, THE COMPANY SHALL, IF SALES OF THE SECURITIES ARE MADE TO MICHIGAN RESIDENTS, PREPARE AND FURNISH TO INVESTORS A DETAILED WRITTEN STATEMENT OF THE APPLICATION OF PROCEEDS OF THE OFFERING, AS WELL AS ANY OTHER APPLICABLE STATEMENTS AND REPORTS REQUIRED TO BE FURNISHED UNDER APPLICABLE LAW.

NOTICE TO MINNESOTA RESIDENTS

THESE SECURITIES REPRESENTED BY THIS MEMORANDUM HAVE NOT BEEN REGISTERED UNDER CHAPTER 80A OF THE MINNESOTA SECURITIES LAWS AND MAY NOT BE SOLD, TRANSFERRED OR OTHERWISE DISPOSED OF EXCEPT PURSUANT TO REGISTRATION, OR AN EXEMPTION THEREFROM.

NOTICE TO MISSISSIPPI RESIDENTS

THESE SECURITIES ARE OFFERED PURSUANT TO A CLAIM OF EXEMPTION UNDER THE MISSISSIPPI SECURITIES ACT. A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS NOT BEEN FILED WITH THE MISSISSIPPI SECRETARY OF STATE. THE SECRETARY OF STATE HAS NOT PASSED UPON THE VALUE OF THESE SECURITIES AND HAS NOT APPROVED OR DISAPPROVED OF THE OFFERING. THE SECRETARY OF STATE DOES NOT RECOMMEND THE PURCHASE OF THESE OR ANY OTHER SECURITIES. THERE IS NO ESTABLISHED MARKET FOR THESE SECURITIES AND THERE MAY NOT BE ANY MARKET FOR THESE SECURITIES IN THE FUTURE. THE SUBSCRIPTION PRICE OF THESE SECURITIES HAS BEEN ARBITRARILY DETERMINED BY THE ISSUER AND IS NOT AN INDICATION OF THE ACTUAL VALUE OF THESE SECURITIES. THE PURCHASER OF THESE SECURITIES MUST MEET CERTAIN SUITABILITY STANDARDS AND MUST BE ABLE TO BEAR AN ENTIRE LOSS OF HIS INVESTMENT. THESE SECURITIES MAY NOT BE TRANSFERRED FOR A PERIOD OF ONE YEAR EXCEPT IN A TRANSACTION WHICH IS EXEMPT UNDER THE MISSISSIPPI SECURITIES ACT OR ANY TRANSACTION IN COMPLIANCE WITH THE MISSISSIPPI SECURITIES ACT.

NOTICE TO MISSOURI RESIDENTS

THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE SECURITIES ACT OF ANY JURISDICTION BY REASON OF SPECIFIC EXEMPTIONS THEREUNDER RELATING TO THE LIMITED AVAILABILITY OF THE OFFERING. THESE SECURITIES CANNOT BE SOLD, TRANSFERRED OR OTHERWISE DISPOSED OF TO ANY PERSON OR ENTITY UNLESS SUBSEQUENTLY REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAW, IF SUCH REGISTRATION IS REQUIRED.

NOTICE TO NEBRASKA RESIDENTS

A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS NOT BEEN FILED WITH DIRECTOR OF THE DEPARTMENT OF BANKING AND FINANCE OF THE STATE OF NEBRASKA, BUT HAS NOT YET BECOME EFFECTIVE, INFORMATION CONTAINED HEREIN IS SUBJECT TO COMPLETION OR AMENDMENT. THESE SECURITIES MAY NOT BE SOLD NOR MAY OFFERS TO BE SOLD BE ACCEPTED PRIOR TO THE TIME THE REGISTRATION STATEMENT BECOMES EFFECTIVE. THIS PRELIMINARY DOCUMENT SHALL NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY, NOR SHALL THERE BE ANY SALE OF THESE SECURITIES IN NEBRASKA SINCE SUCH OFFER, SOLICITATION, OR SALE WOULD BE UNLAWFUL PRIOR TO QUALIFICATION UNDER SECTION 8-1107 OF THE NEBRASKA SECURITIES ACT.

NOTICE TO NEW HAMPSHIRE RESIDENTS

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE UNDER THIS CHAPTER HAS BEEN FILED WITH THE STATE OF NEW HAMPSHIRE, NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT, NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY, OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER, OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

NOTICE TO NEW JERSEY RESIDENTS

THESE SECURITIES ARE OFFERED IN RELIANCE ON AN EXEMPTION FROM REGISTRATION UNDER THE NEW JERSEY UNIFORM SECURITIES LAW. THE SECURITIES HAVE NOT BEEN REGISTERED UNDER SAID LAW AND MAY NOT BE RE-OFFERED FOR SALE, TRANSFER OR RESOLD WITHOUT COMPLIANCE WITH THE REGISTRATION PROVISIONS OF SAID LAW OR AN EXEMPTION THEREFROM. THE BUREAU OF SECURITIES OF NEW JERSEY HAS NOT PASSED UPON THE ACCURACY OR COMPLETENESS OF THIS MEMORANDUM AND DOES NOT RECOMMEND OR ENDORSE THE PURCHASE OF THE SECURITIES.

NOTICE TO NEW MEXICO RESIDENTS

THE SECURITIES DESCRIBED HEREIN ARE OFFERED PURSUANT TO AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT OF NEW MEXICO, (THE "NEW MEXICO ACT"). ACCORDINGLY, THE NEW MEXICO SECURITIES BUREAU HAS NOT REVIEWED THE OFFERING OF THESE SECURITIES AND HAS NOT APPROVED OR DISAPPROVED THIS OFFERING. THE NEW MEXICO SECURITIES BUREAU HAS NOT PASSED UPON THE VALUE OF THESE SECURITIES OR UPON THE ACCURACY OF THE INFORMATION CONTAINED WITHIN THIS PRIVATE PLACEMENT MEMORANDUM. THESE SECURITIES MAY NOT BE RESOLD OR OTHERWISE TRANSFERRED WITHOUT REGISTRATION UNDER THE ACT OR AN EXEMPTION THEREFROM.

NOTICE TO NEW YORK RESIDENTS

THIS PRIVATE PLACEMENT MEMORANDUM DOES NOT KNOWINGLY CONTAIN AN UNTRUE STATEMENT OF MATERIAL FACT OR KNOWINGLY OMIT TO STATE A MATERIAL FACT NECESSARY TO MAKE THE STATEMENTS MADE, IN THE LIGHT OF THE CIRCUMSTANCES UNDER WHICH THEY ARE MADE, NOT MISLEADING. IT CONTAINS A FAIR SUMMARY OF THE MATERIAL TERMS OF THE DOCUMENTS PURPORTED TO BE SUMMARIZED HEREIN. ALL PROCEEDS OF THIS OFFERING WILL BE USED ONLY FOR THE PURPOSES SET FORTH UNDER THE CAPTION "USE OF FUNDS."

THE OFFERING OF THE SECURITIES HAS NOT BEEN REVIEWED BY THE ATTORNEY GENERAL OF THE STATE OF NEW YORK BECAUSE OF THE OFFEROR'S REPRESENTATIONS THAT THIS IS INTENDED TO BE A NON-PUBLIC OFFERING PURSUANT TO REGULATION D AND THAT IF ALL OF THE CONDITIONS AND LIMITATIONS OF REGULATION D ARE NOT COMPLIED WITH, THE OFFERING WILL BE RESUBMITTED TO THE ATTORNEY GENERAL FOR AMENDED EXEMPTION. ANY OFFERING LITERATURE USED IN CONNECTION WITH THE OFFERING HAS NOT BEEN RE-FILED WITH THE ATTORNEY GENERAL AND HAS NOT BEEN REVIEWED BY THE ATTORNEY GENERAL. THE SECURITIES ARE BEING PURCHASED FOR THE INVESTOR'S OWN ACCOUNT FOR INVESTMENT, AND NOT FOR DISTRIBUTION OR RESALE TO OTHERS. EACH NEW YORK INVESTOR WILL BE REQUIRED TO AGREE THAT HE OR SHE WILL NOT SELL OR OTHERWISE TRANSFER THESE UNITS UNLESS THEY ARE REGISTERED UNDER THE SECURITIES ACT OR UNLESS AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE. EACH NEW YORK INVESTOR WILL BE REQUIRED TO REPRESENT THAT HE OR SHE HAS ADEQUATE MEANS OF PROVIDING FOR HIS OR HER CURRENT NEEDS AND POSSIBLE PERSONAL CONTINGENCIES, AND THAT HE OR SHE HAS NO NEED FOR LIQUIDITY OF THIS INVESTMENT. ALL NEW YORK INVESTORS WILL BE REQUIRED TO REPRESENT THAT THEY UNDERSTAND THAT THE OFFERING MAY BE MADE ONLY TO THOSE NON-ACCREDITED RESIDENTS OF NEW YORK WHO: HAVE A NET WORTH (ALONE OR JOINTLY WITH A SPOUSE, BUT EXCLUSIVE OF HOME, FURNISHINGS' AND AUTOMOBILES) OF THREE TIMES THE AMOUNT OF THE INVESTMENT AND AN ADJUSTED GROSS INCOME (ALONE OR JOINTLY WITH A SPOUSE, BUT EXCLUSIVE OF HOME, HOME FURNISHINGS AND AUTOMOBILES) OF FIVE TIMES THE AMOUNT OF THE INVESTMENT.

ALL DOCUMENTS, RECORDS AND BOOKS PERTAINING TO THIS INVESTMENT WILL BE MADE AVAILABLE FOR INSPECTION BY EACH NEW YORK INVESTOR AND HIS OR HER ATTORNEY, ACCOUNTANT OR PURCHASER REPRESENTATIVE. THE BOOKS AND RECORDS OF THE ISSUER WILL BE AVAILABLE AT ITS PRINCIPAL PLACE OF BUSINESS UPON REASONABLE NOTICE FOR INSPECTION BY INVESTORS AT REASONABLE HOURS.

NOTICE TO OHIO RESIDENTS

THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE OHIO SECURITIES ACT (THE "OHIO ACT"), AND THEREFORE CANNOT BE RESOLD OR TRANSFERRED BY THE INVESTOR EXCEPT IN A TRANSACTION WHICH IS EXEMPT UNDER THE OHIO ACT, OR PURSUANT TO AN EFFECTIVE REGISTRATION UNDER THE OHIO ACT.

NOTICE TO OKLAHOMA RESIDENTS

THE SECURITIES OFFERED HEREIN HAVE NOT BEEN REGISTERED UNDER THE OKLAHOMA SECURITIES ACT (THE "OKLAHOMA ACT"), AND THEREFORE CANNOT BE RESOLD OR TRANSFERRED BY THE INVESTOR IN A TRANSACTION WHICH IS EXEMPT UNDER THE OKLAHOMA ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION UNDER THE OKLAHOMA ACT.

NOTICE TO OREGON RESIDENTS

THE SECURITIES OFFERED HEREIN HAVE NOT BEEN REGISTERED WITH THE DIRECTOR OF THE DEPARTMENT OF INSURANCE AND FINANCE FOR THE STATE OF OREGON. THE INVESTOR MUST RELY ON THE INVESTOR'S EXAMINATION OF THE COMPANY CREATING THE SECURITIES, AND THE TERMS OF THE OFFERING, INCLUDING THE MAKING OF AN INVESTMENT DECISION ON THESE SECURITIES.

NOTICE TO PENNSYLVANIA RESIDENTS

EACH SUBSCRIBER WHO IS A PENNSYLVANIA RESIDENT HAS THE RIGHT TO CANCEL AND WITHDRAW HIS OR HER SUBSCRIPTION AND HIS OR HER PURCHASE OF SECURITIES THEREUNDER, UPON WRITTEN NOTICE TO THE COMPANY GIVEN WITHIN TWO (2) BUSINESS DAYS FOLLOWING THE RECEIPT BY THE COMPANY OF HIS OR HER EXECUTED SUBSCRIPTION AGREEMENT. ANY NOTICE OF CANCELLATION OR WITHDRAWAL SHOULD BE MADE BY TELEGRAM, CERTIFIED OR REGISTERED MAIL AND WILL BE EFFECTIVE UPON DELIVERY TO WESTERN UNION OR DEPOSIT IN THE UNITED STATES MAIL, POSTAGE OR OTHER TRANSMITTAL FEES PREPAID. UPON SUCH CANCELLATION OR WITHDRAWAL, THE SUBSCRIBER WILL HAVE NO OBLIGATION OR DUTY UNDER THE SUBSCRIPTION AGREEMENT TO THE COMPANY OR ANY OTHER PERSON AND WILL BE ENTITLED TO THE FULL RETURN OF ANY AMOUNT PAID BY HIM OR HER, WITHOUT INTEREST. NEITHER THE PENNSYLVANIA SECURITIES COMMISSION NOR ANY OTHER AGENCY PASSED ON OR ENDORSED THE MERITS OF THIS OFFERING, AND ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

PENNSYLVANIA SUBSCRIBERS MAY NOT SELL THEIR SECURITIES FOR ONE YEAR FROM THE DATE OF PURCHASE IF SUCH A SALE WOULD VIOLATE SECTION 203(D) OF THE PENNSYLVANIA SECURITIES ACT.

PENNSYLVANIA RESIDENTS WHO ARE NOT ACCREDITED INVESTORS MUST MEET THE SUITABILITY REQUIREMENTS SET FORTH IN THIS MEMORANDUM AND MUST HAVE A NET WORTH (EXCLUSIVE OF HOME, HOME FURNISHINGS AND PERSONAL AUTOMOBILES) OF AT LEAST FIVE (5) TIMES THE AMOUNT OF THE PROPOSED INVESTMENT.

NOTICE TO RHODE ISLAND RESIDENTS

ALTHOUGH THE SECURITIES HEREIN DESCRIBED HAVE BEEN EXEMPTED FROM REGISTRATION PURSUANT TO TITLE 7, CHAPTER 11, OF THE RHODE ISLAND GENERAL LAWS, SUCH EXEMPTION DOES NOT CONSTITUTE APPROVAL, RECOMMENDATION OR ENDORSEMENT BY THE RHODE ISLAND DEPARTMENT OF BUSINESS REGULATION THAT THE INFORMATION PROVIDED HEREIN IS TRUE, COMPLETE, ACCURATE OR NOT MISLEADING.

NOTICE TO SOUTH CAROLINA RESIDENTS

THESE SECURITIES ARE OFFERED PURSUANT TO A CLAIM OF EXEMPTION UNDER THE SOUTH CAROLINA UNIFORM SECURITIES ACT. A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS NOT BEEN FILED WITH THE SOUTH CAROLINA SECURITIES COMMISSIONER. THE COMMISSIONER DOES NOT RECOMMEND OR ENDORSE THE PURCHASE OF ANY SECURITIES, NOR DOES IT PASS UPON THE ACCURACY OR COMPLETENESS OF THIS PRIVATE PLACEMENT MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

NOTICE TO SOUTH DAKOTA RESIDENTS

EACH SOUTH DAKOTA RESIDENT PURCHASING ONE OR MORE WHOLE OR FRACTIONAL SECURITIES MUST WARRANT THAT HE HAS EITHER A MINIMUM ANNUAL GROSS INCOME OF \$30,000.00 OR A MINIMUM NET WORTH (EXCLUSIVE OF HOME, FURNISHINGS AND AUTOMOBILES) OF \$75,000.00. ADDITIONALLY, EACH INVESTOR WHO IS NOT AN ACCREDITED INVESTOR OR WHO IS AN ACCREDITED INVESTOR SHALL NOT MAKE AN INVESTMENT IN THIS PROGRAM IN EXCESS OF TWENTY PERCENT (20%) OF HIS NET WORTH (EXCLUSIVE OF HOME, FURNISHINGS AND AUTOMOBILES).

NOTICE TO TENNESSEE RESIDENTS

IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE COMPANY AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED.

THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSIONS OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE TENNESSEE SECURITIES ACT OF 1993, AS AMENDED, AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION

THEREFROM. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISK OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

NOTICE TO TEXAS RESIDENTS

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

NOTICE TO VIRGINIA RESIDENTS

THE SECURITIES OF THE COMPANY HAVE NOT BEEN REGISTERED UNDER THE VIRGINIA SECURITIES ACT (THE "VIRGINIA ACT"), AND THEREFORE CANNOT BE RESOLD OR TRANSFERRED BY THE INVESTOR EXCEPT IN A TRANSACTION WHICH IS EXEMPT UNDER THE ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION UNDER THE ACT.

NOTICE TO WASHINGTON STATE RESIDENTS

THE ADMINISTRATOR OF SECURITIES HAS NOT REVIEWED THE OFFERING OR OFFERING CIRCULAR AND THE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF WASHINGTON, CHAPTER 21.20 RCW, AND, THEREFORE, CANNOT BE RESOLD UNLESS THEY ARE REGISTERED UNDER THE SECURITIES ACT OF WASHINGTON, CHAPTER 21.20 RCW, OR UNLESS AN EXEMPTION FROM REGISTRATION IS AVAILABLE.

NOTICE TO WISCONSIN RESIDENTS

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY IN THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THE SECURITIES HAVE NOT BEEN RECOMMENDED BY AND FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY, OR DETERMINED THE ADEQUACY, OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

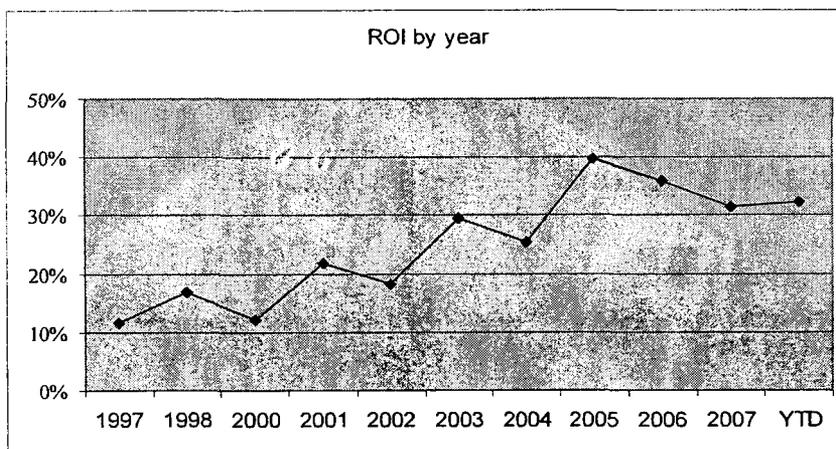
EXECUTIVE SUMMARY

Sports Dimensions, Inc. ("the Company") is a North Corporation which was incorporated in January, 2002 and has an 11-year operating history.

According to Pollstar, a leading publisher of industry trade information, the North American live concert ticket sales climbed to a record \$3.9 billion in 2007, up 8% from \$3.6 billion in 2006, posting an annual compounded gross rate of 12.5% since 1995. The last annual increase also represents the ninth consecutive year in which revenues in the U.S. and Canada have hit an all-time high. The growth trend is expected to continue in the future as artists are forced to tour to make up for lost revenues from illegal downloading and sale of pirate copies of their CDs.

Sports Dimensions, Inc. ("SDI" or the "Company") is a regional entertainment company that in 11 years of operations (including the time in which SDI operated as a sole proprietorship) has sponsored approximately 350 concerts of emerging and well know artists, such as Mariah Carey, Mary J. Blige, Anita Baker, Toni Braxton, Alicia Keys, Gwen Stefani, and Beyonce', to name just a few. SDI has been operating in the southern regions of the United States and it is a leading concert promoter in its geographical area.

The Company enjoys little competition and has an excellent track record. In 11 years of event promotion, SDI has achieved an average return on investment exceeding 30%. This significant ROI clearly shows the operational experience acquired by the Company over the past decade and its proven business model. Below is a graph showing the Company ROI by year since 1997:



The Company has recently completed the promotion of a series of concert by Mary J. Blige/Jay Z and Alicia Keys. These events were very successful and confirmed SDI's predominance in its geographical area.

In 2007, the company generated revenues of almost \$14.0 million, a 146% increase from 2006 revenues (just below \$5.7 million), and a 234% increase from 2005 revenues (just below \$4.2 million). In 2007, SDI had earnings before interest and taxes \$2,865,000, which represent

approximately 20.5% of revenue. The Company's growth is expected to continue in 2008 thank to success of the recently completed concerts and a strong line for the fall-winter season.

| | 2005 | 2006 | 2007 | 2008E |
|---------|-------------|-------------|--------------|--------------|
| Revenue | \$4,174,000 | \$5,674,000 | \$13,957,000 | \$17,460,000 |
| EBIT | \$ 460,000 | \$ 826,000 | \$ 2,865,000 | \$ 4,053,000 |

SDI has established relationships with national booking agents, stage, sound and marketing companies which assist the Company in setting up and market the events. SDI has been funded through internal growth and the personal financial commitment of Marc Hubbard, its sole owner and his private investors. SDI has been profitable since inception and it has been able to consistently self-fund. The Company's only obstacle in achieving its goal of becoming a prominent national promoter is access to stable capital. Currently, the company is able to purchase multiple events only by recurring to expensive private money. The cost of these private loans amounted to almost \$2.0 million in 2007, dramatically decreasing the net income of the Company.

By raising debt or a combination of debt and equity capital, SDI would have the opportunity to sponsor at least three major tours in each of the following years (for a total of approximately 95 dates per year) and become one of the top three concert promoters in the United States. Ticketmaster and the venue collect the revenues for each event. SDI can provide a lender or investor(s) a first lien position on such revenues and direct Ticketmaster and the venues to pay the lender/investor(s) before any money is distributed to the Company. Furthermore, since the money to be paid to the artist, which represents the single largest expense to sponsor an event, is kept in escrow, the risk to a lender/investor in financing SDI's operations is minimal. Furthermore, the real estate purchased or developed by the company with part of the funding received will provide additional security for the lender.

SDI is seeking a \$10mm capital infusion. By receiving such amount, the Company expects to achieve the following financial results in the next three years:

| | 2009 | 2010 | 2011 |
|----------------|------------------|-------------------|-------------------|
| Total Revenues | 34,920,000 | 50,343,000 | 61,983,000 |
| Total Expenses | 27,096,500 | 38,622,000 | 47,372,000 |
| EBIT | 7,823,500 | 11,721,000 | 14,611,000 |

Summary of the Offering

The securities offered are hereby made available to the prospective investor(s) who are named on the cover page of this Private Placement Memorandum.

The \$10,000,000 in this round of financing of Series 2009-A Convertible Corporate Notes, "Notes", sought through this securities offering, is to be used as general working capital to execute the business plan contained herein. (See "Sources and Uses Statement" included in the "Pro forma Financial Projections" in Exhibit A).

One Thousand (1,000) Series 2009-A Convertible Corporate Notes are hereby made available to the prospective investor(s) who are named on the cover page of this private placement memorandum. The securities are offered at a Unit price of \$10,000.00. 1,000 subscriptions are available. The

minimum purchase amount per subscription is 1 Unit for an aggregate amount of \$10,000. Notes are convertible into Common Stock at \$2.00 per share upon maturity.

The Pro Forma Financial Projections in Exhibit A are based on the Company selling 1,000 units of Series 2009-A Convertible Corporate Notes at a Unit price of \$10,000.00. The notes offered herein are offered on a first come, first served basis.

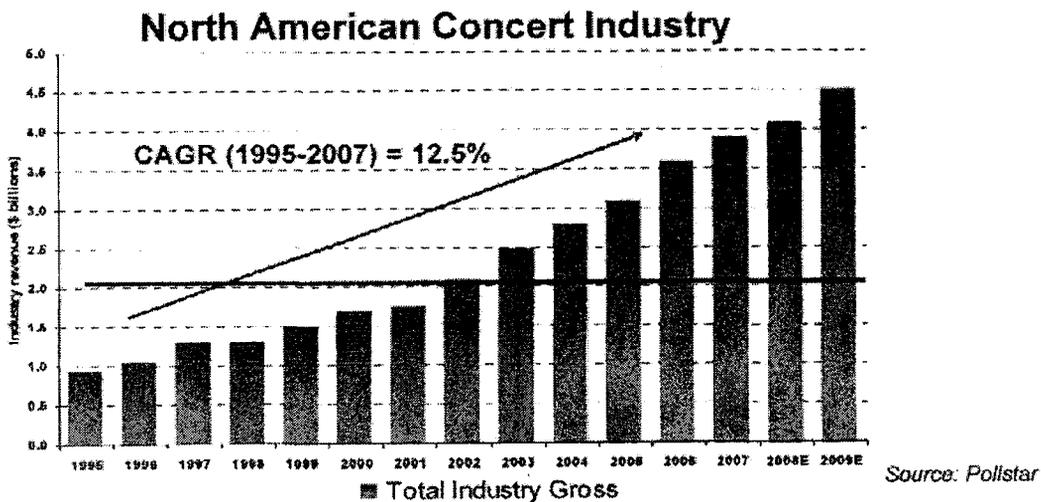
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THE INDUSTRY

Summary

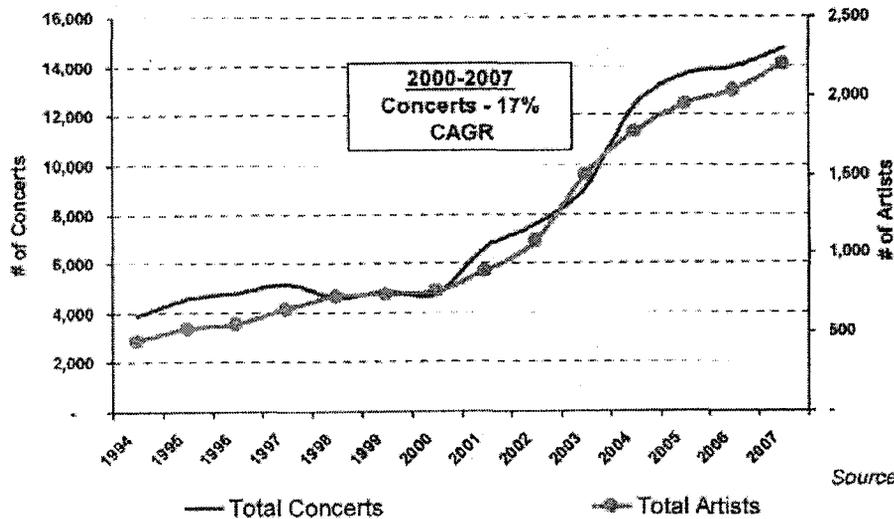
According to Pollstar, a leading publisher of industry trade information, the North American live concert ticket sales climbed to a record \$3.9 billion in 2007, up 8% from \$3.6 billion in 2006, posting an annual compounded gross rate of 12.5% since 1995. The last annual increase also represents the ninth consecutive year in which revenues in the U.S. and Canada have hit an all-time high. The growth trend is expected to continue in the future as artists are forced to tour to make up for lost revenues from illegal downloading and sale of pirate copies of their CDs.

The surge in industry revenues from 2003 to 2005 was mainly attributed to an increase in ticket prices. However, in the last two years, the growth was mostly achieved by an increase in tickets sold rather than by selling more expensive tickets. In 2007, the live concert industry showed no signs of slowing down. Top artists such as Madonna, the Rolling Stones, Elton John and U2 have continued to tour. Other well know artists, facing declining CD sales due partially to illegal downloading of music, and to pirate copies of their albums, are forced to tour more extensively in order to make up for the lost revenues.



The top 100 touring acts of 2007 reported combined grosses that were slightly lower than the prior year's top 100, but the concert business last year demonstrated "strength from the bottom up" among smaller tours. The industry is also benefiting from an increasing number of artists/bands going on the road. This is a trend that has been consistent since the early 1990's, as it is shown in the graph below.

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Ticket prices have steadily increased since 1996, although the 2007 growth was a relatively modest 49 cents. This brought the average price of a ticket to \$62.07.

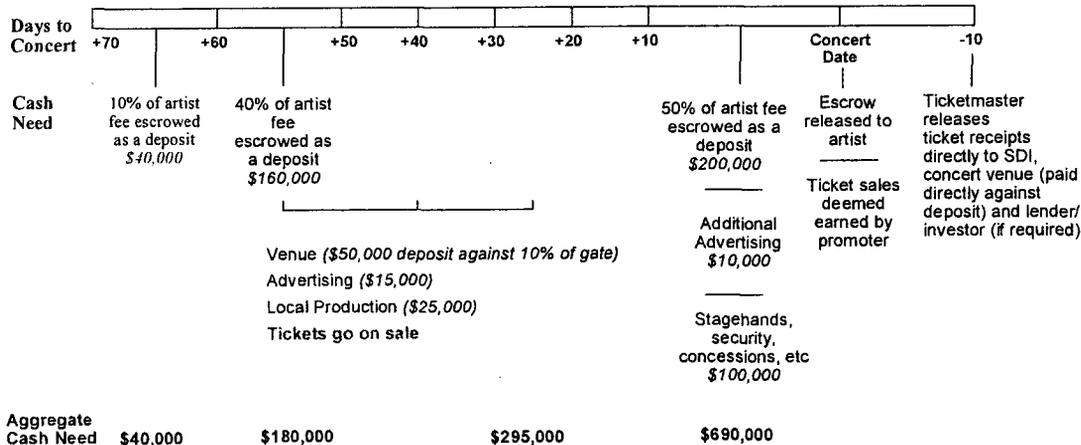
Promoting A Tour

Live entertainment events typically begin with booking agents directly contracting with performers to represent them for defined periods. Booking agents then contact promoters, who will place a bid and pay a deposit equal to 10% of the artist’s fee to secure a single event or series of events. Upon the acceptance of the bid, which generally takes between 7 to 10 business days, the promoters are required to make a secondary deposit of 40% of the artist’s fee. Please note that the artist’s fee equals approximately 50% of the total cost of the event. All the money deposited (i.e., 50% of the artist’s fee) is kept in an escrow by the agent; such money would be refunded in the event the performance is cancelled. In the following 30 days, the promoter arranges the dates and venues for the tour, and hires the necessary local production services personnel. The promoter, in conjunction with the performer, managers and agent, also sets ticket prices and advertises the event.

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Concert Cash Flow Example

- The following is an example of the cash flow for a concert where the artist earns \$400k for a single show



With tour plans finalized, any fixed guarantee that is owed to the artist is placed into the escrow. Ten percent of the artist fee is escrowed when the contract is signed. The rest of the money is escrowed in two installments, the last of which occurs a few days before the concert. Money is released from the escrow once the performer steps on stage. At the same time, the money received by the ticket selling broker, generally Ticketmaster, is earned by the promoter. This money is kept by Ticketmaster and is disbursed to the promoter (or first to any other party if such money was subject to a lien) within 7 to 10 days following each show. For musical tours, it typically takes approximately 75 days from the date in which the first deposit is required and the date in which the money from the first performance is received. The equity used to fund a tour is therefore returned within approximately three to four months from the bidding date.

Concert promoters earn money primarily from the sale of tickets and a percentage of revenues from concessions. Performers are paid by the promoter under one of several different formulas, which may include fixed guarantees, percentages of ticket sales or the greater of guaranteed amounts or profit sharing payments based on gross ticket revenues. In addition, promoters may also reimburse performers for certain costs of production, such as sound and lights.

Under guaranteed payment formulas, promoters assume the risks of unprofitable events. Promoters may renegotiate lower guarantees or cancel events because of insufficient ticket sales in order to reduce their losses. Promoters can also reduce the risk of losses by entering into global or national touring agreements with performers and including the right to offset lower ticket revenue shows with higher performing shows on the tour in the determination of overall artist fees.

THE COMPANY

Sports Dimensions, Inc. of North Carolina ("SDI"), was first formed as sole proprietorship in 1996, is an entertainment company specializing in the concert promotion business with an emphasis on the adult urban contemporary and international markets. Since inception, SDI's mission has been to provide its customers with the opportunity to experience multiple forms of entertainment under one roof. After a few years of successfully operating several nightclubs and sponsoring emerging artists. SDI was incorporated in 2002 as a "C" corporation in the State of North Carolina. After incorporation, the Company began focusing more and more on its growing concert business, while retaining a presence in the night club segment. SDI's management recently decided to focus its full attention on the concert promotion business and in 2007 placed the night club operations in a separate independent entity.

SDI is based in Charlotte, North Carolina. Marc Hubbard is the sole owner and President of the Company, which also employs an additional four full-time professionals. Several part-time employees also work for SDI; their number varies and it may be significant when the Company sponsors an event.

Currently, SDI operates in the southern regions of the United States, in the area between Nevada, Texas, North Carolina, and Florida. The Company aims to expand nationwide in 2009 and to enter the global market the same year or in 2010.

The Company's practical business model, with built-in internal mechanisms to generate ongoing growth capital from high profit recurring revenue, is designed to rapidly build a sustainable business independent of a need for ongoing capital infusion. Management anticipates SDI to become the premier contemporary urban entertainment destination in the United States and a significant player in the global markets.

History

SDI sponsored its first musical concert in 1996. Since then, the Company has promoted approximately 350 concerts of emerging and established artists. By building operational knowledge and by utilizing its contacts and industry resources, SDI has been able to sponsor events of such top artists such as Mariah Carey, Mary J. Blige, Anita Baker, Toni Braxton, Alicia Keys, Gwen Stefani, R. Kelly and Beyonce', to name just a few.

The following is a more detailed, although not all inclusive, list of artists sponsored by SDI.

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SDI
CONCERTS PROMOTED AND CO-PROMOTED
IN THE SOUTHEAST REGION

- | | | | |
|---------------------------|-----------------------------|----------------------|-------------------------|
| • AALIYAH | • JAY Z | • PATTI LABELLE | • SPECIAL EVENTS |
| • ADINA HOWARD | • JOE | • PETEY PABLO | • BUDWEISER SUPERFEST |
| • ALICIA KEYS | • JAHEIM | • PERCY SLEDGE | • CAROLINA POWER JAM |
| • ANGIE STONE | • JAGGED EDGE | • PUFF DIDDY | • HARD KNOCK LIFE TOUR |
| • ANTHONY HAMILTON | • JOHN WITHERSPOON | • R. KELLY | • JACK & JILL ANNUAL |
| • BEYONCE | • JON B. TOUR | • REUBEN STUDDARD | • CONVENTION |
| • BRANDY | • KANYE WEST | • RAY CHARLES | • PAID IN FULL TOUR |
| • BB KING | • KAT "MONEY MIKE" WILLIAMS | • RICKY SMILEY | • RAPP ATTACK TOUR |
| • BEBE AND CECE WINANS | • KEITH SWEAT | • RU PAUL | • SOULFEET |
| • BRIAN MCKNIGHT | • KEISHA COLE | • RUFF RYDERS | • THE LOVE DOCTOR |
| • BRUCE BRUCE | • KELLY PRICE | • SALT & PEPA | • BLUES SHOW |
| • CANTON SPIRITUALS | • KEM | • SHIRLEY CAESAR | • THE DEF JAM VANDETTA |
| • CALVIN RICHARDSON | • KID CAPRI | • SMALL FRY | • URBAN LEAGUE BANQUET |
| • CARL THOMAS | • KILLA MIKE | • SMOKEY NORFUL | • POWER 96 JINGLE JAM |
| • CASH MONEY MILLIONAIRES | • KIRK FRANKLIN | • SMOKEY ROBINSON | • POWER 98 SUMMER SMASH |
| • CHRISTINA MILLIAN | • LATIMORE | • TANK | |
| • COMEDY REVIEW & | • LAUREN HILL | • THREE SIX MAFIA | |
| • RENALDO RAY | • LIL JOHN & EASTSIDE BOYZ | • TI | |
| • CRIME MOB | • LIL ROMEO & MASTER P | • THE CRUSADERS | |
| • DIANNA ROSS | • LIL WAYNE | • THE GAP BAND | |
| • DESTINY CHILD | • LSG | • THE ISLEY BROTHERS | |
| • DJ CLUE | • LUTHER VANDROS | • THE JACKSON FIVE | |
| • DJ K-NYCE | • LUKE | • THE LOX | |
| • DONALD LAWRENCE | • M.C. HAMMER | • THE MANHATTIANS | |
| • & TRI-CITY | • MARVIN GAYE | • THE TEMPTATIONS | |
| • DONNIE MCCLURKIN | • MARY J. BLIGE | • THE WINANS | |
| • DONNELL JONES | • MAXWELL | • THE WISPERERS | |
| • EARTHQUAKE | • MIKE EPPS | • TINA TURNER | |
| • EDDIE MURPHY | • MISSY ELLIOT | • TONY TONI TONE | |
| • FRANKIE BEVERLY | • MOB DEEP | • TRICK DADDY | |
| • & MAZE | • NAUGHTY BOYZ | • TRINA | |
| • FRED HAMMOND | • NATALIE COLE | • USHER | |
| • FLOETRY | • NEW EDITION | • WARREN HILL | |
| • FREDDIE JACKSON | • NICK LEWIS | • XCAPE | |
| • FRANCHISE BOYZ | • NOTORIOUS B.I.G. | • YING YANG TWINS | |
| • GEORGE BENSON | • OJAYS | • YOLANDA ADAMS | |
| • GERALD LEVERT | • OJ SIMPSON | • YOUNG JEEZY | |
| • GLEN JONES | • OUTCAST | | |
| • GENUINE | • PASTOR TROY | | |
| • ICE CUBE | | | |
| • J ANTHONY BROWN | | | |

The Company has now become a premier concert promoter of contemporary urban music in its geographical area, with the potential of becoming a leading national promoter within a very short period of time.

The venues for the concerts are rented on an event basis, so the Company has no fixed expenses if no concert is promoted. SDI routinely works with Bob Ennis Productions for its stage gear and back line needs, and Alpha Sound for the sound. Each time an event is scheduled, SDI hires temporary local manpower to work at the event.

In 2007, SDI promoted 20 concerts. In the first six months of 2008, the Company promoted eight events. SDI is now in negotiation to take a significant position in several tours, one of them being the next Janet Jackson's tour, which is expected to start later in the year.

Marketing Strategy

SDI has developed a cost-effective and efficient marketing strategy to produce a multi-dimensional campaign that aims at building strong brand awareness and concurrently clearly identify a target market, and subsequently customize the marketing strategy to meet the specific needs of the targeted audience.

SDI implements its aggressive advertising campaign using several marketing mediums such as local radio and television, customized email, internet advertising, local newspapers and fliers. The Company uses Diversity Marketing to coordinate most of its marketing campaign.

The Company has experimented with several combinations of marketing tools and timing of the advertising campaign. As a result of its multi-year experience, SDI believes that the most efficient and cost effective advertising campaign should be done two weeks before the scheduled date of a show.

Competition

The concert promotion industry enjoys a low level of competition nationwide. Only a handful of enterprises have the ability and knowledge to operate in the industry. Aside from the large national promotion companies (Al Hayman Productions and Atlanta Worldwide Touring), there is a layer of regional companies that enjoy very low competition in their own market. By having proved their ability to finance and sponsor events, and by having established relationships in the industry, the successful regional companies such as SDI can count on a fairly regular flow of events to sponsor, although they are forced to pay a higher price and absorb greater risk than the national promoters.

Currently, the large promotion companies have a semi-monopolistic position in bidding tours from the booking agents. Regional companies are only allowed to compete for less recognized artists or to organize only a few dates of a tour of a prime-time artist. It is important to notice that by having to rely on the national promoting companies, the regional companies are forced to pay more for the right to organize a concert than what they would pay if they were able to bid directly with the booking agents (i.e., the regional companies are forced to pay "retail" instead of "wholesale" for the concert rights).

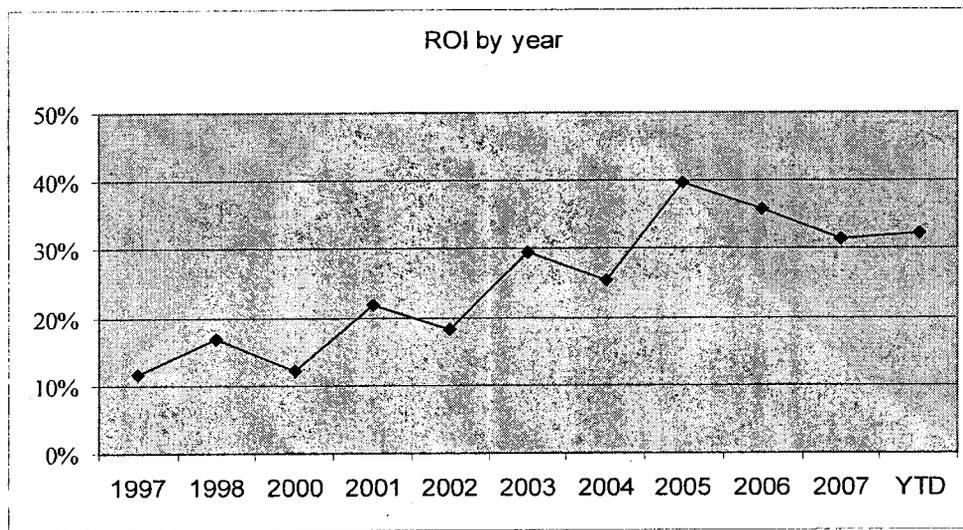
Regional companies that occasionally operate in SDI's geographical area are Dimensions Unlimited (DC), Sun Song Productions (New York), Bryan Alden Productions (Connecticut), Kalidiscop (South Carolina), and Executive Entertainment (Florida).

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Current Status

SPONSORED EVENTS

In 11 years of event promotion, SDI has achieved an average return on investment exceeding 30%. As shown in the graph below, the Company's ROI has been trending upwards over the past decade. While the first sponsored events generated approximately an 11% ROI, the concerts promoted in the last three years have shown returns that have consistently been above 30%.



Over the course of the past decade, SDI's management has demonstrated its ability to efficiently and professionally organize events within the Company's geographically area. This has given SDI a strong reputation in the business and the opportunity of booking events by more recognized artists. Such events are inherently less risky and have been giving SDI the possibility of posting stronger ROI figures.

The table below shows the result of the concerts sponsored by SDI since January 2005. Some of the listed concerts were co-sponsored with other promoters, so the Company would have not been entitled to the full net proceeds from the event.

FINANCIAL RESULTS OF CONCERTS SPONSORED SINCE JANUARY 2005

| | Total Sales | Total Expenses | Net Profit | ROI |
|--|-------------|----------------|------------|--------|
| ANITA BAKER CHARLOTTE, NC 1/22/2005 | \$450,985 | \$411,450 | \$39,535 | 9.61% |
| MAZE JACKSONVILLE, FL 2/5/2005 | \$261,452 | \$132,857 | \$128,595 | 96.79% |
| TONI BRAXTON ATLANTA, GA 2/8/2005 | \$311,239 | \$328,498 | (\$17,259) | -5.25% |

| | Total Sales | Total Expenses | Net Profit | ROI |
|--|-------------|----------------|------------|---------|
| MAZE CHARLOTTE, NC 2/13/2005 | \$92,321 | \$71,221 | \$21,100 | 29.63% |
| ALICIA KEYS COLUMBIA, SC 2/23/2005 | \$344,875 | \$201,900 | \$142,975 | 70.81% |
| ALICIA KEYS AUGUSTA, GA 2/27/2005 | \$310,437 | \$186,349 | \$124,088 | 66.59% |
| ALICIA KEYS BIRMINGHAM, AL 3/2/2005 | \$338,231 | \$203,187 | \$135,044 | 66.46% |
| ALICIA KEYS AUSTIN, TX 3/2/2005 | \$437,420 | \$220,890 | \$216,530 | 98.03% |
| ALICIA KEYS DETROIT, MI 3/25/2005 | \$352,874 | \$197,300 | \$155,574 | 78.85% |
| ALICIA KEYS ATLANTA, GA 4/6/2005 | \$266,209 | \$213,987 | \$52,222 | 24.40% |
| DESTINY'S CHILD CHARLOTTE, NC 7/22/2005 | \$715,244 | \$461,497 | \$253,747 | 54.98% |
| KANYE WEST GREENVILLE, SC 10/15/2005 | \$364,302 | \$213,480 | \$150,822 | 70.65% |
| KANYE WEST BUFFALO, NY 10/21/2005 | \$311,277 | \$242,678 | \$68,599 | 28.27% |
| ANTHONY HAMILTON RALEIGH, NC 10/28/2005 | \$91,238 | \$85,300 | \$5,938 | 6.96% |
| KANYE WEST ATLANTA, GA 11/17/2005 | \$328,329 | \$243,650 | \$84,679 | 34.75% |
| KANYE WEST MEMPHIS, TN 11/19/2005 | \$228,327 | \$233,984 | (\$5,657) | -2.42% |
| KANYE WEST WINSTON-SALEM, NC 11/23/2005 | \$218,324 | \$276,983 | (\$58,659) | -21.18% |
| LIL WAYNE CHARLOTTE, NC 12/3/2005 | \$287,320 | \$168,930 | \$118,390 | 70.08% |
| GWEN STEFANI SUNRISE, FL 12/21/2005 | \$623,098 | \$437,851 | \$185,247 | 42.31% |
| DOWN HOME BLUES TOUR CHARLOTTE, NC 5/9/06 | \$122,900 | \$132,903 | (\$10,003) | -7.53% |

| | Total Sales | Total Expenses | Net Profit | ROI |
|---|-------------|----------------|------------|---------|
| JAHEIM GREENVILLE, SC 6/28/06 | \$233,094 | \$169,317 | \$63,777 | 37.67% |
| JAHEIM CHARLOTTE, NC 7/13/06 | \$174,839 | \$90,284 | \$84,555 | 93.65% |
| MARY J BLIGE CHARLOTTE, NC 7/16/06 | \$427,546 | \$312,900 | \$114,646 | 36.64% |
| MARY J BLIGE RALEIGH, NC 8/5/06 | \$478,444 | \$276,356 | \$202,088 | 73.13% |
| MARY J BLIGE SUNRISE, FL 8/25/06 | \$711,174 | \$542,940 | \$168,234 | 30.99% |
| MARY J BLIGE ATLANTA, FL 8/27/06 | \$498,444 | \$355,178 | \$143,266 | 40.34% |
| MARY J BLIGE LAS VEGAS, NV 9/2/06 | \$391,392 | \$368,321 | \$23,071 | 6.26% |
| MARIAH CAREY DALLAS, TX 9/16/2006 | \$529,382 | \$380,210 | \$149,172 | 39.23% |
| TI CHARLOTTE, NC 10/7/06 | \$62,592 | \$149,233 | (\$86,641) | -58.06% |
| GA POWER HAMPTON, NC 12/1/06 | \$910,502 | \$559,711 | \$350,791 | 62.67% |
| YOLANDA ADAMS CHARLOTTE, NC 1/27/2007 | \$32,349 | \$21,340 | \$11,009 | 51.59% |
| JUST BE A MAN CHARLOTTE, NC 2/23/2007 | \$91,232 | \$70,712 | \$20,520 | 29.02% |
| JEEZY LIL WAYNE CHARLOTTE, NC 3/3/2007 | \$252,722 | \$193,216 | \$59,506 | 30.80% |
| TYRESE CHARLOTTE, NC 3/9/2007 | \$18,400 | \$25,120 | (\$6,720) | -26.8% |
| NEW EDITION CHARLOTTE, NC 3/16/2007 | \$232,094 | \$162,430 | \$69,664 | 42.89% |
| JAMIE FOXX CHARLOTTE, NC 3/23/2007 | \$611,394 | \$329,301 | \$282,093 | 85.66% |
| JUST BE A MAN BALTIMORE, MD 4/10/2007 | \$83,229 | \$72,319 | \$10,910 | 15.09% |

| | Total Sales | Total Expenses | Net Profit | ROI |
|--|-------------|----------------|------------|--------|
| JAMIE FOXX SAN JOSE, CA 4/14/2007 | \$581,234 | \$401,239 | \$179,995 | 44.86% |
| BEYONCE' MIAMI, FL 7/22/2207 | \$1,830,790 | \$1,140,197 | \$690,593 | 63.63% |
| BEYONCE' RAILEGH, NC 7/28/2007 | \$1,347,195 | \$794,856 | \$552,836 | 70.33% |
| BEYONCE' CHARLOTTE, NC 7/29/2007 | \$1,162,510 | \$784,856 | \$377,654 | 50.36% |
| SUMMER FEST 2 CHARLOTTE, NC 8/4/2007 | \$194,960 | \$140,284 | \$54,676 | 40.38% |
| BEYONCE' LAS VEGAS, NV 8/25/2007 | \$1,561,831 | \$1,329,728 | \$232,103 | 17.45% |
| R. KELLY GREENSBORO, NC 11/16/2007 | \$760,876 | \$618,478 | \$142,398 | 23.02% |
| R. KELLY BIRMINGHAM, AL 11/17/2007 | \$854,328 | \$732,725 | \$121,603 | 16.60% |
| R. KELLY CHARLOTTE, NC 11/18/2007 | \$690,342 | \$646,445 | \$43,897 | 6.79% |
| R. KELLY PHILADELPHIA, PA 11/21/2007 | \$701,549 | \$630,262 | \$71,287 | 11.31% |
| R. KELLY MEMPHIS, TN 12/09/2007 | \$759,233 | \$628,705 | \$130,528 | 20.76% |
| R. KELLY LAS VEGAS, NV 12/13/2007 | \$986,732 | \$955,501 | \$31,231 | 3.27% |
| JINGLE JAM CHARLOTTE, NC 12/25/07 | \$126,897 | \$110,465 | \$16,432 | 14.88 |
| R. KELLY GREENVILLE, NC 01/10/2008 | \$547,111 | \$524,913 | \$22,198 | 4.2% |
| JAY Z/MARY J. BLIGE GREENSBORO, NC 4/5/08 | \$1,535,644 | \$1,025,614 | \$510,030 | 49.73% |
| JAY Z/MARY J. BLIGE LAS VEGAS, NV 4/19/08 | \$1,305,708 | \$1,047,571 | \$258,137 | 24.64% |
| ALICIA KEYS LAS VEGAS, NV 4/19/08 | \$715,431 | \$606,763 | \$108,668 | 17.91% |

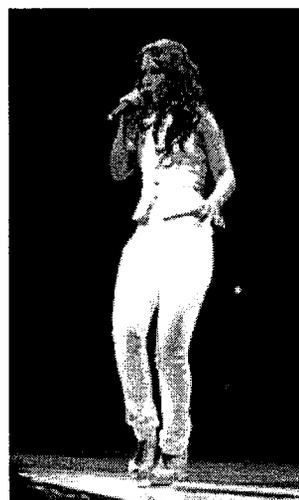
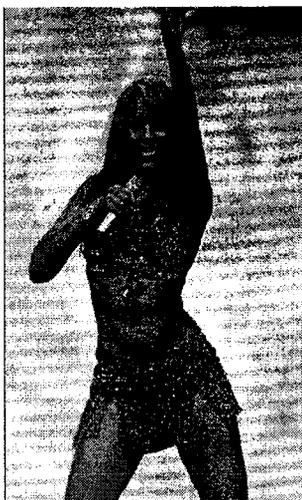
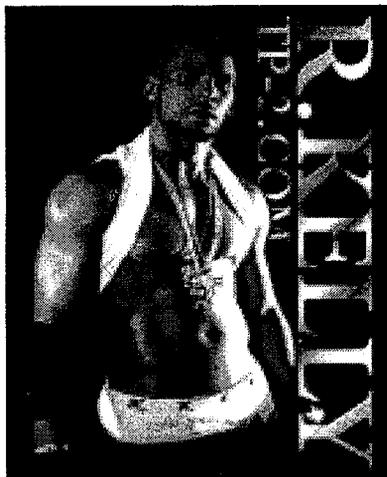
| | Total Sales | Total Expenses | Net Profit | ROI |
|---------------------------------------|---------------------|---------------------|--------------------|---------------|
| ALICIA KEYS TAMPA, FL | \$810,404 | \$475,223 | \$335,181 | 70.53% |
| ALICIA KEYS GREENSBORO, NC 5/30/08 | \$642,460 | \$454,109 | \$188,351 | 41.48% |
| ALICIA KEYS CINCINNATI, OH 5/31/08 | \$408,737 | \$388,972 | \$19,765 | 5.08% |
| ROCKO CHARLOTTE, NC 6/28/08 | \$131,765 | \$73,490 | \$58,275 | 79.30% |
| TOTAL | \$29,850,968 | \$22,254,179 | \$7,575,110 | 34.04% |

Currently, SDI funds its events primarily by using its own funds. This limits the Company's ability to expand its operations within a short time frame. In some occasions, SDI has either co-sponsored events with other producers or has used private money from small investors to produce events.

Access to private investors' capital has been done on a concert by concert basis, therefore creating significant administrative work to SDI and not giving the Company the ability to plan on a long-term basis. Furthermore, the interest paid to private investors has been significant.

Raising \$10 million will allow SDI to book a full concert tour at the time, properly plan for its cash outflow, and significantly decrease its cost of capital.

Current and Future Projects



The Company's management has a strong relationship with BAB Productions, a very experienced booking agent which operates on a nationwide basis. After promoting concerts by R. Kelly, Mary J.

Blige, Jay Z, and Alicia Keys, the Company is now negotiating a participation in several tours, one of them being Janet Jackson's tour, which will start in the fall.

Additional projects on which the Company is working on are: Beyonce' (all dates to be held in Europe), Mary J. Blige/R. Kelly (additional dates), Alicia Keys (additional dates), Mariah Carey, and Whitney Houston. The ability of booking these performers will depend on the capital raised.

As an example, the following are the projections related to a typical concert sponsored by SDI:

Production Estimate Expense Report

| | | | |
|---------------|--------------------------------|---------------------|-----------------------|
| EVENT: | MARY J. BLIGE and JAY Z | | ONE DATE |
| | TOTAL TICKETS SOLD | 15,000 | |
| | AVERAGE TICKET SALES PRICES: | \$75.00 | |
| | TOTAL TICKET SALES: | | \$1,125,000.00 |
| | LESS STATE SALES TAX | 3% | \$33,750.00 |
| | NET GROSS | | \$1,091,250.00 |
| | LESS EXPENSES | | \$782,000.00 |
| | RENT | \$135,000.00 | |
| | BOX OFFICE | \$15,000.00 | |
| | BUILDING EXPENSES | \$50,000.00 | |
| | STAGEHANDS | \$15,000.00 | |
| | TELEPHONE | \$2,000.00 | |
| | SOUND AND LIGHTS | \$50,000.00 | |
| | INSURANCE | \$5,000.00 | |
| | ARTIST | \$440,000.00 | |
| | ADVERTISING | \$25,000.00 | |
| | TRANSPORTATION | \$5,000.00 | |
| | PRINTING & NEWSPAPER | \$5,000.00 | |
| | TELEVISION | \$10,000.00 | |
| | LODGING | \$10,000.00 | |
| | STAGE GEAR | \$10,000.00 | |
| | DJ/EMCEE | \$5,000.00 | |
| | TOTAL EXPENSES | \$782,000.00 | |
| | TOTAL NET PROFIT | | \$309,250.00 |
| | Projected ROI | | 39.5% |

SDI is seeking debt financing (or a combination of debt and equity) to promote several concurrent tours of top lever artists. A significant amount of funding would also allow the Company to work directly with booking agents and talents and to discontinue its current practice of purchasing individual shows from major promoters at a significant premium. Furthermore, concerts by top artists are almost certain to be largely profitable. Therefore, being able to bypass the large promoters, not

only would decrease the acquisition costs but it would also lower the risk of sponsoring unprofitable events.

Being able to promote entire tours will allow SDI to maintain a significant growth in revenue and take advantage of economies of scale. It will also allow the Company to selectively resell the rights for dates considered less profitable to other smaller promoter, therefore booking gains without employing any capital.

In the next 12 months, SDI would be able to sponsor dates from the following tours:

| <u>Artist</u> | <u>Number of Dates (estimate)</u> |
|---------------------|-----------------------------------|
| Beyonce' | 10 |
| Janet Jackson | 35 |
| Mariah Carey | 30 |
| Whitney Houston | 35 |
| Mary J. Blige/Jay Z | 10 |

SDI plans to book up to three major North American tours in each of the next three years. At the end of that period, or sooner if the opportunity presents itself, the Company intends to expand into the profitable European markets, such as Spain, and in Latin America.

SDI also plans to opportunistically sponsor dates of emerging artists and single date events, such as the Summer Fest, which is held yearly in Charlotte, NC.

Capitalization

Management has formulated the Sports Dimensions, Inc. capitalization and organizational structure to provide for a maximum rate of return potential to all investors. Management reserves the right to formulate the Company's capitalization strategy on an "as needed" basis.

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MANAGEMENT

SDI has a core of five full-time employees and several part-time employees. A significant number of part-time employees are hired each time a concert is sponsored.

The Company is currently using an outside bookkeeping firm to manage the daily accounting tasks and to compile the monthly financials. SDI is in the process of hiring a Vice President of Finance to assist the Chief Financial Officer in managing the accounting and finance functions.

Marc Hubbard is the professional that is leading SDI's expansion. The following is a brief bio of Mr. Hubbard:

Marc Hubbard

Marc Hubbard is the President and CEO of Sports Dimensions, Inc. Mr. Hubbard is a former athlete who played both at the college and professional levels. During his university years, Mr. Hubbard played at North Carolina A&T in Greensboro, NC. Professionally, Mr. Hubbard worked out for several NFL teams, including the Carolina Panthers, and played professionally overseas in the United Football League for the Taipei Dragons. Mr. Hubbard also played in the Arena Football for the Albany Firebirds.

Mr. Hubbard graduated with a degree in Banking and Finance from NC A&T in 1991. Mr. Hubbard then worked 2 years as a Controller for a major Charlotte restaurant chain before becoming self-employed with the formation of Sports Dimensions in 1996. As a night club owner, Mr. Hubbard successfully owned several establishments, which were either expanded, sold at a profit or are still owned by the Company.

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TERMS OF THE OFFERING

General

The \$10,000,000 in this round of financing of Series 2009-A Convertible Corporate Notes, sought through this securities offering, is to be used as general working capital to execute the business plan contained herein (see the "Use of Funds" statement and the "Pro Forma Financial Projections" in Exhibit A).

One Thousand (1,000) Series 2009-A Convertible Corporate Notes are hereby made available to the prospective investor(s) who are named on the cover page of this private placement memorandum. The securities are offered at a Unit price of \$10,000.00. 1,000 subscriptions are available. The minimum purchase amount per subscription is 1 Unit for an aggregate amount of \$10,000. Notes are convertible into Common Stock at \$2.00 per share upon maturity.

The Pro Forma Financial Projections in Exhibit A are based on the Company selling 1,000 units of Series 2009-A Convertible Corporate Notes at a Unit price of \$10,000.00. The notes offered herein are offered on a first come, first served basis.

Description of the Series A Common Stock

The Company's Articles of Incorporation were filed and in January, 2002, with the State of North Carolina authorizing One Thousand (1,000) shares of Common Stock. In December 2008, the company amended its Articles of Incorporation and by corporate resolution authorized 50,000,000 shares of Common Stock.

All Converted Shares are callable at 100% par value at anytime after the end of the second year, Dec 31, 2010. The Converted Shares do not represent permanent equity capital in the Company, due to its call provision.

Shareholders have the right to receive distributions from liquidation of the Corporation's assets, ahead of common stock shareholders, if business failure were to occur.

Senior Secured Position

The artist represents approximately 50% of the cost of a concert. The money to be paid to the artist is kept in an escrow with the artist's agent. Several other payments, such as the settling of the venue costs, certain marketing expenses, lodging expenses, and so on, are made after the concert. When the artist steps on the stage, the money in escrow is released to him/her. At the same time, the money collected by Ticketmaster and the venue box office is earned by SDI.

SDI can provide a lender or investor(s) a first lien position on the concert revenues and direct Ticketmaster and the venues to pay the lender/investor(s) before any money is distributed to the Company. Since a large part of the upfront money is kept in escrow and the revenues can be subject to a lien, the risk to a lender/investor in financing SDI's operations is minimal.

Investor Representations

The securities will be offered to those that they are "Accredited Investors" as defined under Regulation D, subsection 230.501. (See: Subscription Agreement).

Security Ownership of Certain Beneficial Owners and Management

The following table sets forth, as of January 15, 2008, the beneficial ownership of the Company common stock by each executive officer and director, by each person known by the Company to beneficially own more than 5% of its common stock and by the executive officers and directors as a group. Except as otherwise indicated, the percentage shown is based on common stock issued and outstanding as of January 15, 2009.

| <u>Title of Class</u> | <u>Beneficial Owner</u> | <u>Number of Shares</u> | <u>Percentage of Class</u> |
|-----------------------|-------------------------|-------------------------|----------------------------|
| Class A Common Stock | Marc Hubbard | 5,000,000 | 100.0% |
| Class A Common Stock | Authorized | 45,000,000 | |

As used in this table, "beneficial ownership" means the sole or shared power to vote, or to direct the voting of, a security, or the sole or shared investment power with respect to a security (i.e., the power to dispose of, or to direct the disposition of, a security). In addition, for purposes of this table, a person is deemed, as of any date, to have "beneficial ownership" of any security that such person has the right to acquire within 60 days after such date.

The persons named above have full voting and investment power with respect to the shares indicated. Under the rules of the Securities and Exchange Commission, a person (or group of persons) is deemed to be a "beneficial owner" of a security if he or she, directly or indirectly, has or shares the power to vote or to direct the voting of such security, or the power to dispose of or to direct the disposition of such security. Accordingly, more than one person may be deemed to be a beneficial owner of the same security. A person is also deemed to be a beneficial owner of any security, which that person has the right to acquire within 60 days, such as options or warrants to purchase our common stock.

Representations, Warranties and Covenants of the Company

The Company represents, warrants, and covenants for the benefit of purchasers of the securities that:

(a) There are no options, rights, other warrants or other agreements by the Company entitling any person to purchase or otherwise acquire, or outstanding securities convertible or exchangeable into, any capital stock or other securities of the Company, aside from those described herein. However, this fact in no way shall preclude the Company from issuing any of the aforementioned securities or other similar securities, including debt instruments, to capitalize the Company as Management sees fit. All corporate actions required to be taken by the Company prior to the issuance and sale of the securities to subscribers have been taken. The securities, when sold, issued and delivered in accordance with the terms of the Subscription Agreement, for the consideration expressed in that Agreement, will be duly authorized, validly issued, fully paid and non-assessable. None of the securities are subject to preemptive rights of any shareholder of the Company. When the securities offered are issued, the expenditures of the Company will be as set forth in this Memorandum under the "Use of Funds" statement.

(b) The Company is duly organized, validly existing and in good standing as a corporation under the North Carolina Corporation Act.

(c) The Company is not in violation of any terms or provisions of any of its charter documents including its Articles of Incorporation and By-Laws; of any material term or provision of any indenture, mortgage, deed of trust, note agreement, lease or other agreement or instrument to which it is a party or by which it is or may be bound or to which any of its assets, property or business is or may be subject; of any material term of any indebtedness; or of any statute or any judgment, decree, order, rule or regulation of any court, regulatory body or administrative agency or other federal, state or other government body, domestic or foreign, having jurisdiction over its assets, property or business, which violation or violations, either in any case or in the aggregate, might result in any material adverse change, financial or otherwise, in its assets, properties, condition, business, earnings, or prospects; and the delivery of this Memorandum, the consummation by the Company of the transactions contemplated in it and compliance by the Company with the terms of the subscription documents, will not result in any of these violations.

(d) The financial requirements and projections of the Company set forth in this Memorandum under Exhibit A are based on Management's best estimates regarding the Company and its business plans.

(e) The Company has filed all federal, state, local and foreign tax returns which are required to be filed or has requested extensions and has paid all taxes due.

(f) There are no facts presently existing or events which have occurred which constitute a material financial liability of the Company, not disclosed herein or in the exhibits hereto.

Capitalization Plan

Management believes that the \$10,000,000 in equity development capital sought through this offering will be sufficient to allow Management to expand basic corporate functions and attract further capital necessary for the future of the company as illustrated in Exhibit A.

Management plans to initially keep the Company a closely and privately held corporation for a period of six months. Management is planning to execute an Initial Public Offering on the OTC BB or other suitable market place after that period of time or before, if the need arises and there is a favorable market environment. However, there is no current liquid or public market for the Common Series A Stock Shares herein and there can be no assurance that a liquid market for the shares will develop.

Minimum Purchase Requirement

Each qualified investor will be subject to a minimum purchase requirement of 1 Unit of the Series 2009-A Convertible Corporate Notes for \$10,000. There is no maximum amount of the securities that can be purchased by any qualified investor, up to the maximum amount of the offering. Management may waive the minimum purchase requirement at its sole discretion.

The Offering Period

The offering extends from the offering date of January 15, 2009 to the close of business on January 15, 2010 (or earlier if the total amount of Shares are sold) unless the offering is extended at the sole discretion of the Company. The Company may terminate the offering at any time for any reason or

for no reason.

Availability of Information

Prospective investors and their investment advisors are invited to communicate with Dorian White at (888) 755-3367 x708 or in person by appointment at 620 W. Blackstock Rd., Spartanburg, SC 29301. Prospective investors and their purchaser representatives are also invited to request any material information reasonably available from the Company relating to its formation, officers and directors, business activities, or anything else set forth in this Memorandum, which is not competitively confidential.

Escrow Agent

There is no minimum aggregate offering amount and therefore no need to establish an Escrow Account or Escrow Agent relationship. Management will use the proceeds from this offering, when received and as needed and in relative concert with the "Use of Funds" statement, to further the Company's financial goals and objectives.

Registrar & Transfer Agent

The Company shall act as the registrar and transfer agent to save on costs associated with those services. However, the Company may appoint one or more transfer agents and registrars to act in its place where numerous securities may be presented for registration of transfer or exchange.

The Company and any registrar or transfer agent may deem and treat the person in whose name any of the securities shall be registered upon the books of the Company as the absolute owner for the purpose of receiving notices of any nature and payment of or on account of the dividends or other distributions and for all other purposes; and neither the Company nor the paying agent nor any registrar or transfer agent shall be affected by any notice to the contrary. All such payments and notices so made to any registered holder or upon his/her or its order shall be valid and, to the extent of the sum or sums so paid, effectual to satisfy and discharge the liability for notices owed or moneys paid upon any such distribution.

Right of Inspection of Corporate Books and Records

In compliance with North Carolina corporate law, any common or Preferred stockholder, holder of voting trust certificate, or their agent, may inspect and copy the By-laws, the minutes, of the proceedings of stockholders, the annual statement of affairs, and any voting trust agreements on file at the corporation's principal office during normal business hours. In addition, any stockholder or holder of voting trust certificate, or their agent, may present to any officer or resident agent of the corporation a written request for a statement showing all stock and securities issued by the corporation during a specified period of not more than 12 months preceding the date of the request. The corporation must respond to the request within 20 days of the date in which it was made.

Plan of Distribution

The Series 2009-A Convertible Corporate Notes will be allocated to purchasers of the securities in certificate form. Such certificates shall be cut, signed, and mailed within 10 days after receipt of funds.

Size of Offering

| <u># Units-----</u> | <u>Price Per Unit</u> | <u>Commissions</u> | <u>Net Proceeds</u> |
|---------------------|-----------------------|--------------------|---------------------|
| 1,000 | \$10,000.00 | \$000.000 | \$10,000,000 |

Proceeds to the Company are computed before deducting expenses of this offering, including legal fees, consulting fees, promotional and marketing expenses associated with this offering, and other offering expenses, which will be paid by the Company out of the proceeds of this offering as described in the "Use of Funds" statement below.

Use of Funds

The \$10,000,000 in cash shall be allocated in conjunction with anticipated revenues as illustrated in Exhibit A. to initiate the Company's development and growth. The funds shall be used in relative concert with the pro forma financial projections so denoted in Exhibit A. Management plans on using such proceeds to further the company's financial and operating plans contained herein. If the full amount of capital is not raised, Management shall make the necessary adjustments in its sole discretion, to further the company's financial and operating plans. Please refer to the table below for an analysis of the use of proceeds.

| | |
|-----------------------------|-------------------|
| Gross Proceeds to Issuer: | \$10,000,000 |
| <u>Less:</u> | |
| Transfer Agent Fees | \$ - |
| Printing, Mailing, Lists... | \$ 360,000 |
| Legal Fees..... | \$ 5,000 |
| Accounting Fees..... | \$ 2,000 |
| Broker Commissions..... | \$ - |
| Finance Advisor | \$ 78,000 |
| <u>Other Expenses</u> | <u>\$ 100,000</u> |
| Adjusted Gross Proceeds | \$ 9,455,000 |

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| Expense Category | Payments to Officers, Directors, Managers and Affiliates | Payments to Others |
|------------------------------|---|---------------------------|
| Artist Fees | \$0 | \$5,000,000 |
| Venues | \$0 | \$2,100,000 |
| Stage Expenses | \$0 | \$1,200,000 |
| Advertising | \$0 | \$ 500,000 |
| Concert Administration | \$0 | \$ 300,000 |
| Working Capital | \$0 | \$ 355,000 |
| Column Totals | \$0 | \$9,455,000 |
| Total Payments Listed | \$9,455,000 | |

Prior Offerings

There has been no other prior execution of a securities offering by the Company.

Documents Incorporated by Reference

All of the information contained in this Memorandum and the enclosed Exhibits are hereby incorporated herein by reference. This Memorandum contains summaries of certain documents believed to be accurate, but reference must be made to the actual documents for complete information concerning the rights and obligations of the parties thereto. Copies of such documents are made available at the corporate office of the Company. All such summaries are qualified in their entirety by reference to the actual and complete documents. Specific documents relating to this investment shall be made available to the prospective investors and their advisors or purchaser representatives upon written request received by the Company's Management.

Voting Rights

The Stock shareholders have the right to vote on any matter concerning the company. Any proposed change must receive a unanimous vote to be effective.

Voting Control

The common stock shareholders hold the exclusive right to elect the Company's Board of Directors, who in turn, elects the Company's Officers. The By-laws may govern such matters as stock distributions, voting, management indemnification, and dissolution. The common stock shareholders by majority vote shall control the size and make up of the Company's Board of Directors, who in turn elects the Officers who shall have day-to-day control of the affairs of the Company. A percentage greater than 50% of the shareholder vote shall control 100% of the size and make-up of the Company's Board of Directors.

Preemptive Rights

The Series 2009-A Convertible Corporate Noteholders have no Preemptive right to purchase additional notes. Management, out of general courtesy to its existing shareholder base, shall offer subsequent securities offerings to existing investors of its securities on a first come first served basis for a period of 30 days after notification of the intent to sell additional securities. Such an offering shall be to allow investors to maintain their percentage of ownership in the Company. After the 30 day period, the Company is under no obligation to sell securities to exiting investors and may issue and deliver Notes or acquired and reissued treasury shares, options, warrants, rights, or debt instruments or other securities having conversion or option rights, to other prospective investors.

Company's First Right of Refusal

Sports Dimensions, Inc. reserves the right as a "first right of refusal" to purchase any of the Company's securities which may be noticed for sale by the Company's investors.

To Purchase Series 2009-A Convertible Corporate Notes

To purchase the Shares, the Subscription Agreement furnished with this Memorandum must be completed and received by the Company after the official offering date of January 15, 2009 and prior to the Termination Date, of January 15, 2010, with full payment for the purchase of the Notes offered herein. A copy of which is contained at the end of this Memorandum. (See Exhibit B). Management retains the right to reject any subscription for securities in whole or in part, withdrawal, or cancellation of the offer without notice.

All potential investors consent to reasonable inquiries made by the Company and its representatives to assist in verifying that they meet the suitability requirements applicable to this offering. The Company will promptly notify each subscriber of its acceptance or rejection of a subscription hereunder and will promptly return the full purchase price for any portion of a subscription that is rejected.

The Company will not accept a Subscription Agreement unless forty-eight (48) hours have elapsed after delivery of this Memorandum to the subscriber.

All potential investors consent to reasonable inquiries made by the Company and its representatives to assist in verifying that they meet the suitability requirements applicable to this offering. The Company will promptly notify each subscriber of its acceptance or rejection of a subscription hereunder and will promptly return the full purchase price for any portion of a subscription that is rejected.

RISKS AND OTHER IMPORTANT FACTORS

Any person contemplating an investment in the securities offered herein should be aware of the risk factors relevant to the offering and should consider, among other things, those factors set forth below.

Best Efforts Offering

This offering is being conducted on a “best efforts” basis by the Company's Officers and Directors only. No other individual may solicit or sell the securities offered herein. No guarantee can be given that all or any of the securities will be sold, or that sufficient proceeds will be available to conduct successful operations without the need for further financing if only a portion of the securities are sold.

No Substantial Operating History

The Company is a development stage company formed in 2006 for the purpose of carrying out the business plans contained herein. Although Management has many years of experience in the business sector, the Company, as an entity, is relatively new and as such has no substantial long-term operating history.

Change in Public Tastes

Our ability to generate revenues from our entertainment operations is highly sensitive to rapidly changing public tastes and dependent on the availability of popular artists and events. Our success depends in part on our ability to anticipate the tastes of consumers and to offer events that appeal to them. Since we rely in part on unrelated parties to create and perform live entertainment content, any unwillingness to tour or lack of availability of popular artists could limit our ability to generate revenues. In addition, we typically pay an artist a fixed amount prior to our receiving any operating income. Therefore, if the public is not receptive to the event or we or a performer cancel the event, we may incur a loss for the event depending on the amount of the amount paid to the artist or incurred costs relative to any revenues earned, as well as foregone revenue we could have earned at booked venues. Furthermore, consumer preferences change from time to time, and our failure to anticipate, identify or react to these changes could result in reduced demand for our services, which would adversely affect our operating results and profitability.

Change in Economic Conditions

In case of an economic slowdown in the United States, many consumers may reduce their discretionary spending. The impact of slowdowns on our business is difficult to predict, but they may result in reductions in ticket sales, sponsorship opportunities and our ability to generate revenues. The risks associated with our businesses become more acute in periods of a slowing economy or recession, which may be accompanied by a decrease in attendance at live entertainment events. Our business depends on discretionary consumer and corporate spending. Many factors related to corporate spending and discretionary consumer spending, including economic conditions affecting disposable consumer income such as employment, fuel prices, interest and tax rates and inflation can significantly impact our operating results. Business conditions, as well as various industry conditions, including corporate marketing and promotional spending and interest levels, can also significantly impact our operating results. These factors can affect attendance at our events, premium seats,

sponsorship, advertising and hospitality spending, concession and souvenir sales, as well as the financial results of sponsors of our venues, events and the industry. Negative factors such as challenging economic conditions, public concerns over additional terrorism and security incidents, particularly when combined, can impact corporate and consumer spending, and one negative factor can impact our results more than another. There can be no assurance that consumer and corporate spending will not be adversely impacted by economic conditions, thereby possibly impacting our operating results and growth.

Potential Litigation

There are no current actions, investigations, lawsuits or other proceedings against the Company or any of its officers of any nature in effect, pending, or threatened which individually or in the aggregate might result in any material adverse change, financial or otherwise, in the assets, properties, condition, business, earnings or prospects of the Company, or which question the validity of the capital stock of the Company, the subscription documents or any action taken or to be taken by the Company in connection with this offering.

There are inherent risks involved with producing live entertainment events. As a result, personal injuries and accidents may occur from time to time, which could subject us to claims and liabilities for personal injuries. Incidents in connection with our live entertainment events at any of our venues or venues that we rent could also result in claims, reducing operating income or reducing attendance at our events, causing a decrease in our revenues. While we maintain insurance policies that provide coverage within limits that are sufficient, in management's judgment, to protect us from material financial loss for personal injuries sustained by persons at our venues or accidents in the ordinary course of business, there can be no assurance that such insurance will be adequate at all times and in all circumstances.

Cost Associated with and Ability to Obtain Adequate Insurance

Heightened concerns and challenges regarding property, casualty, liability, business interruption and other insurance coverage have resulted from the terrorist and related security incidents of the last few years. As a regional company, we may experience increased difficulty in obtaining high policy limits of coverage at reasonable costs, including coverage for acts of terrorism. Our events are often held in venues located near highly populated cities and which hold events typically attended by large numbers of fans. These operational, geographical and situational factors, may result in significant increases in insurance premium costs and difficulties obtaining sufficiently high policy limits with deductibles that we believe to be reasonable. We cannot assure you that future increases in insurance costs and difficulties obtaining high policy limits will not adversely impact our profitability, thereby possibly impacting our operating results and growth. We cannot guarantee that our insurance policy coverage limits, including insurance coverage for property, casualty, liability and business interruption losses and acts of terrorism, would be adequate under the circumstances should one or multiple events occur at or near any of our venues, or that our insurers would have adequate financial resources to sufficiently or fully pay our related claims or damages. The occurrence of such an incident or incidents affecting any one or more of our venues could have a material adverse effect on our financial position and future results of operations if asset damage and/or company liability were to exceed insurance coverage limits or if an insurer were unable to sufficiently or fully pay our related claims or damages.

Government Regulation

Our live entertainment venue operations are subject to federal, state and local laws governing a variety of issues such as licensing and permitting; human health, safety and sanitation requirements; the service of food and alcoholic beverages; working conditions, labor, minimum wage and hour, citizenship and employment laws; compliance with The Americans with Disabilities Act of 1990; sales and other taxes and withholding of taxes; historic landmark rules; and environmental protection. While we believe that the venues we use are in material compliance with these laws, we cannot predict the extent to which any future laws or regulations will impact our operations. Although we generally contract with third party vendors for services at our operated venues, we cannot assure you that we or our third party vendors are in full compliance with all applicable laws and regulations at all times or that we or our third party vendors will be able to comply with any future laws and regulations or that we will not be held liable for violations by third party vendors. Furthermore, additional or amended regulations in this area may significantly increase the cost of compliance. From time to time, state and federal governmental bodies have proposed legislation that could have an affect on our business. For example, some legislatures have proposed laws in the past that would impose potential liability on us and other promoters and producers of live entertainment events for entertainment taxes and for incidents that occur at our events, particularly relating to drugs and alcohol. In addition, we and our venues are subject to extensive environmental laws and regulations relating to the use, storage, disposal, emission and release of hazardous and non-hazardous substances, as well as zoning and noise level restrictions which may affect, among other things, the hours of operations of our venues.

Competition in the Live Entertainment Industry

Our business segments are in highly competitive industries, and we may not be able to maintain or increase our current live entertainment revenues. We compete in the global music industry, and within such industry we compete with other promoters to book performers as well as from certain performers who promote their own concerts. Our competitors also compete with us for key vendors or business partners who have relationships with popular music artists and that have a history of being able to book such artists for concerts and tours. These competitors may engage in more extensive development efforts, undertake more far-reaching marketing campaigns, adopt more aggressive pricing policies and make more attractive offers to existing and potential artists. Our competitors may develop services, advertising options or entertainment venues that are equal or superior to those we provide or that achieve greater market acceptance and brand recognition than we achieve. It is possible that new competitors may emerge and rapidly acquire significant market share. Other variables that could adversely affect our financial performance by, among other things, leading to decreases in overall revenues, the numbers of advertising customers, event attendance, ticket prices or profit margins include:

1. unfavorable fluctuations in operating costs, including increased payments to performers, which we may be unwilling or unable to pass through to our customers;
2. our competitors may offer more favorable terms than we do in order to obtain agreements for live events, which may lead to reduction in attendance at live events, a loss of ticket sales or to lower ticket prices;
3. other entertainment options available to our audiences that we do not offer;
4. unfavorable changes in labor conditions which may require us to spend more to retain and attract key employees or to pay more for services by third party providers; and

5. unfavorable shifts in population and other demographics which may cause us to lose audiences as people migrate to markets where we have a smaller presence, or which may cause sponsors to be unwilling to pay for sponsorship and advertising opportunities if the general population shifts into a less desirable age or geographical demographic from an advertising perspective.

We believe that barriers to entry into the live entertainment promotion business are low and that certain local promoters are increasingly expanding the geographic scope of their operations.

Extraordinary Events

Weather conditions surrounding live events affect sales of tickets, concessions and souvenirs, among other things. Poor weather conditions can have a material effect on our results of operations particularly because we promote a finite number of events. Due to weather conditions, we may be required to reschedule an event to the next available day or a different venue, which would increase our costs for the event and could negatively impact the attendance at the event, and food, beverage and merchandise sales. Poor weather can affect current periods as well as successive events in future periods. If we are unable to reschedule events due to poor weather, we are forced to refund the tickets for those events. The occurrence and threat of extraordinary events, such as terrorist attacks, intentional or unintentional mass-casualty incidents, natural disasters or similar events, may substantially decrease the use of and demand for our services and the attendance at live entertainment events, which may decrease our revenues or expose us to substantial liability. The occurrence or threat of future terrorist attacks, military actions by the United States, contagious disease outbreaks, natural disasters such as earthquakes and severe floods or similar events cannot be predicted, and their occurrence can be expected to negatively affect the economies of the United States and other foreign countries where we do business generally, specifically the market for live entertainment.

Reliance upon Management

The success of the Company depends to a large degree upon the efforts of the Company's Management. Management shall have the exclusive control of all aspects of the business of the Company and in this regard, Management will make all decisions relating to operations such as the selection of personnel and the amount of proceeds to apply to daily operations and capital raising efforts. Management believes that its accumulated knowledge of the entertainment industry, and relationships with A+ entertainers, will allow the Company successfully to pursue sound management and financial strategies to continue as an ongoing concern. No person should purchase any of the securities offered hereby unless an investor is willing to entrust all aspects of the Company's operations to its Management. Management has budgeted for Key Person life insurance to replace a member of the management team, in case of incapacity or death of a management team member.

Ownership by Management

Marc Hubbard is the beneficial owner, directly or indirectly, of 100% of the outstanding common shares of the company. Mr. Hubbard is also the directors of the Company. Due to his managerial, directorship and ownership positions, Mr. Hubbard will have a significant influence in determining the outcome of all corporate transactions or other matters, including mergers, consolidations, or the sale of all or substantially all of the Company's assets, and also the power to prevent or cause a change in control.

While the Company has no current plans with regard to any merger, consolidation or sale of substantially all of its assets, the interests of Mr. Hubbard may still differ from or be inconsistent with the interests of stockholders. Mr. Hubbard is directly or indirectly, the beneficial owner of 5,000,000 shares of Class A Common Stock. Such shares are held in trust.

No Guarantee of Profitability

The Company anticipates that revenues from sales will be sufficient to create net profits for the Company. However, there can be no assurance that revenues will be sufficient for such purpose. Although Management believes in the Company's economic viability, there can be no guarantee that the business will be profitable to the extent anticipated. Success of the venture is primarily dependent upon the extent that the Company is able to operate the venture in accordance with expectations and assumptions as set forth in the financial projections. (See Exhibit A "Pro Forma Financial Projections").

Capital Requirements

Management believes that the capital raised from this offering will be sufficient to cover costs to launch the development phase of the Corporation. However, there can be no guarantee that the Company may not require additional funds, either through additional equity offerings or debt placement, in order to continue operating and to seek profitability. Such additional capital may result in dilution to the Company's shareholders, or result in increased expenses and decreased returns to the Company's shareholders. The Company's ability to meet short term and long-term financial commitments may depend on the future cash flows generated from subsequent securities offerings and operations. There can be no assurance that future profits or subsequent securities offerings will generate enough funds to meet the Company's financial commitments.

Arbitrary Determination of Offering Price

Management believes it has priced the securities offered herein to provide for an exceptional rate of return on investment for the relative risk involved in owning the securities, if the pro forma financial projections prove to be correct or exceeded. The offering price of the Notes being offered herein was arbitrarily determined and bears no relationship to assets, book value, earnings, or other established criteria of value. In determining the offering price such factors as the limited financial resources of the Company, the nature of the Company's assets, estimates of the business potential of the Company, the amount of equity control desired to be retained by the Company's existing shareholders, the amount of dilution to investors, and the general conditions of the securities market, were considered.

Financial Projections

The Management of the Company, based on information and assumptions Management believes to be reasonable, prepared the financial projections enclosed with this Memorandum. Such projections, therefore, reflect only the Management's current expectation of likely results. There ordinarily will be differences between projected results and actual results because events and circumstances frequently do not occur as expected, and differences can be material. Thus, projected benefits to investors may also vary and there can be no guarantee that the results shown in the enclosed projections will be realized in whole or in part. Neither the Company nor its affiliates or professional

advisors guarantee or warrant the projected results. It should also be noted that projections are based on the assumption that all of the securities will be sold for this offering as well as for offerings related to raising the necessary capital. Projected results may vary substantially if less than the entire amount of capital sought is received. The financial projections provided herein depend on various assumptions, which may prove to be incorrect. There is no assurance that the actual events will correspond with such assumptions. Future results and investment returns are impossible to predict with any real accuracy, and no representation or warranty of any kind is made by the Company, its management or its representatives respecting the current or future accuracy or completeness of, and no representation is to be inferred from, such projections.

Restrictions on Transfer

The securities have restrictions and limited transferability. There is currently no public trading market for the securities and no guarantee can be given that one will develop. The securities have not been registered under the Securities Act of 1933, as amended (the "1933 Act") or under any state securities laws. The securities are being offered and sold pursuant to exemptions from applicable federal and state registration requirements, allowing for transactions, which do not involve a "public offering." The Company is under no obligation to provide for registration of the securities in the future. Any subsequent sales of the securities by investors may only be permissible if an exemption from the applicable federal and state registration provisions is available at the time of the proposed sale. The Company cannot guarantee to any investor that such an exemption will be available. The Company is not presently subject to the periodic reporting requirements of Sections 13 or 15(d) of the Securities Exchange Act of 1934 and may or may not choose to make available to the public, in the foreseeable future, information with respect to the Company's affairs sufficient to permit the use of Rule 144 under the 1933 Act as a means of disposing of an investment in the Company. Consequently, holders of the securities may not be able to liquidate their investment in the event of an emergency.

Private Offering Exemption

These securities are being offered in reliance upon the non public offering exemption as provided in the 1933 Act, 4(6) The Accredited Investor Exemption and or Regulation D Rule 506 promulgated thereunder, and applicable state securities registration exemptions. Although Management shall exercise due care in the offering of these and other securities related to raising capital for the Company, there can be no guarantee that this offering successfully complies with the requirements of the 1933 Act, 4(6) The Accredited Investor Exemption and or Regulation D Rule 506, or applicable state securities laws. If the Company should fail to comply with the requirements of the 1933 Act, 4(6) The Accredited Investor Exemption and or Regulation D Rule 506, or applicable state securities laws, and is not sufficiently profitable to remain attractive to the purchasers of its securities, investors might assert that they have the right to rescind their investment. Because compliance with the securities statutes is highly technical and difficult, an investor seeking rescission potentially could succeed. If a number of investors successfully sought rescission, the Company could face severe financial demands, which could adversely affect the Company and therefore the non-rescinding investors.

Ministerial Errors and Omissions

Any clerical mistakes or errors in the Memorandum should be considered ministerial in nature and not a factual misrepresentation or a material omission of fact.

Investor Suitability Standards

See Subscription Agreement.

Tax Structure

Sports Dimensions, Inc. is a "C" Corporation. Therefore, the Company will be subject to federal corporate taxation and Shareholders will be subject to additional taxation on dividends received. Dividend distributions should be treated as such for tax purposes, however one should seek advice of their own tax advisors in regards to these matters.

ERISA Considerations

A fiduciary of a pension, profit sharing, or other Benefit Plan Investor subject to ERISA should consider fiduciary standards under ERISA in the context of the plan's particular circumstances before authorizing an investment of a portion of such plan's assets in the Company. Accordingly, among other factors, such fiduciary should consider (i) whether the investment satisfies the prudence requirements of Section 404 (a) (1) (B) of ERISA, (ii) whether the investment satisfies the diversification requirements of section 404 (a) (1) (C) of ERISA, and (ii) whether the investment is in accordance with the documents and instruments governing the plan as required by Section 404 (a) (1) (D) of ERISA.

Section 406 of ERISA and Section 4975 of the Internal Revenue code (the "Code") prohibit an employee benefit plan from engaging in certain transactions involving "plan assets" with parties, which are "parties in interest" under ERISA or "disqualified persons" under the Code with respect to the plan. Consequently, a fiduciary of a plan subject to ERISA or the Code should consider whether an investment in the Company constitutes or gives rise to a prohibited transaction under ERISA or the Code.

If the assets of the Company were deemed to be assets of a plan which invested in Shares of the Company, such investment might be deemed to constitute a delegation under ERISA of the duty to manage plan assets by the fiduciaries deciding to invest in the Company, and certain transactions involved in the operation of the Company might be deemed to constitute prohibited transactions under ERISA and the Code. ERISA and the Code do not define "plan assets." Pursuant to regulations issued by the Department of Labor, the assets of the Company will not be considered to be assets of plans which purchase Shares if less than 25% of the value of each class of equity interests in the Company is held by Benefit Plan Investors (e.g., employee benefit plans subject to ERISA, individual retirement accounts, and other employee benefit plans not subject to ERISA, such as governmental plans).

The Department of Labor regulations further require that the Corporation interests held by Management and any of its affiliates must be disregarded in determining whether Benefit Plan Investors own less than 25% of the value of the aggregate Corporation interests in the Company.

While employee benefit plans, which are governmental plans (as defined in Section 3(32) of ERISA) and certain church plans (as defined in Sections 3(33) of ERISA) are not subject to ERISA requirements, they are included solely for purposes of the 25% limitation.

If properties are acquired by the Company on a leveraged basis, it is possible that a portion of the income or gain attributable to such properties may be taxable income to benefit plans and other normally tax-exempt entities under rules pertaining to unrelated income.

Due to the complexity of these rules and the penalties imposed upon persons involved in prohibited transactions, it is particularly important that potential plan purchasers consult with their respective counsel regarding the consequences under ERISA of their acquisition and ownership of Shares.

U. S. Securities Laws and Foreign Investors

The offer and sale of the Shares will not be registered under the Securities Act pursuant to an exemption from the registration requirements of the Securities Act of 1933, and the securities laws of certain states. Each investor must furnish certain information to the Company and represent, among other customary private placement representations, that it is acquiring its Shares for investment purposes and not with a view towards resale or distribution. The acquisition of Shares by each investor also must be lawful under applicable state securities laws or the laws of the applicable foreign jurisdiction if the investor is a non-U. S. person.

The Shares have not been, and will not be, registered under the Securities Act. Accordingly, the United States securities laws impose certain restrictions upon the ability of a Shareholder to transfer such Shares. Shares may not be offered, sold, transferred or delivered, directly or indirectly, unless (i) such Shares are registered under the Securities Act and any applicable state securities laws, or (ii) an exemption from registration under the Securities Act and any applicable state securities laws is available. Moreover, there will be no liquid, public market for the Shares, and none is expected to develop.

Further, Shares may not be offered, sold, transferred, or delivered, directly or indirectly, to any "Unacceptable Investor." "Unacceptable Investor" means any person who is a:

(a) person or entity who is a "designated national," "specially designated national," "specially designated terrorist," "specially designated global terrorist," "foreign terrorist organization," or "blocked person" within the definitions set forth in the Foreign Assets Control Regulations of the United States Treasury Department, 31 C.F.R., Subtitle B, Chapter V, as amended;

(b) person acting on behalf of, or an entity owned or controlled by, any government against whom the United States maintains economic sanctions or embargoes under the Regulations of the United States Treasury Department, 31 C.F.R., Subtitle B, Chapter V, as amended--including, but not limited to--the "Government of Sudan," the "Government of Iran," the "Government of Cuba," the "Government of Syria," and the "Government of Burma;" or

(c) person or entity subject to additional restrictions imposed by the following statutes or Regulations and Executive Orders issued thereunder: the Trading with the Enemy Act, 50 U.S.C. app. §§1 et seq., the Iraq Sanctions Act, Pub. L. 101-513, Title V, §§ 586 to 586J, 104 Stat. 2047, the

National Emergencies Act, 50 U.S.C. §§ 1601 et seq., the Antiterrorism and Effective Death Penalty Act of 1996, Pub. L. 104 132, 110 Stat. 1214 1319, the International Emergency Economic Powers Act, 50 U.S.C. § 1701 et seq., the United Nations Participation Act, 22 U.S.C. § 287c, the International Security and Development Cooperation Act, 22 U.S.C. § 2349aa-9, the Nuclear Proliferation Prevention Act of 1994, Pub. L. 103 236, 108 Stat. 507, the Foreign Narcotics Kingpin Designation Act, 21 U.S.C. §§ 1901 et seq., the Iran and Libya Sanctions Act of 1996, Pub. L. 104 172, 110 Stat. 1541, the Cuban Democracy Act, 22 U.S.C. §§ 6001 et seq., the Cuban Liberty and Democratic Solidarity Act, 22 U.S.C. §§ 6021-91, and the Foreign Operations, Export Financing and Related Programs Appropriations Act, 1997, Pub. L. 104 208, 110 Stat. 3009 172, or any other law of similar import as to any non U.S. country, as each such Act or law has been or may be amended, adjusted, modified, or reviewed from time to time.

In the event of a registered public offering of Shares in the U.S., the Company would become subject to the reporting obligations under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Under such circumstances, investors that own more than 5% of the Company's outstanding Shares may be obligated to make certain information filings with the Commission pursuant to the Exchange Act. Each prospective investor is advised to consult with its own legal advisor regarding the securities law consequences of ownership of Shares if the Shares become subject to the Exchange Act.

Hart-Scott-Rodino Act

Under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended (the "HSR Act"), and the rules promulgated thereunder (the "HSR Rules") by the Federal Trade Commission (the "FTC"), certain acquisitions of assets or voting securities may not be consummated unless notification has been given and certain information has been furnished to the FTC and the Antitrust Division of the U.S. Department of Justice (the "DOJ") and a waiting period has expired or been terminated early. The waiting period provided by the HSR Act for most acquisitions is thirty days, which may be extended by the FTC or the DOJ. A filing fee that ranges from \$45,000 to \$280,000, depending on the size of the transaction, is required for the filing by each acquiring person.

The Company is not expected to have sufficient assets and certain investors in the Company are not expected to invest in sufficient amounts that the purchase of Shares in the Offering may be subject to filing requirements under the HSR Act irrespective of or if various exemptions are unavailable. Under current interpretations, the acquisition of Corporation interests generally is not subject to filing requirements under the HSR Act; however, pending rule changes will likely result in certain acquisitions of Corporation interests being subject to HSR Act filing requirements. As a result, investors should consult with their legal advisors concerning applicability of the HSR Act.

While subsequent acquisitions involving the Company may be subject to filing requirements under the HSR Act, one or more exemptions are likely to be available for most such acquisitions. Specifically, certain investments by the Company in assets located outside the United States and in voting securities of foreign issuers may qualify for exemption by reason of sections 802.100 and 802.51 of the HSR Rules. In addition, investments by the Company in various real estate properties and in voting securities of real estate companies may qualify for exemption by reason of sections 802.2, 802.4 or 802.5 of the HSR Rules. Nonetheless, there can be no assurance that all acquisitions involving the Company will be below the HSR Act's jurisdictional thresholds or will otherwise

qualify for exemption from filing requirements. A case-by-case evaluation will be necessary for each investment.

Compliance with Anti-Money Laundering Requirements

The Company may be subject to certain provisions of the USA PATRIOT Act of 2001 (the "Patriot Act"), including, but not limited to, Title III thereof, the International Money Laundering and Abatement and Anti-Terrorist Financing Act of 2001 ("Title III"), certain regulatory and legal requirements imposed or enforced by the Office of Foreign Assets Control ("OFAC") and other similar laws of the United States. In response to increased regulatory concerns with respect to the sources of funds used in investments and other activities, the Company may request that investors provide additional documentation verifying, among other things, such investor's identity and source of funds to be used to purchase Shares. The Company may decline to accept a subscription if this information is not provided or on the basis of the information that is provided. Requests for documentation and additional information may be made at any time during which a Shareholder holds Shares. The Company may be required to report this information, or report the failure to comply with such requests for information, to appropriate governmental authorities, in certain circumstances without informing a Shareholder that such information has been reported. The Company will take such steps as it determines are necessary to comply with applicable law, regulations, orders, directives or special measures, including, but not limited to, those imposed or enforced by OFAC, the Patriot Act and Title III. Governmental authorities are continuing to consider appropriate measures to implement anti-money laundering laws and at this point it is unclear what steps the Company may be required to take; however, these steps may include prohibiting a Shareholder from making further contributions of capital to the Company, depositing distributions to which such Shareholder would otherwise be entitled into an escrow account or causing the withdrawal of such Shareholder from the Company.

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EXHIBIT A:
HISTORICAL FINANCIAL PERFORMANCE AND
PRO FORMA FINANCIAL PROJECTIONS

This Exhibit contains forward-looking statements that are based on our management's beliefs and assumptions and on information currently available to our management. Forward-looking statements include, but are not limited to, the information concerning our possible or assumed future results of operations, business strategies, financing plans, competitive position, potential growth opportunities, potential operating performance improvements, the effects of competition and the effects of future legislation or regulations. Forward-looking statements include all statements that are not historical facts and can be identified by the use of forward-looking terminology such as the words "believe," "expect," "plan," "intend," "anticipate," "estimate," "predict," "potential," "continue," "may," "will," "should" or the negative of these terms or similar expressions.

Forward-looking statements involve risks, uncertainties and assumptions. Actual results may differ materially from those expressed in these forward-looking statements. The risk factors discussed in the section called "Risk and Other Important Factors" set forth many of the risks and uncertainties that may cause actual results to differ from those expressed in the forward looking statements. There may be other risks and uncertainties that could have a similar impact. Therefore, you should not put undue reliance on any forward-looking statements. We do not have any intention or obligation to update forward-looking statements after we distribute this Private Placement Memorandum.

ACC000063
FILE #7991

UNAUDITED PRO FORMA CONDENSED FINANCIAL DATA

SDI has been profitable since inception and has shown double digit revenue growth each year. The Company is financially solid and liquid, which is a clear demonstration of the strength of its business model.

Income Statement

| | 2005 | 2006 | 2007 |
|--------------------------|------------------|------------------|------------------|
| Total Sales | 4,173,578 | 5,673,578 | 13,956,603 |
| Total COGS | 2,644,354 | 3,093,782 | 4,856,646 |
| Gross Profit | 1,529,224 | 2,579,796 | 9,099,957 |
| <u>Expenses</u> | | | |
| Venue and Ticket Related | 92,498 | 282,498 | 3,412,039 |
| Part-time labor | 80,549 | 80,549 | 274,849 |
| Sound and Lightings | 61,891 | 221,891 | 802,407 |
| Advertising | 170,762 | 370,762 | 522,238 |
| Wages | 338,921 | 338,921 | 369,906 |
| Rent/Mortgage | 163,950 | 163,950 | 128,370 |
| Repairs + Maintenance | 4,230 | 6,524 | 3,388 |
| Travel and Entertainment | 9,421 | 9,421 | 13,057 |
| Administrative | 42,240 | 42,240 | 83,990 |
| Office and Utilities | 22,668 | 22,668 | 41,499 |
| Taxes | 296,760 | 401,760 | 178,467 |
| Other | 32,938 | 62,938 | 404,864 |
| Third Party Interest | 0 | 0 | 1,959,947 |
| Total Expenses | 1,316,828 | 2,004,122 | 8,195,101 |
| Net Income | 212,396 | 575,674 | 904,856 |

In 2007, the company generated revenues of approximately \$14.0 million, a 146% increase from 2006 revenues (just below \$5.7 million), and a 234% increase from 2005 revenues (just below \$4.2 million). In 2007, SDI had earnings before taxes and owner's draw of \$1,315,000, which represent approximately 6.5% of revenue.

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Balance Sheet

| <u>ASSETS</u> | As of 12/31/05 | As of 12/31/06 | As of 12/31/07 |
|--------------------------------------|-------------------------|-------------------------|---------------------------|
| <u>CURRENT ASSETS</u> | | | |
| Checking | \$41,750 | \$154,277 | \$48,828 |
| Cash on Hand | \$10,141 | \$34,152 | \$9,234 |
| Deposits | \$110,000 | \$105,400 | \$1,110,000 |
| Inventory | <u>\$980</u> | <u>\$2,787</u> | <u>\$19,320</u> |
| <i>TOTAL CURRENT ASSETS</i> | \$162,871 | \$296,616 | \$1,187,382 |
| <u>LONG-TERM ASSETS</u> | | | |
| Equipment | \$51,700 | \$351,700 | \$301,457 |
| Furniture | \$23,178 | \$73,178 | \$62,724 |
| Leasehold Improvements | <u>\$0</u> | <u>\$104,567</u> | <u>\$179,354</u> |
| <i>TOTAL LONG-TERM ASSETS</i> | \$74,878 | \$529,445 | \$563,185 |
| TOTAL ASSETS: | <u>\$237,749</u> | <u>\$826,061</u> | <u>\$1,730,917</u> |
| Accounts Payable | \$6,129 | \$6,514 | \$29,133 |
| Tax Liabilities | \$0 | \$12,253 | \$9,284 |
| TOTAL LIABILITIES: | <u>\$4,102</u> | <u>\$18,767</u> | <u>\$38,417</u> |
| EQUITY | \$231,620 | \$807,294 | \$1692,500 |
| TOTAL ASSETS AND LIABILITIES: | <u>\$237,749</u> | <u>\$826,061</u> | <u>\$1,730,917</u> |

Since all of the clients pay either by cash or credit card, SDI's receivables are insignificant. On the other hand, at the end of 2007, cash on hand and deposits were over \$1,187,000, or 68.6% of the Company's assets. It is customary for SDI to have significant deposits with booking agent as down payment for upcoming concerts.

The \$1,110,000 in escrow and advances at the end of 2007 were to finance concerts by R. Kelly, and Mary J. Blige and Jay Z.

The Company has no long term debt. Short-term debt is used to finance events. Once the event is completed, the short-term debt is immediately retired.

There are no outstanding legal proceedings against SDI, and the Company is current with all the state filings and licenses.

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FINANCIAL PROJECTIONS

Although it is difficult to identify the specific artists that the Company will promote beyond 2008, it is unquestionable that a variety of artists will be performing within North America. By maintaining the current relationships with booking agents and by continuing to grow, SDI is certain that it will have the opportunity to continue booking events by top performers.

For the immediate future, SDI plans to promote the artists mentioned in the prior sections. The number of artists booked and dates promoted will depend on the amount of capital raised. All these artists have a considerable number of fans and almost guarantee a sell out at every event. In preparing the following projected revenues and expenses for the next three years, SDI has separated its two activities: night clubs and concert promotion.

| | 2009 | 2010 | 2011 |
|------------------------------|--------------------|---------------------|---------------------|
| <u>Income:</u> | | | |
| Sales – Concerts | 34,920,000 | 50,343,000 | 61,983,000 |
| <u>Expenses</u> | | | |
| Building Rent | 4,320,000 | 6,150,000 | 7,590,000 |
| Box Office | 480,000 | 700,000 | 860,000 |
| Building Expenses | 1,800,000 | 2,540,000 | 3,140,000 |
| Stage Hands | 54,000 | 132,000 | 150,000 |
| Telephone | 72,000 | 104,000 | 128,000 |
| Sound and Lights | 1,650,000 | 2,400,000 | 2,950,000 |
| Insurance | 180,000 | 260,000 | 320,000 |
| Artist | 15,000,000 | 21,600,000 | 26,600,000 |
| Advertising | 900,000 | 1,300,000 | 1,600,000 |
| Transportation | 180,000 | 260,000 | 320,000 |
| Printing | 210,000 | 300,000 | 370,000 |
| Television | 360,000 | 520,000 | 640,000 |
| Lodging | 330,000 | 480,000 | 590,000 |
| Stage Gear | 330,000 | 480,000 | 590,000 |
| D.J. | 180,000 | 260,000 | 320,000 |
| Salaries | 937,500 | 1,000,000 | 1,050,000 |
| Office Rent | 42,000 | 44,000 | 46,000 |
| Travel | 35,000 | 50,000 | 60,000 |
| Administrative | 36,000 | 42,000 | 48,000 |
| <u>Total Expenses</u> | 27,096,500 | 38,622,000 | 47,372,000 |
| EBIT | \$7,823,500 | \$11,721,000 | \$14,611,000 |

The projections for 2009 assume the promotion of 30 concerts. On the other hand, it is the management's opinion that SDI would be able to sponsor a greater number of events. If this were the case, the projections above would be increased significantly.

The additional concerts in 2010 and 2011 (43 and 53 concerts, respectively) would be financed with the earnings of the prior year. The projections for those two years are very conservative and do not

assume an increase in the current Company structure. By adding a few employees in 2008 and 2009, SDI would be able to further increase its reach, both in terms of number of concurrent tours sponsored and geographical area. In fact, the Company plans to expand its operations into the most profitable European countries within the next year or two.

Although SDI has an expense/capital ratio of 3.33x (which means that the by increasing the capital by \$1, the Company can finance an additional \$3.33 in expenses to promote concerts), the combined projections have been prepared by assuming an expense/capital ratio of just 2x (i.e., \$1 more of capital would finance \$2 in expenses).

Year to Year Detailed Line Item Income and Expense Statements and Assumptions Available by Request

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EXHIBIT B: SUBSCRIPTION AGREEMENT

ACC000068
FILE #7991

Name of Investor(s)

**SUBSCRIPTION AGREEMENT FOR
SERIES A PREFERRED STOCK SHARES**

Sports Dimensions, Inc.

Pursuant to a Private Placement Memorandum dated January 15, 2009 (the "Memorandum"), on the terms and conditions set forth below, I hereby agree to become a Series 2009-A Convertible Corporate Note holder of SPORTS DIMENSIONS, INC., a North Carolina "C" Corporation (the "Company") and to make a capital contribution to the Company in the amount of \$ _____ for which I shall receive _____ Series 2009-A Convertible Corporate Note(s) in the Company. The minimum purchase amount is 1 Series 2009- A Convertible Corporate Note for \$10,000.00.

The capital contribution for each minimum purchase is Ten Thousand U.S. Dollars (\$10,000.00). Such capital contribution for the subscribed Series 2009-A Note(s) is to be tendered herewith. I understand that the Company will not escrow such moneys. The offer to become a Series 2009-A Note holder is hereby made shall be deemed to be accepted by the Company only upon the Company's execution of the acceptance set forth below.

A. Representations and Warranties. I represent and warrant to the Company as follows:

In reference to individuals. I declare that I am at least 21 years of age and am a bona fide RESIDENT of the United States of America or foreign government recognized as such by United States of America and I am not an qualified purchaser as defined by the definitions below.

_____ Initials

OR

I am or represent an organization, which meets or exceeds at least one of the accreditation requirements contained within this subscription agreement.

(1) Initial all of the following that apply:

_____ A bank as defined in section 3(a)(2) of the Act, or a savings and loan association or other institution as defined in section 3(a)(5)(A) of the Act whether acting in its individual or fiduciary capacity; a broker or dealer registered pursuant to section 15 of the Securities Exchange Act of 1934; a insurance company as defined in section 2(13) of the Act; an investment company registered under the Investment Company Act of 1940 or a business development company as defined in section 2(a)(48) of that Act; a Small Business Investment Company licensed by the U.S. Small Business Administration under section 301(c) or (d) of the Small Business Investment Act of 1958; a plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of \$5,000,000; an

employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974 if the investment decision is made by a plan fiduciary, as defined in section 3(21) of such Act, which is either a bank, savings and loan association, insurance company, or registered adviser, or if the employee benefit plan has total assets in excess of \$5,000,000 or, if a self-directed plan, with investment decisions made solely by persons that are accredited investors;

_____ A private business development company as defined in section 202(a)(22) of the Investment Advisers Act of 1940;

_____ An organization described in section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of \$5,000,000;

_____ A director, executive officer, or general partner of the issuer of the securities being offered or sold, or any director, executive officer, or general partner of a general partner of that issuer;

_____ A natural person whose individual net worth, or joint net worth with that person's spouse, at the time of his purchase exceeds \$1,000,000;

_____ A natural person who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with that person's spouse in excess of \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year;

_____ A trust, with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in § 230.506(b)(2)(ii); and

_____ An entity in which all of the equity owners are accredited investors.

- (2) I have such knowledge and experience in financial and business matters that I am capable of evaluating the merits and risks of my investment in the Company, or I have obtained the advice of an attorney, certified public accountant or registered investment advisor with respect to the merits and risks of my investment in the Company. _____ Initials
- (3) I acknowledge that the Company provided me with a copy of the Memorandum, which discloses in reasonable detail all material details of the offering, at least forty-eight (48) hours before my return of this executed Subscription Agreement to the Company. _____ Initials
- (4) I am purchasing the Series 2009-A Convertible Corporate Note(s) solely for my own account for investment and not for the account of any other person and not for distribution, assignment, or resale to others. I do not presently intend to resell, transfer, or otherwise dispose of the Series 2009-A Convertible Corporate Note(s). Prior to any such sale or transfer, I will deliver to the Company a written opinion of counsel stating that the securities registration requirements of the Federal Securities Act of 1933 and of all applicable state laws including, but not limited to, any

Uniform State Securities Act, have been or are being met or that an exemption from such registration is available and that the sale may proceed without violating any of the applicable state or federal securities laws. _____ Initials

- (5) I understand and acknowledge that the By-laws of the Company place severe limitations on my ability to transfer the Series 2009-A Convertible Corporate Note(s). _____ Initials
- (6) I and all of my advisors have had access to all information necessary to enable me to make an informed decision to become a Note holder and a reasonable opportunity to ask questions of and receive answers from the Company concerning the terms and conditions of this offering of the Series 2009-A Convertible Corporate Note(s). All such questions have been answered to my full satisfaction. _____ Initials
- (7) The Series 2009-A Convertible Corporate Note(s) constitutes an investment, which is suitable and consistent for my investment program, and my financial situation enables me to bear the risks of this investment. _____ Initials
- (8) I understand that the offering has not been registered under the Securities Act of 1933, as amended (the "Act"), nor the securities laws of any other jurisdictions. Instead, the offering is made in reliance upon certain exemptions, including the exemption for federally "covered securities" under 4(2) Regulation D, 506 and the accredited investor exemption 4(6) promulgated thereunder. I am aware and understand that the Series 2009-A Convertible Corporate Note(s) for which I have subscribed are being sold to me in reliance upon the above referenced exemptions and based upon my representations, warranties, and agreements hereunder. I am aware of the restrictions on the sale, transferability, and assignment of the Series 2009-A Convertible Corporate Note(s) and that I must bear the economic risk of my investment hereby for an indefinite period of time because the Preferred Stock Share(s) have not been registered under the 1933 Act. Therefore, the Series 2009-A Convertible Corporate Note(s) cannot be offered or sold unless the offering is subsequently registered under the 1933 Act and all other applicable securities laws of other states unless an exemption from such registration is available. I further understand that no such registration by the Company is contemplated. _____ Initials
- (9) I understand that no federal or state agency has made any finding or determination as to the fairness for investment in, or any recommendation or endorsement of, the Series 2009-A Convertible Corporate Note(s). _____ Initials
- (10) I acknowledge that neither the company nor any of its employees, officers, directors, agents, or other affiliates have made any oral or written representations to me or to any of my advisors which are inconsistent with the Memorandum in any way. _____ Initials
- (11) I have included with this Subscription Agreement my capital contribution in full to the Company for the Series 2009-A Convertible Corporate Note(s). I understand that such moneys **will not** be escrowed but may be used by the Company immediately upon its acceptance of my offer to become a Note holder. _____ Initials

- (12) To the extent I considered it advisable, I have reviewed the merits of this investment with my tax and legal counsel and with an investment advisor. _____ Initials
- (13) I understand and acknowledge that no public market for the Series 2009-A Convertible Corporate Note(s) currently exists and that there can be no assurance that any public market for the Series 2009-A Convertible Corporate Note(s) will exist in the future. _____ Initials
- (14) All of the information that I have provided to the Company concerning myself, my financial position, and my knowledge of financial and business matters, including the information contained herein, is correct and complete in all material respects as of the date set forth at the end hereof, and I will immediately notify the Company of any adverse change in such information prior to the company accepting my offer to become a Note holder. _____ Initials
- (15) I agree that all of the foregoing representations, warranties, agreements, undertakings, and acknowledgments made by me shall survive my purchase of the Series 2009-A Convertible Corporate Note(s). I further agree that if more than one person is signing this agreement, each foregoing representation, warranty, agreement, undertaking, and acknowledgment shall be a joint and several representation, warranty, agreement, undertaking, and acknowledgment of each person signing this agreement. _____ Initials
- (16) I declare that I was not induced or solicited to invest by any form of general solicitation or general advertising, including but not limited to, any advertisement, article, notice or other communication published in any newspaper, magazine or similar media or broadcast over the television or radio. Including any seminar or meeting in which attendees had been invited by a general solicitation or general advertising. _____ Initials
- (17) I declare that I understand Sports Dimensions Inc. has a first right of refusal to purchase any and all Notes, which are noticed for sale or liquidation. _____ Initials
- (18) I declare that I am not relying on the accuracy of the financial data contained within the pro forma five-year projections contained within Exhibit A of the Private Placement Memorandum dated January 15, 2008. _____ Initials
- (19) By executing this Subscription Agreement, I hereby agree to become a "Note holder" of the Company under the existing By-laws of the Company and to be bound by the terms of such agreement as though I were an original signatory thereto. _____ Initials
- (20) I have read the Private Placement Memorandum dated January 15, 2009 and the By-laws in its entirety, including all Exhibits and schedules thereto, and I fully understand it. In particular, I understand that as a "Note holder" I will not have the right to vote on any company matters. I further agree to execute and deliver to the Company such further documents as may be necessary to carry out the purposes of this paragraph. _____ Initials
- (21) I agree to indemnify and hold harmless the Company, its promoters, Shareholders, officers, and affiliates or any one acting on their behalf from and against all damages, losses, costs, and expenses (including reasonable attorney fees) that they may incur by reason of my failure to fulfill any of the terms or conditions of this Agreement or by reason of any breach of the representations

and warranties made by me herein or in any documents provided by me to the Company.
_____Initials

(22) This Agreement constitutes the entire Agreement among the parties with respect to the subject matter hereof and may be amended only by a written instrument executed by all of the parties.

_____Initials

This Agreement shall be enforced, governed, and construed in accordance with the laws of the State of North Carolina.

Investor Signature

Date

Investor Signature

Date

ACCEPTANCE:

The person named above is admitted as a

Note holder this ____ day of _____ 2009.

By: _____
Marc Hubbard, President

SECURITIES REGISTRATION:

Investor's Name _____

Address _____

Home Phone _____

Work Phone _____

Social Security Number or Tax I.D. _____

Employer _____

Title _____

Individual _____

Trust Acct. _____

J.T.W.R.O.S. _____

T.I.C. _____

T.B.E _____

Corporate _____

Number of Shares subscribed for: _____

Total Dollar Amount \$ _____

Payment and Subscription Agreement is to be sent to:

Attn: Marc Hubbard
Sports Dimensions, Inc.
620 W. Blackstock Rd.
Spartanburg, SC 29301

Payment may be wired to:

Bank: Bank of America
Address: Charlotte, NC
Account Name: SDI
Account #: 000697175461
Routing #: 026009593

SECURITIES REGISTRATION FOR QUALIFIED PLANS: \$50,000 Minimum

Investor's Name _____

Address _____

Home Phone _____

Work Phone _____

Social Security Number or Tax I.D. _____

IRA/Q P _____

Number of Series 2009-A Convertible Corporate Note(s) subscribed for: _____

Total Dollar Amount \$ _____

IRA Administrators Signature

Payment in the form of personal or business check, cashiers' check, IRA funds transfer (Call Co. for information on IRA investments) and Subscription Agreement is to be sent to:

Attn: Marc Hubbard
Sports Dimensions, Inc.
620 W. Blackstock Rd.
Spartanburg, SC 29301

Payment may be wired to the Company's bank account by wiring funds to:

Bank: Bank of America
Address: Charlotte, NC
Account Name: SDI
Account #: 000697175461
Routing #: 026009593

IRA/QP HOLDERS ACKNOWLEDGEMENT

By signing as "read and approved" on this document the IRA holder agrees to the following:

Name of Entity: _____.

- 1) That this Agreement is signed by Equity Trust Company ("ETC") not individually but solely as agent for the Custodian under the Individual Retirement Account Plan Agreement also known as Form 5305-A. Said Agreement is hereby made a part hereof & any claims against ETC which may result here from, shall be payable only out of any IRA property which may be held hereunder. Any and all personal liability of ETC is hereby expressly waived by the parties hereto & their respective successors & assigns. All representations & undertakings are of ETC as agent for the Custodian as aforesaid & not individually & no liability is assumed by or shall be asserted against ETC personally as a result of the signing of this instrument. The grantor, as account controller, has made all representations & Warranties contained herein & ETC, as agent for the Custodian, is signing this document along with the grantor merely to assist the grantor in this purchase as prescribed by the Internal Revenue procedures requiring the purchase to be made by an IRA Custodian on behalf of the Individual Retirement Account. ETC hereby disclaims all fiduciary responsibility for the investment choice and its inherent risks. The beneficial owner indemnifies and agrees to hold harmless ETC in following these instructions.

- 2) ETC is **not reviewing this document** and is not responsible for its content and makes no judgments as to legality, viability, appropriateness, consistency, enforceability or fairness of the content. You further acknowledge that ETC is not responsible for determining whether or not this document complies with IRS Code Sections 4975 and 408, which is solely your responsibility and that you have obtained competent legal and tax advice for this investment.

Read and Approved by _____ IRA Holder:
(Signature)

(Print name)

Account # _____

EXHIBIT C: CERTIFICATE INDENTURE



STATE OF NORTH CAROLINA

SERIES 2009-A CONVERTIBLE CORPORATE NOTE

AN ALL INCLUSIVE DEMAND PROMISSORY COLLATERAL NOTE

| Principal | Note Date | Maturity | Note No. | Collateral | Account |
|---|-----------|----------|----------|------------|---------|
| \$_____ | _____ | _____ | _____ | _____ | _____ |
| References in the above area are for Note holder's use only and do not limit the applicability of this document to any particular Note or item. Any item above containing **** has been omitted due to text length limitations. | | | | | |

Borrower: SDI
620 W. Blackstock Road
Spartanburg, SC 29301

Note holder:

Collateral: Surety Bond, Concert Ticket Sales

Principal Amount:

Initial Rate: 30.00%

Date of Note:

PROMISE TO PAY. SDI ("Borrower"), their heirs, assigns, guarantors, promises to pay to _____, their heirs, successors, assigns, subsidiaries, affiliates, agents or funders, hereinafter "Note holder" in lawful money (immediately available good funds) of the United States of America, the amount of \$_____ (principal and interest) or so much as may be outstanding, together with interest on the unpaid outstanding principal balance of each advance, be the advance staged, layered, cascaded or all at one disbursement. Interest shall be calculated from the date of each advance until repayment of each advance.

PAYMENT. Borrower will pay this Note in a payment 360 days from date of issue, with the option by both parties to extend the Note. Unless otherwise agreed or required by applicable law, payment will be included stated interest plus principal. The annual interest rate for this Note is computed on an annual basis. Borrower will pay Note holder at Note holder's address shown above or at such other place as Note holder may designate in writing. SDI shall have the option to pay all interest in 2 semi annual payments of 15% to all Note holders who invest more than \$50,000.

CONVERSION. Note holder shall have the option to convert this Note into common stock at \$2.00 per share on the maturity date of this Note. The Converted Stock shall be callable at the one year anniversary at 100% of par value. Converted stock shall have a 50% cumulative dividend provision. Note holder shall inform SDI in writing not less than 30 before maturity of this Note of its desire to convert. Upon notification, stock certificates will be issued at maturity of this Note.

PREPAYMENT; MINIMUM INTEREST CHARGE. Borrower agrees that all Note fees and other prepaid finance charges are earned fully as of the date of the Note and will not be subject to refund upon early payment (whether voluntary or as a result of default), except as otherwise required by law. In any event, even upon full prepayment of this Note, Borrower understands that Note holder is entitled to a minimum interest charge of 2.25 percentage of gross Note disengagement fee. Other than Borrower's obligation to pay any minimum interest charge, Borrower may pay without penalty all or a portion of the amount owed earlier than it is due. Early payments will not, unless agreed to by Note holder in writing, relieve Borrower of Borrower's obligation to continue to make payments. Rather, early payments will reduce the principal balance due. Borrower agrees not to send Note holder payments marked "paid in full", "without



recourse", or similar language. If Borrower sends such a payment, Note holder may accept it without losing any of Note holder's rights under this Note, and Borrower will remain obligated to pay any further amount owed to Note holder.

LATE CHARGE. If a payment is 10 business days or more late, Borrower will be charged 10.000% of the regularly scheduled payment.

INTEREST AFTER DEFAULT. Upon default, including failure to pay upon final maturity, Note holder, at its option, may, if permitted under applicable law, increase the interest rate on this Note to 12.000 percentage (12%) points annual percentage rate. The interest rate will not exceed the maximum rate permitted by applicable law.

DEFAULT. Each of the following shall constitute an event of default ("Event of Default") under this Note:

Payment Default. Borrower fails to make any payment when due under this Note.

Other Defaults. Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Note or in any of the related documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Note holder and Borrower.

False Statements. Any warranty, representation or statement made or furnished to Note holder by Borrower or on Borrower's behalf under this Note or the related documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Insolvency. The dissolution or termination of Borrower's existence as a going business, the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the Note. This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Note holder. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower gives Note holder written notice of the creditor or forfeiture proceeding and deposits with Note holder monies or a surety bond for the creditor or forfeiture proceeding. In an amount determined by Note holder, in its sole discretion, as being an adequate reserve or bond for the dispute.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any Guarantor of any of the indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any guaranty of the indebtedness evidenced by this Note. In the event of a death, Note holder, at its option, may, but shall not be required to, permit the Guarantor's estate to assume unconditionally the obligations arising under the guaranty in a manner satisfactory to Note holder, and, in doing so, cure any Event of Default.

Change in Ownership. Any change in ownership of Fifty One percent (51%) or more of the common control stock of Borrower.

Adverse Change. A material adverse change occurs in Borrower's financial condition, or Note holder believes the prospect of payment or performance of this Note is impaired.

Insecurity. Note holder in good faith believes and deems itself insecure by written notice of such covenant.

Cure Provisions. If any default, other than a default in payment is curable and if Borrower has not been given a notice of a breach of the same provision of this Note within the preceding Twelve (12) months, it may be cured if Borrower, after receiving written notice from Note holder demanding cure of such default: (1) cures the default within Twenty (20) days; or (2) if the cure requires more than Twenty (20) days, immediately initiates steps which Note holder deems in Note holder's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

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NOTE HOLDER'S RIGHTS. Upon default, Note holder may declare the entire unpaid principal balance on this Note and all accrued unpaid interest immediately due, and then Borrower will pay that amount.

ATTORNEYS' FEES; EXPENSES. Note holder may hire or pay someone else who is not Note holder's salaried employee to help collect this Note if Borrower does not pay. Borrower will be liable for all reasonable costs incurred in the collection of this Note, including but not limited to, court costs, attorneys' fees and collection agency fees, except that such costs of collection shall not include recovery of both attorney's fees and collection agency fees.

GOVERNING LAW. This Note will be governed by federal law applicable to Note holder and, to the extent not preempted by federal law, the laws of the Florida without regard to its conflicts of law provisions. This Note has been accepted by Note holder in the *Florida*.

CHOICE OF VENUE. If there is a lawsuit, Borrower agrees upon Note holder's request to submit to the jurisdiction of the courts of prevailing County,

DISHONORED ITEM FEE. Borrower will pay a fee to Note holder of \$1,000.00 if Borrower makes a payment on Borrower's Note and the check or preauthorized charge with which Borrower pays is later dishonored.

RIGHT OF SETOFF. To the extent permitted by applicable law, Note holder reserves a right of setoff in all Borrower's accounts with Note holder (whether checking, savings, or some other account). This includes all accounts Borrower holds jointly with someone else and all accounts Borrower may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Borrower authorizes Note holder, to the extent permitted by applicable law, to charge or setoff all sums owing on the indebtedness against any and all such accounts.

COLLATERAL. Borrower acknowledges this Note is secured by A SURETY BOND ISSUED BY LIBERTY REISSURANCE AS WELL AS CONCERT TICKETS SALES.

FINANCIAL STATEMENTS AND OTHER INFORMATION. SDI shall provide to Note holder upon request any financial statements or information you may deem necessary. SDI warrants that all financial statements and information provided are or will be accurate, correct and complete.

SUCCESSOR INTERESTS. The terms of this Note shall be binding upon Borrower, and upon Borrower's heirs, personal representatives, successors and assigns, and shall inure to the benefit of Note holder and its successors and assigns.

GENERAL PROVISIONS. This Note is payable on demand. The inclusion of specific default provisions or rights of Note holder shall not preclude Note holder's right to declare payment of this Note on its demand. Note holder may delay or forgo enforcing any of its rights or remedies under this Note without losing them. Borrower and any other person who signs, guarantees or endorses this Note, to the extent allowed by law, waive presentment, demand for payment, protest and notice of dishonor. Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, no party who signs this Note, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Note holder may renew or extend (repeatedly and for any length of time) this Note or release any party or guarantor or collateral; or impair, fail to realize upon or perfect Note holder's security interest in the collateral' and take any other action deemed necessary by Note holder without the consent of or notice to anyone. All such parties also agree that Note holder may modify this Note without the consent of or notice to anyone other than the party with whom the modification is made. The obligations under this Note are joint and several.

NO ORAL AGREEMENTS. This written agreement is the final expression of the agreement between Note holder and Borrower and may not be contradicted by evidence of any prior oral agreement or of a contemporaneous oral agreement between Note holder and Borrower.

NONSTANDARD TERMS. The following contains additional or further enhanced nonstandard terms, including all previous oral agreements, if any, between Note holder and Borrower:

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The maker waives presentment and protest, notice of acceleration, notice of intention to accelerate, notice of protest, dishonor and non-payment of this Note, and expressly agrees that this Note or any payment due hereunder, may be extended from time to time without in any way affecting the liability of the Maker (Borrower) hereof.

This Note may be prepaid, in whole or in part, and from time to time, without penalty or premium. Payments made under this Note shall be applied first to accrued but unpaid interest and then to principal.

The remedies of the holder hereof, as provided herein or in any other instrument securing this Note, shall be cumulative and concurrent, and may be pursued singularly, successively or together, at the sole discretion of the holder hereof, and may be exercised as often as the occasion therefore shall arise. No act of omission or commission of the holder, including, without limitation, any failure to exercise any right, remedy or recourse, shall be deemed to be a waiver or release of the same, such waiver or release to be effected only through a written document executed by the holder and then only to the extent specifically recited therein. A waiver or release with reference to any one event shall not be construed as continuing, as a bar to, or as a waiver or release of, any subsequent right, remedy or recourse as to a subsequent event.

The undersigned represents, warrants and agrees that the proceeds of this Note shall be used solely for business and corporate reimbursement, operating purposes and that the indebtedness evidenced by this Note constitutes a business Note. The undersigned agrees that the proceeds of this Note will be disbursed in "an orderly manner" in accordance with the Note Proceeds and Note Agreement relating hereto.

If any provision of this Note, or any payments pursuant to the terms hereof, shall be invalid or unenforceable to any extent, the remainder of this Note, and any other payments hereunder, shall not be affected thereby and shall be enforceable to the greatest extent permitted by law. Notwithstanding anything in this Note, expressed or implied, to the contrary, in no event shall any interest rate charged hereunder, or any interest contracted for, collected or received by any holder hereof, exceed the maximum amount permitted by law.

If is expressly stipulated and agreed to be the intent of Maker and Holder (Note holder) hereof at all times to comply with the applicable law governing the maximum rate or amount of interest payable on or in connection with this Note. If the applicable law is ever judicially interpreted so as to render usurious any amount called for under the Note, or contracted for, charged, taken, reserved or received with respect to this Note, or if acceleration of the maturity of this Note, any prepayment by Maker, or any other circumstance whatsoever, results in the holder having been paid any interest in excess of that permitted by applicable law, then it is the express intent of Maker and the holder that all excess amounts therefore collected by the holder hereof be credited on the principal balance of this Note (or, if the Note has been or would thereby be paid in full, refunded to Maker), and the provisions of this Note immediately be deemed reformed and the amounts thereafter collectible hereunder and thereunder reduced, without necessity of the execution of any new document, so as to comply with the applicable law, but so as to permit the recovery of the fullest amount otherwise called for hereunder and thereunder. All sums paid or agreed to be paid to the holder for the use, forbearance or detention of the indebtedness evidenced hereby or by any other document relating hereto shall, to the extent permitted by applicable law, be amortized, prorated, allocated and spread throughout the full term of such indebtedness until payment in full so that the rate or amount of interest on account of such indebtedness does not exceed the maximum amount permitted by applicable law.

The Maker further agrees to pay reasonable attorney's fees, court costs, and expenses of every kind incurred by the holder hereof in collecting or enforcing payment hereof, whether or not any lawsuit is filed with respect hereto.

Any and all moneys, credits or other property belonging to the undersigned in transit to or in the possession of the Note holder, or the Holder hereof, may, without notice, be appropriated and applied against the liability of the Maker hereunder.

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The undersigned agrees that this Note and all related documents and agreements may be assigned by the Holder for business and tax purposes. Maker will be considered and shall ratify should said assignment need be perfected for business or tax purposes.

All notices or other communications hereunder to either party shall be (a) in writing and, if mailed, shall be deemed to be given on the fifth day after the date when deposited in the United States mail, by registered or certified mail, postage prepaid, addressed as provided hereinafter, and (b) addressed as follows:

If to Maker:

Marc Hubbard, CEO
620 W. Blackstock Road
Spartanburg, SC 29301

If to Holder:

or to either party at such other addresses as such party may designate in a written notice to the other party. Facsimile transmission of notices or other communications shall be acceptable and shall be deemed given on the date of transmission.

THIS NOTE, INCLUDING THE MANNER OF ITS EXECUTION, SHALL BE GOVERNED BY AND CONSTRUED UNDER THE INTERNAL LAWS OF THE FLORIDA. THIS NOTE AND THE OTHER NOTE DOCUMENTS EXECUTED IN CONNECTION HEREWITH REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN, ORAL AGREEMENTS BETWEEN THE PARTIES.

IN WITNESS WHEREOF, the undersigned has executed and delivered this Note as of _____.

Name:

By: _____

By: _____

Name:

By: _____

ACC000082
FILE #7991

Traditional / Roth / SEP / SIMPLE IRA Application

Thank you for your interest in selecting Entrust New Direction IRA as your custodian for your new self-directed Traditional, Roth, SEP, or SIMPLE IRA. If you have any questions about self-directed IRAs, the application or forms please feel free to call us.

Checklist for opening your self-directed account

1. Complete and sign the **Account Application**
2. Chose a fee option and sign the **Fee Disclosure**
3. If applicable (see below) complete and sign the **Transfer Form**
4. Include a photocopy of a government-issued ID (i.e. **Drivers License**)
5. Include a **check for the \$50** account opening fee payable to "END-IRA, Inc."
6. Mail originals to: Entrust New Direction IRA
 1300 Plaza Court North Ste 103
 Lafayette, CO 80026

Funding your account

- **Rollover from another IRA (No form required)**
This is normally the fastest and easiest method to move funds (5 to 7 business days.) There is no form required, simply contact your current custodian and request a "rollover distribution." When you receive the distribution check, endorse it as "Payable to END-IRA, Inc FBO *your name* IRA". Then mail it to us at the address above. Rollovers are not taxable if funds are deposited in a new IRA within 60 days. Rollovers can only be done once per IRA per 12 month period.
- **Transfer from another IRA (Transfer Form required)**
Complete the attached transfer form and send it to us with your application. The transfer request will be sent to your current custodian immediately. Transfers on average take 4 to 6 weeks to complete but there is no limit to the number of transfers that can be done per year.
- **401(k) & Employer Plan rollover (Transfer Form required)**
Contact your current custodian for their specific instructions. Complete the attached transfer form and mail it to us with your application.
- **Contributions (No form required)**
To contribute to your IRA make a check out to "Entrust New Direction IRA FBO *your name* IRA", and reference "2006 Contribution." Mail the check to our office.

Entrust New Direction IRA, Inc.
1300 Plaza Court North, Suite 103
Lafayette, CO 80026

303-546-7930 **phone**
303-665-5962 **fax**
877-742-1270 **toll free**
NewDirectionIRA.com **website**

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IMPORTANT INFORMATION PROCEDURES FOR OPENING A NEW ACCOUNT

To comply with the USA PATRIOT ACT, we have adopted a Customer Identification Program. All new accounts must provide a copy of an unexpired, photo-bearing, government-issued identification (e.g., driver license or passport).

The copy must be readable so we can verify the client's name, driver's license number or state issued ID number. If a copy of a valid driver's license or an unexpired state issued ID card cannot be obtained, we will contact the client by telephone to verify their name, address, date of birth, and social security number.

Consumer Privacy Policy

You have chosen to do business with the custodian and administrator named on your account application. As our client, the privacy of your personal nonpublic information is very important. We value our customer relationships and we want you to understand the protections we provide in regard to your accounts with us.

Information We May Collect

We collect nonpublic personal information about you from the following sources to conduct business with you:

Information we receive from you on applications or other forms;

Information about your transactions with us, or others;

Nonpublic personal information is nonpublic information about you that we may obtain in connection with providing financial products or services to you. This could include information you give us from account applications, account balances, and account history.

Information We May Share

We do not sell or disclose any nonpublic information about you to anyone, except as permitted by law or as specifically authorized by you. We do not share nonpublic personal information with our affiliates or other providers *without prior approval* by you. Information we are allowed to share by federal law includes providers that process and service your accounts. All providers of services in connection with the custodian and administrator have agreed to the custodian and administrator's confidentiality and security policies.

If you decide to close your account(s) or become an inactive customer, we will adhere to the privacy policies and practices as described in this notice.

Confidentiality and Security

We restrict access to nonpublic personal information to those employees who need to know that information to provide products and services to you. We maintain physical, electronic, and procedural guidelines that comply with federal standards to guard your nonpublic personal information.

The custodian reserves the right to revise this notice and will notify you of any changes in advance.

If you have any questions regarding this policy, please contact us at the address and or telephone number listed below.

Entrust New Direction IRA, Inc.

1300 Plaza Court North, Suite 103
Lafayette, CO 80026
303-546-7930

Entrust New Direction IRA, Inc.

1300 Plaza Court North • Suite 103 • Lafayette CO 80026 • 877-742-1270 phone • 303-665-5962 fax
info.ndira@theentrustgroup.com • www.theentrustgroup.com



Individual Retirement Account (IRA) Application

Administrator

The name of your administrator is shown in your IRA trust and disclosure statement, IRS form 5305 for the type of IRA you have that this applies to.

Entrust New Direction IRA, Inc.
Administrator

1300 Plaza Court North, Suite 103
Lafayette, CO 80026

877-742-1270
Phone: 303-546-7930
Fax: 303-665-5962

Account Number:

If not pre-assigned by the administrator, please leave blank.
An account number will be assigned by the administrator and will be mailed to you.

IMPORTANT INFORMATION ABOUT PROCEDURES FOR OPENING A NEW ACCOUNT

To comply with the USA PATRIOT ACT, we have adopted a Customer Identification Program. All new accounts must provide a copy of an unexpired, photo-bearing, government-issued identification (e.g., driver's license or passport). The copy must be readable so we can verify the client's name, driver's license number or state issued ID number. If a copy of a valid driver's license or an unexpired state issued ID card cannot be obtained, we will contact the client by telephone to verify their name, address, date of birth, and social security number.

1. ACCOUNT HOLDER INFORMATION

Your Name

Your name, as you use it to transact business. Because joint accounts are not permitted, please use another Application if your spouse or other individual wishes to open an account.

Your Name (please print)

Home Address

Where you live or where you wish to receive overnight mail.

Home Address (P.O. Box not allowed)

City, State, Zip

Mailing Address

(If different from above.)

Mailing Address (if different)

City, State, Zip

Daytime Phone Number

Daytime Phone Number (please include area code)

Evening Phone Number

Evening Phone Number (please include area code)

Cell Phone Number

Cell Phone Number (please include area code)

Fax Number

Where we may fax you information regarding your account or transactions.

FAX Number (please include area code)

Social Security Number

Social Security Number

Date of Birth:

Month Day Year

Email Address:

No monetary transactions may be processed through email.

Email Address (Optional)

Statements Online:

If you wish to receive statements online, please call 303-546-7930.

Yes No

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2. TYPE OF IRA (check the box which describes the type of IRA you would like to establish)

Traditional IRA

This type of IRA is a pre-tax or post tax IRA, which will contain assets to be taxed on distribution to you. It may contain funds transferred from other IRAs of the same type, as well as transfers from SEP IRAs, SIMPLE IRAs or other traditional IRAs. Rollovers from other tax deferred plans such as Qualified Plans consisting of Defined Benefit, Defined Contribution (Profit Sharing, 401(k), Money Purchase Pension,) 403(b) and government Section 457 Plans are also permitted.

SEP IRA (Simplified Employee Pension)

Simplified Employee Pension Plans are traditional IRAs in which the employer as an employee and other qualified employees may receive contributions made by the employer. The employer must complete a separate SEP application to make such contributions to employees, including him or herself. SEP IRAs must be established in accordance with SEP IRA rules. Employer must complete SEP application and all eligible employees (including the employer) must complete an IRA application.

Employer Name: _____

SIMPLE IRA (Savings Incentive Match Plan for Employees)

Savings Incentive Match Plan for Employees are traditional IRAs in which the employer may make contributions, and the employee make deferrals as permitted by the SIMPLE IRA document. The SIMPLE IRA document must be completed in addition to this application. SIMPLE IRAs must be established in accordance with SIMPLE IRA rules. Employer must complete SIMPLE application and all eligible employees (including the employer) must complete an IRA application.

Employer Name: _____

Roth IRA

3. TYPE OF CONTRIBUTION OR ROLLOVER TO THIS IRA

NOTE: Use this Section Only if you are making a cash contribution to your IRA

DO NOT USE THIS SECTION IF YOU ARE TRANSFERRING ASSETS FROM ANOTHER CUSTODIAN.

Use an IRA Transfer or Direct Rollover Form instead

If you are rolling over funds and have the assets, such as checks, stock certificates, notes, deeds, etc. in your personal physical possession, please complete this section and enclose the assets with this application. If you have deposited a check from your previous IRA or qualified plan, please make a check payable to your IRA as follows, for the amount rolled over: Entrust New Direction IRA, Inc. FBO the name as shown on this application.

(Check the box that describes the type of IRA contribution you are making.)

Traditional IRA contribution, pre or post tax, but not Roth IRA for the year _____, in the amount of \$ _____. Prior year contributions must be received by April 15.

Traditional IRA rollover contribution, pre or post tax, but not Roth IRAs. Assets attached.

Roth IRA contribution (post tax) for the year _____, in the amount of \$ _____. These contributions must be received by April 15.

Roth IRA rollover contribution, assets attached.

SEP IRA contribution, made by the employer for the employee, but not Roth IRA, for the year _____, in the amount of \$ _____. These contributions must be made by the employers tax deadline including extensions.

SIMPLE IRA contribution, made by the employer for the employee, but not Roth IRA, for the year _____, in the amount of \$ _____. These contributions must be made by the employer's tax deadline including extensions.

NOTE: If you are transferring or rolling over funds not included with this application, please complete the IRA Transfer/Rollover form and attach a current statement.

NOTE: If you are converting assets in a traditional, SEP or SIMPLE IRA to a Roth IRA please complete the Roth Conversion form.

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4. BENEFICIARY DESIGNATION

Primary beneficiaries receive your IRA proceeds upon your death.
 Contingent beneficiaries only will receive the IRA funds if there are no surviving primary beneficiaries when you die.

Indicate your beneficiaries below

| | | |
|-----------------------|------------------------|--|
| Name: | Daytime Phone: | |
| Residential Address: | Home Phone | |
| City, State, Zip Code | Social Security Number | Date of Birth |
| Relationship: | Share % | Check one: <input type="checkbox"/> Primary <input type="checkbox"/> Contingent |

| | | |
|-----------------------|------------------------|--|
| Name: | Daytime Phone: | |
| Residential Address: | Home Phone | |
| City, State, Zip Code | Social Security Number | Date of Birth |
| Relationship: | Share % | Check one: <input type="checkbox"/> Primary <input type="checkbox"/> Contingent |

Spousal Consent

Check appropriate box to indicate Marital Status:
 Single Married (see Consent of Spouse) Widowed or Divorced

Consent of Spouse:

The consent of spouse must be signed only if all of the following conditions are present:

- (1) Your spouse is living;
- (2) Your spouse is not the sole primary beneficiary named; and
- (3) You and your spouse are residents of a community property state (such as AZ, CA, ID, NV, MN, TX, WA or WI).

I have reviewed the above beneficiary designations and, as the spouse of the IRA owner, I consent to this beneficiary and that all contributions of money or property to be used for the purchase of such accounts to be issued in my spouse's name, whether heretofore, now or hereafter, and I relinquish all my statutory or other rights thereto.

Spouse's Signature _____ Date _____

5. YOUR SIGNATURE

The Account Holder shown on the front of this application must read this agreement carefully and sign and date this part.

By signing this application, you acknowledge the following:

Appointment. I appoint the institution as shown on the disclosure, provided separately, as the custodian of my IRA, and understand that the Individual Retirement Custodial Account Agreement and my IRA Application comprise my agreement with the third party administrator shown in the Individual Retirement Custodial Account Agreement. The third party administrator ("Administrator") may change custodians to any institution permitted by law as provided under IRC Section 408.

Until such time as I change or revoke the following designation, I hereby instruct the Custodian to follow the investment directions which I provide to the third party administrator in investing and reinvesting the principal and interest as confirmed by direction letters and other agreements with the third party administrator, for the above referenced IRA or other account for which the third party administrator serves as record keeper and administrator.

Adequate Information. I acknowledge that I have received a copy of the Plan Agreement, Disclosure Statement and a financial disclosure. I understand that the terms and conditions, which apply to this IRA, are contained in these documents and I agree to be bound by those terms and conditions. Within seven (7) days from the date that I open this IRA, I may revoke it without penalty by mailing or delivering a written notice to the Custodian.

Responsibility for Tax Consequences. I assume all responsibility for any tax consequences and penalties that may result from making contributions to, transactions with, and distributions from my IRA.

I understand that by converting my traditional IRA to a Roth IRA, I will owe income tax on all pre-tax assets converted. The decision of whether to convert my traditional IRA to a Roth IRA was made in light of all relevant financial information and in conjunction with my professional tax advisors.

I am authorized and of legal age to establish this IRA and make investment purchases permitted under the Plan Agreement offered by the Custodian.

I certify under penalties of perjury:

- 1) that I have provided you with my correct Social Security or Tax I.D. Number; and
- 2) that I am not subject to backup withholding because: a) I am exempt from backup withholding; or b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholdings as a result of a failure to report all interest or dividends; or c) the IRS has notified me that I am no longer subject to backup withholding. You must cross out item 2 if you have been notified by the IRS that you are currently subject to backup withholding because of underreporting interest or dividends on your tax return.

Except as described above, we will not release information about you to others unless you or a representative whom you have authorized in writing have consented or asked us to do so or we are required by law or other regulatory authority.

The Internal Revenue Service does not require your consent to any provision of this document other than the certification required to avoid backup withholding.

I acknowledge I have received and signed a Fee Disclosure and I have received the IRA trust and disclosure statement (IRS form 5305) and agree to abide by their terms as currently in effect or as they may be amended from time to time.

I understand that failure to submit a signed Fee Disclosure will result in fees "based on value of assets".
(See "Fee Disclosures.")

I declare that I have examined this document, including accompanying information, and to the best of my knowledge and belief, it is true, correct, and complete.

IRA Owner's Signature: _____

Date: _____

Until such time as I change or revoke the following designation, I hereby instruct the Custodian to follow the investment directions which I provide to Administrator in investing and reinvesting the principal and interest, as confirmed by direction letters to Administrator from the undersigned, for the above referenced IRA or other Custodial account for which Administrator serves as record keeper.

You are authorized to accept written direction and/or verbal direction which is subsequently confirmed in writing by the authorized party, Administrator, or by the undersigned. Written direction shall be construed so as to include facsimile signature.

The account is established for the exclusive benefit of the Accountholder or his/her beneficiaries. In taking action based on this authorization Custodian and Administrator may act solely on the written instruction, designation or representation of the Accountholder, and the Accountholder agrees to hold Custodian and Administrator harmless from all liabilities and expenses incurred in connection with any action taken in reliance upon Accountholder's written instructions, designations and representations, or in the exercise of any right, power or duty of Custodian or Administrator, its agents or assigns. Custodian and Administrator may deduct from the account any amounts to which they are entitled to the reimbursement under the foregoing hold harmless provision.

Custodian, Administrator and their respective agents or assigns have no responsibility or fiduciary role whatever related to or in connection with the account in taking any action related to any purchase, sale or exchange instructed by the undersigned or the undersigned's agents, including but not limited to suitability, compliance with any state or federal law or regulation, income or expense, or preservation of capital or income.

I expressly certify that I take complete responsibility for the type of investment instrument(s) with which I choose to fund my IRA, and that the Custodian, Trustee(s) and Administrator are released of any liability regarding the performance of any investment choice I make.

I assume complete responsibility for: 1) Determining that I am eligible for an IRA each year I make a contribution; 2) Insuring that all contributions I make are within the limits set forth by the tax laws; 3) The tax consequences of any contribution (including rollover contributions and distributions).

I understand that no one at Entrust or any of its licensees has authority to agree to anything different than my foregoing understandings of Entrust policy.

In executing transfers, it is understood and agreed that I will not hold Custodian or Administrator liable or responsible for anything done or omitted in the administration, custody or investments of the account prior to the date they shall complete their respective acceptance as successor custodian and administrator and shall be in possession of all of the assets, nor shall they have any duty or responsibility to inquire into or take any action with respect to any acts performed by the prior Trustee, Custodian, or Administrator.

Entrust New Direction IRA, Inc.

1300 Plaza Court North • Suite 103 • Lafayette CO 80026 • 877-742-1270 phone • 303-665-5962 fax
info.ndira@theentrustgroup.com • www.theentrustgroup.com



■ Fee Disclosure

Please Select One Option and Check Only One Box

Option One: Fee Based on Number of Assets

To Establish an Account: \$50

Annual Record Keeping Fee(s)

Minimum Annual Record Keeping Fee: \$250

Per Asset and/or Liability, per year: \$250 paid at time of acquisition.

For example:

An account with one investment: \$250 per year

An account with six investments: \$1,500 per year

Option Two: Fee Based on Asset Value of Account

To Establish an Account: \$50

Minimum Annual Record Keeping Fee: \$125

Maximum Annual Record Keeping Fee: \$1,850

| If the Asset Value is between: | Multiply Value by: |
|--------------------------------|--------------------|
| \$0 and \$20,000 | 0.0085 |
| \$20,001 and \$80,000 | 0.0065 |
| \$80,001 and \$180,000 | 0.0055 |
| \$180,001 and \$300,000 | 0.0045 |
| \$300,001 and 500,000 | 0.0035 |
| \$500,001 and up | 0.0030 |

For example:

The fee for \$50,000 account is \$365 per year

The fee for \$700,000 account is \$1,850 per year

Miscellaneous Fees

- Purchase, Sale or Exchange of any Asset \$95
- Loan or Mortgage Servicing Set-up fee \$95; Demand for Payoff (applies to loans serviced by us): \$150 per request.
- Wire Transfers: \$25
- Required Minimum Distributions by check: No Charge
- Cashier's or Other Official Bank Check: \$10 Trust Check: \$5
- Overnight mail: \$30
- Returned items of any kind: \$25 per item.
- Reprocessing of incomplete documents are charged \$25 per reprocessing, plus applicable fees.
- Special Services, such as research of closed assets or accounts, legal research, or special handling of transactions: \$150 per hour.
- Re-registration of assets: \$100, plus actual expense of transfer agents when applicable.
- In kind distributions are charged the sale and re-registration fees, plus actual expense of charges from third parties.
- Partial or Full Termination, including transfers of assets from your account to anyone, is one-half of one percent of the asset value of the amount transferred, plus sale transaction charges for each asset. This includes lump sum distributions, but does not include required minimum distributions. Minimum fee for this service: \$150. Annual Administration and Record Keeping Fees are not prorated when an account closes.

Annual record keeping fees are prepaid from your account and not pro-rated. For your convenience your annual fee will be reflected on your statements showing your recordkeeping charges. You may pay the amount shown on the statement, and those funds will be restored to your account. If there are insufficient funds in your account, we may liquidate other assets to pay for such fees in accordance with your Plan and Trust. All cash is maintained by the custodian at FDIC insured banks. Fees are subject to change with 30 days written notice.

In accordance with your Account Application, this Fee Disclosure is part of your Agreement with the Administrator and must accompany your Application. If a signed Fee Disclosure is not received with your Application, fees will be based on "value of assets."

Printed Name _____

Signature: _____

Date: _____

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FILE #7991

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Entrust New Direction IRA, Inc.

1300 Plaza Court North • Suite 103 • Lafayette CO 80026 • 877-742-1270 phone • 303-665-5962 fax
info.ndira@theentrustgroup.com • www.theentrustgroup.com



■ IRA Transfer or Direct Rollover Form

Note: Use this form to complete an IRA Transfer or a Direct Rollover from an Employer's Plan into an IRA.

Please return this completed form (along with your IRA Application or Adoption Agreement, if you are opening a new account) to your Administrator.* This form instructs the Custodian or Trustee of your present IRA Employer Plan to transfer your assets to your self directed account with us. We will arrange for the transfer on your behalf.

Administrator: Entrust New Direction IRA, Inc.

*The name of the company that performs record keeping and administration of your plan on behalf of custodian named in IRS form 5305.

Complete either Part 1 or Part 2. For multiple transfers or rollovers, please use a separate form for each.

Part 1 - IRA TRANSFER

I am transferring the following type of IRA (check one):

Traditional Roth SEP SIMPLE ESA

| | |
|---|------------------------|
| Name (Your name as it appears in your Plan) | Social Security Number |
| Address: | City, State, Zip Code |

Current Custodian or Trustee (where your IRA is presently)

Note: Your request will be forwarded to the branch location that handles IRA transactions.

| | |
|---|-----------------------|
| Name of Institution | Account Number |
| Address | City, State, Zip Code |
| Telephone Number (Please include area code) | Contact Name |

Part 2 - DIRECT ROLLOVER FROM AN EMPLOYER'S PLAN

(Check with your current Plan Administrator to determine if their forms are required.)

| | |
|---|--------------------------|
| Name (Your name as it appears on your account statement.) | Social Security Number |
| Address | City, State, Zip Code |
| Name of Distributing Plan | Employer Name |
| Address | City, State, Zip Code |
| Telephone Number (Please include area code) | Contact Name at Employer |

Part 3. ASSET LIQUIDATION (Choose Complete or Partial)

This is a Complete transfer or rollover to my Self Directed IRA.

Attach your most recent statements from your prior trustee or custodian

Please liquidate all assets in my account and send the proceeds payable to Entrust New Direction IRA, Inc.

FBO (my name) OR

Please transfer all assets including cash in kind to Entrust New Direction IRA, Inc.

FBO (my name) (Attach your most recent statements from your prior trustee or custodian. Delivery instructions for DTC eligible securities are enclosed.) **OR**

Please wire transfer cash per delivery instructions attached.

This is a Partial transfer or rollover to my Self Directed IRA.

Attach your most recent statements from your prior trustee or custodian

Send \$ _____ in cash to Entrust New Direction IRA, Inc.

FBO (my name) OR

Please wire transfer cash per delivery instructions attached. **OR**

Send the following assets described below to Entrust New Direction IRA, Inc.

FBO (my name) (Attach your most recent statements from your prior trustee or custodian. Delivery instructions for DTC eligible securities are enclosed.)

Asset Description (Delivery instructions are attached)

Indicate amount (do not use percentages)

Delivery instructions are attached.

Current statement is attached.

Part 4. SIGNATURE FOR IRA TRANSFER OR DIRECT ROLLOVER OF EMPLOYER'S PLAN

Authorizations

- I hereby agree to the terms and conditions set forth in this IRA Asset Transfer Authorization and acknowledge having established a Self Directed IRA through execution of the _____ (Administrator will complete) IRA Application.
- I understand the rules and conditions applicable to (check applicable transactions) IRA Transfer Direct Rollover
- I qualify for the IRA Transfer Direct Rollover of assets listed in the Asset Liquidation PART 3 above and authorize such transactions.
- If this is a Direct Rollover, I have been advised to see a tax advisor due to the important tax consequences of rolling assets into an IRA.
- If this is a Direct Rollover, I assume full responsibility for this Direct Rollover transaction and will not hold the Plan Administrator, Custodian, Trustee or Issuer of either the distributing or receiving plan liable for any adverse consequences that may result.
- I understand that no one at Entrust or any of its licensees has authority to agree to anything different than my foregoing understandings of Entrust policy.
- If this is a Direct Rollover, I irrevocably designate this contribution of assets with a value of \$ _____ as a rollover contribution.

Your Signature _____ Date _____

FOR ADMINISTRATOR'S USE ONLY: Type of IRA (check one): Traditional Roth SEP SIMPLE ESA

Part 5. ACCEPTANCE OF RECEIVING IRA CUSTODIAN

Pursuant to a limited written delegation, Greater Bay Bank, N.A., as Custodian ("Custodian"), has authorized Entrust New Direction IRA, Inc. to sign this form on the Custodian's behalf to verify the Custodian's acceptance of the transfer direct rollover described above and agreement to apply the proceeds upon their receipt, to the IRA established by Entrust New Direction IRA, Inc., on your behalf. Greater Bay Bank, N.A.

ASSUMES NO TRUST OR FIDUCIARY OBLIGATIONS TO YOU AS IT HAS NO INVESTMENT CONTROL OVER YOUR FUNDS AND ACTS ONLY AS A CUSTODIAN OF YOUR FUNDS.

Entrust New Direction IRA, Inc. on behalf of Custodian, Greater Bay Bank, N.A.

By _____

Please make all checks payable to, and vest all assets transferred or rolled over to our administrator (in accordance with IRS form 5305 for your type of IRA, as follows:)

Entrust New Direction IRA, Inc.

FBO IRA Account # _____



Authorization Agreement for Automatic Contributions (ACH Debits)

Name: _____

Account Number: _____ Type: IRA ROTH IRA HSA

SSN: _____

I (we) hereby authorize, Entrust New Direction IRA, Inc. hereinafter called END, to initiate debit entries to my (our) account indicated below at the depository financial institution named below, hereinafter called DEPOSITORY, and to debit the same such account. I (we) acknowledge that the origination of ACH transactions to my (our) account must comply with the provisions of U.S. law.

ACCOUNT TYPE Checking Savings

DEPOSITORY NAME _____ CITY _____

BRANCH _____ STATE _____

ROUTING NO. _____ ACCOUNT NO. _____

This authorization is to remain in full force and effect until END has received written notification from me (or either of us) of its termination in such time and in such manner as to afford END and DEPOSITORY a reasonable opportunity to act on it. For END, such termination shall occur in writing, delivered to 1300 Plaza Court North, Ste 103 Lafayette, CO 80026, or such address as is then current.

NAME(s) _____ SS NUMBER(s) _____

By signing below I (we) authorize END to remove monthly payments from this account in the amount of \$ _____ per month, to commence on _____ / _____ / _____. I (we) would like payments to be withdrawn monthly on the: 1st day 15th day Last day of the month.

SIGNED _____ DATE _____

SIGNED _____ DATE _____

| | |
|--|---|
| <p>PLEASE ATTACH VOIDED CHECK</p>  | <p>Please mail the original completed form to:</p> <p>Entrust New Direction IRA, Inc 1300 Plaza Court North, Suite 103 Lafayette, CO 80026</p> <p>Call us at 303-546-7930 with any questions.</p> |
|--|---|

Contribution Limits

Contributions must be made by April 15th of the following year.
(For 2006, contributions must be made by April 15th 2007)

Traditional & Roth IRA

Limit is a combined total for all IRA accounts.

| Year | Limit | Older than 50 |
|------|---------|---------------|
| 2005 | \$4,000 | \$4,500 |
| 2006 | \$4,000 | \$5,000 |
| 2007 | \$4,000 | \$5,000 |
| 2008 | \$5,000 | \$6,000 |

Health Savings Account

Limit is the lesser of your HDHP deductible or the amount listed below.

| Year | Single Limit | Family Limit | Older than 55 |
|------|--------------|--------------|---------------|
| 2005 | \$2,650 | \$5250 | + \$600 |
| 2006 | \$2,700 | \$5450 | + \$700 |
| 2007 | \$2,700 | \$5450 | + \$800 |
| 2008 | \$2,700 | \$5450 | + \$900 |
| 2009 | \$2,700 | \$5450 | + \$1000 |

Contributions can only be made for months in which the HSA
and HDHP coverage existed for the entire month.

Traditional Individual Retirement Custodial Account

(Under Section 408(a) of the Internal Revenue Code)

The individual whose name appears on the IRA Application Form (hereinafter called "Depositor") is establishing a traditional Individual Retirement Account with Greater Bay Bank, N.A. (hereinafter referred to as "Custodian"). This traditional Individual Retirement Plan is established for the exclusive benefit of the individual (or his beneficiaries) within the meaning of §408(a) of the Internal Revenue Code and the related Treasury regulations. Greater Bay Bank, N.A., as Custodian and the Depositor hereby make the following agreement:

Article I

- 1.01 Except in the case of a rollover contribution described in section 402(c), 403(a)(4), 403(b)(8), 408(d)(3), or 457(e)(16), an employer contribution to a simplified employee pension plan as described in section 408(k) or a recharacterized contribution described in section 408A(d)(6), the Custodian will accept only cash contributions up to \$3,000 per year for tax years 2002 through 2004. That contribution limit is increased to \$4,000 for tax years 2005 through 2007, and \$5,000 for 2008 and thereafter. For individuals who have reached the age of 50 before the close of the tax year, the contribution limit is increased to \$3,500 per year for tax years 2002 through 2004, \$4,500 for 2005, \$5,000 for 2006 and 2007, and \$6,000 for 2008 and thereafter. For tax years after 2008, the above limits will be increased to reflect a cost-of-living adjustment, if any.

Article II

- 2.01 The Depositor's interest in the balance in the custodial account is nonforfeitable.

Article III

- 3.01 No part of the custodial account funds may be invested in life insurance contracts, nor may the assets of the custodial account be commingled with other property except in a common trust fund or common investment fund (within the meaning of section 408(a)(5)).
- 3.02 No part of the custodial account funds may be invested in collectibles (within the meaning of section 408(m)) except as otherwise permitted by section 408(m)(3), which provides an exception for certain gold, silver and platinum coins, coins issued under the laws of any state, and certain bullion.

Article IV

- 4.01 Notwithstanding any provision of this agreement to the contrary, the distribution of the Depositor's interest in the custodial account shall be made in accordance with the following requirements and shall otherwise comply with section 408(a)(6) and the regulations thereunder, the provisions of which are herein incorporated by reference.
- 4.02 The Depositor's entire interest in the custodial account must be, or begin to be, distributed not later than the Depositor's required beginning date, April 1 following the calendar year in which the Depositor reaches age 70 1/2. By that date, the Depositor may elect, in a manner acceptable to the Custodian, to have the balance in the trust account distributed in:
- (a) A single sum; or
- (b) Payments over a period not longer than the life of the Depositor or the joint lives of the Depositor and his or her designated beneficiary.
- 4.03 If the Depositor dies before his or her entire interest is distributed to him or her, the remaining interest will be distributed as follows:
- (a) If the Depositor dies on or after the required beginning date and:
- (i) the designated beneficiary is the Depositor's surviving spouse, the remaining interest will be distributed over the surviving spouse's life expectancy, as determined each year until such spouse's death, or over the period in paragraph 4.03(a)(iii) below, if longer. Any interest remaining after the spouse's death will be distributed over such spouse's remaining life expectancy as determined in the year of the spouse's death and reduced by 1 for each subsequent year, or, if distributions are being made over the period in paragraph 4.03(a)(iii) below, over such period.
- (ii) the designated beneficiary is not the Depositor's surviving spouse, the remaining interest will be distributed over the beneficiary's remaining life expectancy as determined in the year following the death of the Depositor and reduced by 1 for each subsequent year, or over the period in paragraph 4.03(a)(iii) below if longer.
- (iii) there is no designated beneficiary, the remaining interest will be distributed over the remaining life expectancy of the Depositor as determined in the year of the Depositor's death and reduced by 1 for each subsequent year.
- (b) If the Depositor dies before the required beginning date, the remaining interest will be distributed in accordance with (i) below or, if elected or there is no designated beneficiary, in accordance with (ii) below:
- (i) The remaining interest will be distributed in accordance with paragraphs 4.03 (a)(i) and 4.03 (a)(ii) above (but not over the period in paragraph 4.03(a)(iii), even if longer), starting by the end of the calendar year following the year of the Depositor's death. If, however, the designated beneficiary is the Depositor's surviving spouse, then this distribution is not required to begin before the end of the calendar year in which the Depositor would have reached age 70 1/2. But, in such case, if the Depositor's surviving spouse dies before distributions are required to begin, then the remaining interest will be distributed in accordance with paragraph 4.03(a)(ii) above (but not over the period in paragraph 4.03(a)(iii), even if longer), over such spouse's designated beneficiary's life expectancy, or in accordance with 4.03(b)(ii) below if there is no such designated beneficiary.
- (ii) The remaining interest will be distributed by the end of the calendar year containing the fifth anniversary of the Depositor's death.
- 4.04 If the Depositor dies before his or her entire interest has been distributed and if the designated beneficiary is other than the Depositor's surviving spouse, no additional contributions may be accepted in the account.
- 4.05 The minimum amount that must be distributed each year, beginning with the year containing the Depositor's required beginning date, is known as the "required minimum distribution" and is determined as follows:
- (a) The required minimum distribution under paragraph 4.02(b) for any year, beginning with the year the Depositor reaches age 70 1/2, is the Depositor's account value at the close of business on December 31 of the preceding year divided by the distribution period in the uniform lifetime table in Regulations section 1.401(a)(9)-9. However, if the Depositor's designated beneficiary is his or her surviving spouse, the required minimum distribution for a year shall not be more than the Depositor's account value at the close of business on December 31 of the preceding year divided by the number in the joint and last survivor table in Regulations section 1.401(a)(9)-9. The required minimum distribution for a year under this paragraph 4.05 (a) is determined using the Depositor's (or, if applicable, the Depositor and spouse's) attained age (or ages) in the year.
- (b) The required minimum distribution under paragraphs 4.03(a) and 4.03(b)(i) for a year, beginning with the year following the year of the Depositor's death (or the year the Depositor would have reached age 70 1/2, if applicable under paragraph 4.03(b)(i)) is the account value at the close of business on December 31 of the preceding year divided by the life expectancy (in the single life table in Regulations section 1.401(a)(9)-9) of the individual specified in such paragraphs 4.03(a) and 4.03(b)(i).
- (c) The required minimum distribution for the year the Depositor reaches age 70 1/2 can be made as late as April 1 of the following year. The required minimum distribution for any other year must be made by the end of such year.
- 4.06 The owner of two or more traditional IRAs may satisfy the minimum distribution requirements described above by taking from one traditional IRA the amount required to satisfy the requirement for another in accordance with the regulations under section 408(a)(6).

Article V

- 5.01 The Depositor agrees to provide the Custodian with all information necessary to prepare any reports required by section 408(i) and Regulation sections 1.408-5 and 1.408-6.
- 5.02 The Custodian agrees to submit to the Internal Revenue Service (IRS) and Depositor the reports prescribed by the IRS.

Article VI

- 6.01 Notwithstanding any other articles which may be added or incorporated, the provisions of Articles I through III and this sentence will be controlling. Any additional articles inconsistent with section 408(a) and the related regulations will be invalid.

Article VII

ACC00096
FILE #7991

- 7.01 This agreement will be amended as necessary to comply with the provisions of the Code and the related regulations. Other amendments may be made with the consent of the persons whose signatures appear on the Adoption Agreement.

Article VIII

- 8.01 **Applicable Law:** This Custodial Agreement shall be governed by the laws of the state where the Trust resides.
- 8.02 **Administrator for the Custodian:** Greater Bay Bank, N.A. has appointed Entrust New Direction IRA, Inc. as its Administrator for Self-Directed IRA Accounts. The Administrator shall perform duties on behalf of the Custodian which include, but are not limited to, executing applications, transfers, stock powers, escrow documents, purchase agreements, notes, deeds, reconveyances, liens, vesting in the name of the Administrator for the benefit of the IRA, and government reporting for Depositors who have established a Greater Bay Bank, N.A. Self-Directed IRA.
- 8.03 **Annual Accounting:** The Custodian shall, at least annually, provide the Depositor or Beneficiary (in the case of death) with an accounting of such Depositor's account. Such accounting shall be deemed to be accepted by the Depositor, if the Depositor or Beneficiary does not object in writing within 60 days after the mailing of such accounting statement.
- 8.04 **Amendment:** The Depositor irrevocably delegates to the Custodian the right and power to amend this Trust Agreement. Except as hereafter provided, the Custodian will give the Depositor 30 days prior written notice of any amendment. In case of a retroactive amendment required by law, the Custodian will provide written notice to the Depositor of the amendment within 30 days after the amendment is made, or if later, by the time that notice of the amendment is required to be given under regulations or other guidance provided by the IRS. The Depositor shall be deemed to have consented to any such amendment unless the Depositor notifies the Custodian to the contrary within 30 days after notice to the Depositor and requests a distribution or transfer of the balance in the account.
- 8.05 **Resignation and Removal of Custodian:**
- The Custodian may resign and appoint a successor trustee or custodian to serve under this agreement or under another governing agreement selected by the successor trustee or custodian by giving the Depositor written notice at least 30 days prior to the effective date of such resignation and appointment, which notice shall also include or be provided under separate cover a copy of such other governing instrument, if applicable, and the related disclosure statement. The Depositor shall then have 30 days from the date of such notice to either request a distribution of the entire account balance or designate a different successor trustee or custodian and notify the Custodian of such designation. If the Depositor does not request distribution of the account balance or notify the Custodian of the designation of a different successor trustee or custodian within such 30 day period, the Depositor shall be deemed to have consented to the appointment of the successor trustee or custodian and the terms of any new governing instrument, and neither the Depositor nor the successor shall be required to execute any written document to complete the transfer of the account to the successor trustee or custodian. The successor trustee or custodian may rely on any information, including beneficiary designations, previously provided by the Depositor to the Custodian.
 - The Depositor may at any time remove the Custodian and replace the Custodian with a successor trustee or custodian of the Depositor's choice by giving 30 days notice of such removal and replacement. The Custodian shall then deliver the assets of the account as directed by the Depositor. However, the Custodian may retain a portion of the assets of the IRA as a reserve for payment of any anticipated remaining fees and expenses, and shall pay over any remainder of this reserve to the successor trustee or custodian upon satisfaction of such fees and expenses.
 - The Custodian may resign and demand that the Depositor appoint a successor trustee or custodian of this IRA by giving the Depositor written notice at least 30 days prior to the effective date of such resignation. The Depositor shall then have 30 days from the date of such notice to designate a successor trustee or custodian, notify the Custodian of the name and address of the successor trustee or custodian, and provide the Custodian with appropriate evidence that such successor has accepted the appointment and is qualified to serve as trustee or custodian of an individual retirement account.
 - If the Depositor designates a successor trustee or custodian and provides the Custodian evidence of the successor's acceptance of appointment and qualification within such 30-day period, the Custodian shall then deliver all of the assets held by the Custodian in the account (whether in cash or personal or real property, wherever located, and regardless of value) to the successor trustee or custodian.
 - If the Depositor does not notify the Custodian of the appointment of a successor trustee or custodian within such 30 day period, then the Custodian may distribute all of the assets held by the Custodian in the account (whether in cash or personal or real property, wherever located, and regardless of value) to the Depositor, outright and free of trust, and the Depositor shall be wholly responsible for the tax consequences of such distribution.
- In either case, the Custodian may expend any assets in the account to pay expenses of transfer (including re-registering the assets and preparation of deeds, assignments, and other instruments of transfer or conveyance) to the successor trustee or custodian or the Depositor, as the case may be. In addition, the Custodian may retain a portion of the assets as a reserve for payment of any anticipated remaining fees and expenses. Upon satisfaction of such fees and expenses, the Custodian shall pay over any remainder of the reserve to the successor trustee or custodian or to the Depositor, as the case may be.
- 8.06 **Custodian's Fees and Expenses:**
- The Depositor agrees to pay the Administrator for the Custodian (Administrator) any and all fees specified in the Administrator's current published fee schedule for establishing and maintaining this IRA, including any fees for distributions from, transfers from, and terminations of this IRA. The Custodian may change its fee schedule at any time by giving the Depositor 30 days prior written notice.
 - The Depositor agrees to pay any expenses incurred by the Custodian and Administrator in the performance of its duties in connection with the account. Such expenses include, but are not limited to, administrative expenses, such as legal and accounting fees, and any taxes of any kind whatsoever that may be levied or assessed with respect to such account.
 - All such fees, taxes, and other administrative expenses charged to the account shall be collected either from the assets in the account or from any contributions to or distributions from such account if not paid by the Depositor, but the Depositor shall be responsible for any deficiency.
 - In the event that for any reason the Custodian or Administrator is not certain as to who is entitled to receive all or part of the Custodial Funds, the Custodian reserves the right to withhold any payment from the Custodial account, to request a court ruling to determine the disposition of the Custodial account assets, and to charge the Custodial account for any expenses incurred in obtaining such legal determination.
- 8.07 **Withdrawal Requests:** All requests for withdrawal shall be in writing on a form provided by the Custodian. Such written notice must also contain the reason for the withdrawal and the method of distribution being requested.
- 8.08 **Age 70 1/2 Default Provisions:** If the Depositor does not choose any of the distribution methods under Article IV of this Trust Agreement by the April 1st following the calendar year in which the Depositor reaches age 70 1/2, distribution shall be determined based upon the distribution period in the uniform lifetime distribution period table in Regulation section 1.401(a)(9)-9. However, no payment will be made until the Depositor provides the Custodian with a proper distribution request acceptable to the Custodian. Upon receipt of such distribution request, the Depositor may switch to a joint life expectancy in determining the required minimum distribution if the Depositor's spouse was the sole beneficiary as of the January 1st of the year that contains the Depositor's required beginning date and such spouse is more than 10 years younger than the Depositor.
- 8.09 **Death Benefit Default Provisions:**
- If the Depositor dies before his or her required beginning date and the beneficiary does not select a method of distribution described in Article IV, Section 4.03(b)(i) or (ii) by the December 31st following the year of the Depositor's death, then distributions will be made pursuant to the single life expectancy of the Designated Beneficiary determined in accordance with IRS regulations. However, no payment will be made until the beneficiary provides the Custodian with a proper distribution request acceptable to the Custodian and other documentation that may be required by the Custodian. A beneficiary may at any time request a complete distribution of his or her remaining interest in the Trust Account. The Custodian reserves the right to require a minimum balance in the account in order to make periodic payments from the account.
 - If the Depositor dies on or after his or her required beginning date, distribution shall be made in accordance with Article IV, Section 4.03(a). However, no payment will be made until the beneficiary provides the Custodian with a proper distribution request acceptable to the Custodian and other documentation that may be required by the Custodian. A beneficiary may at any time request a complete distribution of his or her remaining interest in the Trust Account. The Custodian reserves the right to require a minimum balance in the account in order to make periodic payments from the account.
- 8.10 **Transitional Rule for Determining Required Minimum Distributions for Calendar Year 2002:** Unless the Custodian provides otherwise, if a Depositor (or beneficiary) is subject to required minimum distributions for calendar year 2002, such individual may elect to apply the 1987 proposed regulations, the 2001 proposed regulations, or the 2002 final regulations in determining the amount of the 2002 required minimum. However, the Custodian, in its sole discretion, reserves the right to perform any required minimum distribution calculations through its data systems or otherwise based upon any of the three sets of regulations delineated in the previous sentence.

- 8.11 **Responsibilities:** Depositor agrees that all information and instructions given to the Administrator or Custodian by the Depositor is complete and accurate and that the Custodian and its Administrator shall not be responsible for any incomplete or inaccurate information provided by the Depositor or Depositor's beneficiary(ies). Depositor agrees to be responsible for all tax consequences arising from contributions to and distributions from this Custodial account and acknowledges that no tax advice has been provided by the Custodian.
- 8.12 **Investment Provisions:** All contributions shall be invested and reinvested by the Administrator or Custodian as directed by the Depositor. (*Please see Article IX; Self-Directed IRA Provisions.*) It is understood and acknowledged by Depositor that the Custodian and its Administrator shall assume no responsibility, expressed or implied, for any loss or diminution of account and Depositor indemnifies and holds harmless Greater Bay Bank, N.A. and Entrust New Direction IRA, Inc., without limitation, against any and all losses, costs, expenses or liabilities of any nature whatsoever incurred as a result of Custodian's and/or Administrator's execution of Depositor's investment instructions. Depositor agrees that all uninvested cash shall remain deposited in an interest bearing account offered through Custodian. The Depositor shall receive interest based on the then published terms of such account which may, from time to time, change. The Custodian or Administrator may, but need not, establish programs under which cash deposits in excess of a minimum set by it will be periodically and automatically invested in interest-bearing federally insured deposits or federally insured investment funds. In the absence of instructions from you or if instructions are not in a form acceptable to us, the administrator shall deposit your uninvested cash in an account at Greater Bay Bank, N.A., or any other FDIC insured institution, unless otherwise directed by you. The account is FDIC insured up to the amount applicable under the FDIC insurance. The amounts in excess of FDIC insurance limits are not insured. The custodian is not an affiliate of Greater Bay Bank, N.A..
- 8.13 **Designation of Beneficiary:**
- (a) Except as may be otherwise required by State law, in the event of the Depositor's death, the balance in the account shall be paid to the beneficiary or beneficiaries designated by the Depositor on a beneficiary designation form acceptable to and filed with the Custodian. The Depositor may change the Depositor's beneficiary or beneficiaries at any time by filing a new beneficiary designation with the Custodian. If no beneficiary designation is in effect, if none of the named beneficiaries survive the Depositor, or if the Custodian cannot locate any of the named beneficiaries after reasonable search, any balance in the account will be payable to the Depositor's estate.
 - (b) If the Custodian permits, in the event of the Depositor's death, any beneficiary may name a subsequent beneficiary(ies) to receive the balance of the account to which such beneficiary is entitled upon the death of the original beneficiary by filing a Subsequent Beneficiary Designation Form acceptable to and filed with the Custodian. Payments to such subsequent beneficiary(ies) shall be distributed in accordance with the payment schedule applicable to the original beneficiary or more rapidly if the subsequent beneficiary requests. In no event can any subsequent beneficiary be treated as a designated beneficiary of the Depositor. The preceding sentence shall not apply with respect to the subsequent beneficiary(ies), if any, designated by the original spouse beneficiary where the Depositor dies before his or her required beginning date. In this case, the original spouse beneficiary is treated as the Depositor. If the balance of the account has not been completely distributed to the original beneficiary and such beneficiary has not named a subsequent beneficiary or no named subsequent beneficiary is living on the date of the original beneficiary's death, such balance shall be payable to the estate of the original beneficiary.

ARTICLE IX SELF-DIRECTED IRA PROVISIONS

- 9.01 **Investment of Contributions:** In conjunction with section 8.12 of this Custodial Agreement, at the direction of the Depositor, the Administrator shall invest all contributions to the account and earnings thereon in investments acceptable to the Custodian, which may include but are not limited to marketable securities traded on a recognized exchange or "over the counter" (excluding any securities issued by the Custodian or Administrator), real estate, trust deeds, real estate, limited partnerships, private placement offerings, certificates of deposit, and other investments to which the Custodian consents, in such amounts as are specifically selected and specified by Depositor in orders to the Administrator in such form as may be acceptable to the Custodian, without any duty to diversify and without regard to whether such property is authorized by the laws of any jurisdiction as a trust investment. The Custodian shall be responsible for the execution of such orders and for maintaining adequate records thereof. However, if any such orders are not received as required, or, if received, are unclear in the opinion of the Custodian, all or a portion of the contribution may be held uninvested without liability for loss of income or appreciation, and without liability for interest pending receipt of such orders or clarification, or the contribution may be returned. The Custodian or Administrator may, but need not, establish programs under which cash deposits in excess of a minimum set by it will be periodically and automatically invested in interest-bearing federally insured deposits or federally insured investment funds. The Custodian shall have no duty other than to follow the written investment directions of the Depositor, and shall be under no duty to question said instructions and shall not be liable for any investment losses sustained by the Depositor.
- 9.02 **Registration:** All assets of the account shall be registered in the name of the Custodian or Administrator or of a suitable nominee. The same nominee may be used with respect to assets to other investors whether or not held under agreements similar to this one or in any capacity whatsoever. However, each Depositor's account shall be separate and distinct; a separate account therefor shall be maintained by the Administrator, and the assets thereof shall be held by the Administrator in individual or bulk segregation either in the Custodian's or Administrator's vaults or in depositories approved by the Securities and Exchange Commission under the Securities Exchange Act of 1934.
- 9.03 **Investment Advisor:** The Depositor may appoint an Investment Advisor, qualified under Section 3(38) of the Employee Retirement Income Security Act of 1974, to direct the investment of his IRA. The Depositor shall notify the Custodian in writing of any such appointment by providing the Custodian a copy of the instruments appointing the Investment Advisor and evidencing the Investment Advisor's acceptance of such appointment, an acknowledgment by the Investment Advisor that it is a fiduciary of the account, and a certificate evidencing the Investment Advisor's current registration under the Investment Advisor's Act of 1940. The Custodian shall comply with any investment directions furnished to it by the Investment Advisor, unless and until it receives written notification from the Depositor that the Investment Advisor's appointment has been terminated. The Custodian shall have no duty other than to follow the written investment directions of such Investment Advisor and shall be under no duty to question said instructions, and the Custodian shall not be liable for any investment losses sustained by the Depositor.
- 9.04 **No Investment Advice:** The Administrator and Custodian does not assume any responsibility for rendering advice with respect to the investment and reinvestment of Depositor's account and shall not be liable for any loss which results from Depositor's exercise of control over his account. The Custodian and Depositor may specifically agree in writing that the Custodian shall render such advice, but the Depositor shall still have and exercise exclusive responsibility for control over the investment of the assets of his account, and the Custodian shall not have any duty to question his investment directives.
- 9.05 **Prohibited Transactions:** Notwithstanding anything contained herein to the contrary, the Custodian shall not lend any part of the corpus or income of the account to; pay any compensation for personal services rendered to the account to; make any part of its services available on a preferential basis to; acquire for the account any property, other than cash, from; or sell any property to, any Depositor, any member of a Depositor's family, or a corporation controlled by any Depositor through the ownership, directly or indirectly, of 50 percent or more of the total combined voting power of all classes of stock entitled to vote, or of 50 percent or more of the total value of shares of all classes of stock of such corporation.
- 9.06 **Unrelated Business Income Tax:** If the Depositor directs investment of the account in any investment which results in unrelated business taxable income, it shall be the responsibility of the Depositor to so advise the Custodian and to provide the Custodian with all information necessary to prepare and file any required returns or reports for the account. As the Custodian may deem necessary, and at the Depositor's expense, the Custodian may request a taxpayer identification number for the account, file any returns, reports, and applications for extension, and pay any taxes or estimated taxes owed with respect to the account. The Custodian may retain suitable accountants, attorneys, or other agents to assist it in performing such responsibilities.
- 9.07 **Disclosures and Voting:** The Custodian shall deliver, or cause to be executed and delivered, to Depositor all notices, prospectuses, financial statements, proxies and proxy soliciting materials relating to assets credited to the account. The Custodian shall not vote any shares of stock or take any other action, pursuant to such documents, with respect to such assets except upon receipt by the Custodian of adequate written instructions from Depositor.
- 9.08 **Miscellaneous Expenses:** In addition to those expenses set out in Article VIII, section 8.05 of this plan, the Depositor agrees to pay any and all expenses incurred by the Custodian in connection with the investment of the account, including expenses of preparation and filing any returns and reports with regard to unrelated business income, including taxes and estimated taxes, as well as any transfer taxes incurred in connection with the investment or reinvestment of the assets of the account.

General Instructions - Section references are to the Internal Revenue Code unless otherwise noted. **Purpose of Form** - Form 5305-A is a model custodial account agreement that meets the requirements of section 408(a) and has been pre-approved by the IRS. A traditional individual retirement account (traditional IRA) is established after the form is fully executed by both the individual (Depositor) and the Custodian and must be completed no later than the due date (excluding extensions) of the individual's income tax return for the tax year. This

account must be created in the United States for the exclusive benefit of the Depositor or his or her beneficiaries. Do not file Form 5305-A with the IRS. Instead, keep it with your records. For more information on IRAs, including the required disclosures the Custodian must give the Depositor, see Pub. 590, Individual Retirement Arrangements (IRAs). **Definitions - Custodian:** The Custodian must be a bank or savings and loan association, as defined in section 408(n), or any person who has the approval of the IRS to act as Custodian. **Depositor:** The Depositor is the person who establishes the custodial account. **Identifying Number -** The Depositor's social security number will serve as the identifying number of his or her IRA. An employer identification number (EIN) is required only for an IRA for which a return is filed to report unrelated business taxable income. An EIN is required for a common fund created for IRAs. **Traditional IRA for Nonworking Spouse -** Form 5305-A may be used to establish the IRA custodial account for a nonworking spouse. Contributions to an IRA custodial account for a nonworking spouse must be made to a separate IRA custodial account established by the nonworking spouse. **Specific Instructions - Article IV:** Distributions made under this article may be made in a single sum, periodic payment, or a combination of both. The distribution option should be reviewed in the year the Depositor reaches age 70 1/2 to ensure that the requirements of section 408(a)(6) have been met. **Article VIII:** Article VIII and any that follow it may incorporate additional provisions that are agreed to by the Depositor and Custodian to complete the agreement. They may include, for example, definitions, investment powers, voting rights, exculpatory provisions, amendment and termination, removal of the Custodian, Custodian's fees, state law requirements, beginning date of distributions, accepting only cash, treatment of excess contributions, prohibited transactions with the Depositor, etc. Attach additional pages if necessary.

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TRADITIONAL IRA DISCLOSURE STATEMENT

RIGHT TO REVOKE YOUR IRA ACCOUNT

You may revoke your IRA within 7 days after you sign the IRA Adoption Agreement by hand-delivering or mailing a written notice to the name and address indicated on the IRA Adoption Agreement. If you revoke your account by mailing a written notice, such notice must be postmarked by the 7th day after you sign the Adoption Agreement. If you revoke your IRA within the 7 day period you will receive a refund of the entire amount of your contributions to the IRA without any adjustment for earnings or any administrative expenses. If you exercise this revocation, we are still required to report the contribution on Form 5498 (except transfers) and the revoked distribution on Form 1099-R.

GENERAL REQUIREMENTS OF A TRADITIONAL IRA

- o Your contributions must be made in cash, unless you are making a rollover contribution and the Custodian accepts non-cash rollover contributions.
- o The annual contributions you make on your behalf may not exceed the lesser of 100% of your compensation or the "applicable annual dollar limitation" (defined below), unless you are making a rollover, transfer, or SEP contribution. If contributions are being made under an employer's SIMPLE Retirement Plan, you must establish a separate SIMPLE-IRA document to which only SIMPLE contributions may be made. This type of IRA is called a "SIMPLE-IRA". "SIMPLE-IRA" contributions may not be made into this account. Roth IRA contributions may not be made into this account.
- o Regular, annual contributions cannot be made for any year beginning the year you attain the age of 70 1/2.
- o Your regular annual contributions for any taxable year may be deposited at any time during that taxable year and up to the due date for the filing of your Federal income tax return for that taxable year, no extensions. This generally means April 15th of the following year.
- o The Custodian of your IRA must be a bank, savings and loan association, credit union or a person who is approved to act in such a capacity by the Secretary of the Treasury.
- o No portion of your IRA funds may be invested in life insurance contracts.
- o Your interest in your IRA is nonforfeitable at all times.
- o The assets in your IRA may not be commingled with other property except in a common trust fund or common investment fund.
- o You may not invest the assets of your IRA in collectibles (as described in Section 408(m) of the Internal Revenue Code.) A collectible is defined as any work of art, rug or antique, metal or gem, stamp or coin, alcoholic beverage, or any other tangible personal property specified by the IRS. However, if the Custodian permits, specially minted US gold, silver and platinum coins and certain state-issued coins are permissible IRA investments. You may also invest in certain gold, silver, platinum or palladium bullion. Such bullion must be permitted by the Custodian and held in the physical possession of the IRA Custodian.
- o Your interest in your IRA must begin to be distributed to you by the April 1st following the calendar year you attain the age of 70 1/2. The methods of distribution, election deadlines, and other limitations are described in detail below.

WHO IS ELIGIBLE TO ESTABLISH A TRADITIONAL IRA?

You are permitted to make a regular contribution to your IRA for any taxable year prior to the taxable year you attain age 70 1/2, and if you receive compensation for such taxable year. Compensation includes salaries, wages, tips, commissions, bonuses, alimony, royalties from creative efforts and "earned income" in the case of self-employed. The amount of your regular, annual contribution that is deductible, depends upon whether or not you are an active participant in a retirement plan maintained by your employer; your modified adjusted gross income (Modified AGI); your marital status; and your tax filing status.

ACTIVE PARTICIPANT

You are considered an active participant if you participate in your employer's qualified pension, profit-sharing, or stock bonus plan qualified under Section 401(a) of the Internal Revenue Code ("the Code"); qualified annuity under Section 403(a) of the Code; a simplified employee pension plan (SEP) under Section 408(k) of the Code; a retirement plan established by a government for its employees (this does not include a Section 457 plan); Tax-sheltered annuities (TSA) or custodial accounts under Section 403(b) of the Code; pre-1959 pension trusts under Section 501(c)(18) of the Code; and SIMPLE retirement plans under Section 408(p) of the Code.

If you are *not sure* whether you are covered by an employer-sponsored retirement plan, check with your employer or check your Form W-2 for the year in question. The W-2 form will have a check in the "retirement plan" box if you are covered by a retirement plan. You can also obtain IRS Notice 87-16 for more information on active participation in retirement plans for IRA deduction purposes.

CONTRIBUTIONS

Regular Contributions - The maximum amount you may contribute for any one year is the lesser of 100% of your compensation or the "applicable annual dollar limitation" described below. This is your contribution limit. The deductibility of regular IRA contributions depends upon your marital status, tax filing status, whether or not you are an "active participant" and your Modified AGI.

| Tax Year | Applicable Annual Dollar Limitation Contribution Limit |
|-------------------|---|
| 2001 | \$2,000 |
| 2002 through 2004 | \$3,000 |
| 2005 through 2007 | \$4,000 |
| 2008 | \$5,000 |

After 2008, the \$5,000 annual limit will be subject to cost-of living increases in increments of \$500, rounded to the lower increment. This means that it will take several years beyond 2008 for the \$5,000 annual limit to increase to \$5,500.

Catch-up Contributions - Beginning for 2002, if an individual has attained the age of 50 before the close of the taxable year for which an annual contribution is being made and meets the other eligibility requirements for making regular traditional IRA contributions, the annual IRA contribution limit for that individual would be increased as follows:

| Tax Year | Normal Limit | Additional Catch-up | Total Contribution |
|----------|--------------|---------------------|--------------------|
| 2002 | \$3,000 | \$ 500 | \$3,500 |
| 2003 | \$3,000 | \$ 500 | \$3,500 |
| 2004 | \$3,000 | \$ 500 | \$3,500 |
| 2005 | \$4,000 | \$ 500 | \$4,500 |
| 2006 | \$4,000 | \$1,000 | \$5,000 |
| 2007 | \$4,000 | \$1,000 | \$5,000 |
| 2008 | \$5,000 | \$1,000 | \$6,000 |

The additional catch-up amount for traditional IRAs is not subject to COLAs. Therefore, after 2008 when the \$5,000 normal limit increases to \$5,500 due to COLAs, the additional catch-up amount will remain at \$1,000 with no further increases to the catch-up amount.

Deductibility for Nonactive Participants - If you (and your spouse) are not an active participant, then the applicable annual dollar limitation is also your deduction limit for Federal

income tax purposes.

Deductibility for Active Participants - Unmarried Active Participant (or a Married Person filing a separate tax return who did not live with their spouse at any time during the year) - For 2002, if you are unmarried and your Modified AGI is \$34,000 or less you may deduct the total amount contributed. If your Modified AGI is \$44,000 or more, no deduction is permitted. If your Modified AGI is over \$34,000 but less than \$44,000, then a calculation must be made to determine your deductible limit for the year. The calculation reduces your otherwise deductible limit by .30 (or .35 if you are age 50 or older) for every \$1 of Modified AGI between \$34,000 and \$44,000. The IRS has provided worksheets for this calculation in the Form 1040 and 1040A instruction booklets.

Married Active Participant Filing a Joint Tax Return - For 2002, if you file a joint tax return with your spouse and your combined Modified AGI is \$54,000 or less you may deduct the total amount contributed. If your combined Modified AGI is \$64,000 or more, no deduction is permitted. If your Modified AGI is over \$54,000 but less than \$64,000, then a calculation similar to the one described above must be made. The calculation reduces each spouse's otherwise deductible limit by .30 (or .35 if you are age 50 or older) for every \$1 of Modified AGI between \$54,000 and \$64,000.

Married Active Participant Filing a Separate Return (who lived together at any time during the year) - If you have a separate Modified AGI of more than \$10,000 no deduction is permitted if either you or your spouse was an active participant for the year. If your or your Spouse's separate Modified AGI is more than \$0 but less than \$10,000, then each spouse's deductible limit is reduced by .30 (or .35 if you are age 50 or older) for every \$1 of Modified AGI between \$0 and \$10,000.

Deductibility of Regular Contributions For Tax Years After 1997 - For contributions made for taxable years beginning after 12/31/97, the AGI dollar ranges for certain active participants in employer-sponsored plans are as follows:

| | <u>Married Participants Filing Jointly</u> | <u>Single Participants</u> | <u>Married Participants Filing Separately*</u> |
|------|--|----------------------------|--|
| 1998 | \$50,000 - \$ 60,000 | \$30,000 - \$40,000 | \$0 - \$10,000 |
| 1999 | \$51,000 - \$ 61,000 | \$31,000 - \$41,000 | \$0 - \$10,000 |
| 2000 | \$52,000 - \$ 62,000 | \$32,000 - \$42,000 | \$0 - \$10,000 |
| 2001 | \$53,000 - \$ 63,000 | \$33,000 - \$43,000 | \$0 - \$10,000 |
| 2002 | \$54,000 - \$ 64,000 | \$34,000 - \$44,000 | \$0 - \$10,000 |
| 2003 | \$60,000 - \$ 70,000 | \$40,000 - \$50,000 | \$0 - \$10,000 |
| 2004 | \$65,000 - \$ 75,000 | \$45,000 - \$55,000 | \$0 - \$10,000 |
| 2005 | \$70,000 - \$ 80,000 | \$50,000 - \$60,000 | \$0 - \$10,000 |
| 2006 | \$75,000 - \$ 85,000 | \$50,000 - \$60,000 | \$0 - \$10,000 |
| 2007 | \$80,000 - \$100,000 | \$50,000 - \$60,000 | \$0 - \$10,000 |

* This AGI dollar range also applies to a nonactive participant spouse who files separately, where his or her spouse is an active participant.

Special Deduction Rule for Spouse Who is not an Active Participant - In the case where an IRA participant is not an active participant in an employer plan at any time during a taxable year but whose spouse is an active participant, a special AGI range applies in calculating the nonactive participant's IRA deduction. In this case, the AGI range for deductible IRA contributions is \$150,000 - \$160,000. However, in order to use this special deduction rule, such spouse must file a joint income tax return with their spouse who is the active participant.

Spousal IRAs - If during any year you receive compensation and your spouse receives no compensation (or receives compensation), you may make contributions to both your IRA and your spouse's IRA. If you are eligible then you may contribute 100% of your combined compensation divided any way you wish so long as no more than the applicable annual dollar limitation is contributed into either account. You and your spouse must file a joint tax return and have unequal compensations to take advantage of this spousal contribution limit.

If you are over the age of 70 1/2 and your spouse is under age 70 1/2, then a regular contribution may still be made for the year into the IRA established by your spouse. Such contribution, however, is limited to the lesser of 100% of your combined compensation or the applicable annual dollar limitation.

If you or your spouse are an active participant in an employer-sponsored plan, then the IRA deduction for your IRA and your spouse's IRA is based upon the AGI "phase-out" ranges in exactly the same manner as the phase-out under the "Married Active Participant Filing Joint Tax Returns" or under the "Special Deduction Rule for Spouse Who is not an Active Participant", whichever applies, as explained above.

\$200 Minimum Deduction - If you fall into any of the categories listed above, your minimum allowable deduction will be \$200 until phased out under the appropriate marital status. In other words, if your deductible amount calculated under the appropriate dollar amounts above results in a deduction between \$0 and \$200, your permitted deduction is \$200 instead of the calculated deduction.

Nondeductible IRA Contributions - You may make a nondeductible IRA contribution in one of two ways. First, you are permitted to treat any regular IRA contributions that are not deductible due to your active participation status as explained above as nondeductible contributions. Secondly, you are permitted to treat an otherwise deductible IRA contribution as a nondeductible contribution. Your total contribution for the year however, is still limited to the lesser of 100% of your compensation or the applicable annual dollar limitation.

Nondeductible IRA contributions represent money in your IRA which has already been taxed. Therefore, when you receive a distribution from any of your traditional IRAs (including SEP IRAs and SIMPLE IRAs), a portion of each distribution will be treated as a tax-free return of your nondeductible contributions. You are responsible for indicating the amount of nondeductible IRA contributions you make for a year on IRS Form 8606 which is attached to your Federal income tax return. You should also be aware that there is a penalty of \$100 if you should overstate the nondeductible amount unless you can show it was due to a reasonable cause. There is also a \$50 penalty if you do not file the IRS Form 8606 for years that you are required to do so.

If you make a nondeductible IRA contribution for a year and you decide not to treat it as a nondeductible contribution, you must withdraw the contribution plus earnings attributable to the nondeductible contribution on or before the tax filing deadline, including extensions, for the year during which the contribution was made. You may not take a deduction for such amounts. Such earnings will be taxable to you in the year in which the contribution was made and may be subject to the 10% additional tax if you are under the age of 59 1/2.

Simplified Employee Pension Plan (SEP) Contributions - Your employer may make a SEP contribution on your behalf into this IRA up to 25% of your compensation (15% of your compensation for tax years prior to 2002). This limit is a per employer limit. Therefore if you work for more than one employer who maintains a SEP plan, you may receive up to 25% of your compensation from each employer. Your employer may contribute to this IRA or any other IRA on your behalf under a SEP plan even if you are age 70 1/2 or over, and even if you are covered under a qualified plan for the year.

For Plan Years beginning after December 31, 1993, not more than \$150,000 (as adjusted annually by the Secretary of the Treasury) will be considered as your compensation in any year. For 1997 through 1999 Plan Years, this compensation limit was \$160,000. For the 2000 and 2001 Plan Years, this compensation amount is \$170,000. Beginning for Plan Year 2002 and thereafter, the compensation limit is \$200,000 and is subject to cost-of-living increases in increments of \$5,000. Therefore, the maximum SEP contribution limit for 2001 is \$25,500 (15% X \$170,000) and for 2002 is \$40,000 (25% X \$200,000, capped at \$40,000).

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EXCESS CONTRIBUTIONS

Generally an excess IRA contribution is any contribution which exceeds the applicable contribution limits, and such excess contribution is subject to a 6% excise tax penalty on the principal amount of the excess each year until the excess is corrected. You must file IRS Form 5329 to report this excise tax.

Method #1: Withdrawing Excess in a Timely Manner - This 6% penalty may be avoided if the excess amount plus the earnings attributable to the excess are distributed by your tax filing deadline including extensions for the year during which the excess contribution was made, and you do not take a deduction for such excess amount. If you decide to correct your excess in this manner, the principal amount of the excess returned is not taxable, however, the earnings attributable to the excess are taxable to you in the year in which the contribution was made. In addition, if you are under age 59 1/2, the earnings attributable are subject to a 10% premature distribution penalty. This is the only method of correcting an excess contribution that will avoid the 6% penalty!

Method #2: Withdrawing Excess After Tax Filing Due Date - If you do not correct your excess contribution under Method #1 prescribed above, then you may withdraw the principal amount of the excess (no earnings need be distributed). The 6% penalty will, however, apply first to the year in which the excess was made and each subsequent year until it is withdrawn.

Excess Amount May be Taxable - If the principal amount of your excess contribution is withdrawn after your tax filing deadline for the year during which the contribution was made in accordance with Method #2, it is not taxable unless the total amount of contributions you made during the year the excess was made exceeded the applicable annual dollar limitation. If the aggregate contribution is greater than the applicable annual dollar limitation, the principal amount of the excess withdrawn under Method #2 is taxable and is subject to the 10% additional tax if you are not yet age 59 1/2.

Method #3: Undercontributing in a Subsequent Year - Another method of correcting an excess contribution is to treat a prior year excess as a regular contribution in a subsequent year where you have an unused contribution limit for such subsequent year. Basically, all you do is undercontribute in the first subsequent year where you have an unused contribution limit until your excess amount is used up. However, once again, you will be subject to the 6% penalty in the first year and each subsequent year on any excess contribution that remains as of the end of each year.

ROLLOVERS AND RECHARACTERIZATIONS

Rollover Contribution from Another Traditional IRA - A rollover from another traditional IRA is any amount you receive from one traditional IRA and redeposit (roll over) some or all of it over into another traditional IRA. You are not required to roll over the entire amount received from the first traditional IRA. However, any amount you do not roll over will be taxed at ordinary income tax rates for Federal income tax purposes.

The following special rules also apply to rollovers between IRAs:

- o The rollover must be completed no later than the 60th day after the day the distribution was received by you. However, if the reason for distribution was for qualified first time home buyer expenses and there has been a delay or cancellation in the acquisition of such first home, the 60 day rollover period is increased to 120 days. This 60 day rollover period is also extended in cases of disaster or casualty beyond the reasonable control of the taxpayer.
- o You may have only one IRA to IRA rollover during a 12 consecutive month period measured from the date you received a distribution from an IRA which was rolled over to another IRA. (See IRS Publication 590 for more information).
- o The same property you receive in a distribution must be the same property you roll over into the second IRA. For example, if you receive a distribution from an IRA of property, such as stocks, that same stock must be the property that is rolled over into the second IRA.
- o You are required to make an irrevocable election indicating that this transaction will be treated as a rollover contribution.
- o You are not required to receive a complete distribution from your IRA in order to make a rollover contribution into another IRA, nor are you required to roll over the entire amount you received from the first IRA.
- o If you inherit an IRA due to the death of the participant, you may not roll this IRA into your own IRA unless you are the spouse of the decedent.
- o If you are age 70 1/2 or older and wish to roll over to another IRA, you must first satisfy the required minimum distribution for that year and then the rollover of the remaining amount may be made.
- o Rollovers from a SEP IRA or an Employer IRA follow the IRA to IRA rollover rules since your contributions under these types of plans are funded directly into your own traditional IRA.

Rollovers From SIMPLE IRA Plans - A SIMPLE IRA is a separate IRA that may only receive contributions under an Employer-sponsored SIMPLE IRA Retirement Plan. These contributions must remain segregated in a SIMPLE IRA account for a two-year period measured from the initial contribution made into your SIMPLE IRA under the Employer's SIMPLE IRA plan. A rollover or transfer from a SIMPLE IRA to any other IRA may not occur until this initial two-year period has been satisfied. Rollovers or transfers between SIMPLE IRA plans are permitted without waiting the two-year period. All of the IRA to IRA rollover rules generally apply to rollovers between SIMPLE IRAs.

Recharacterizations - You may be able to recharacterize certain contributions under the following two different circumstances:

1. By recharacterizing a current year regular contribution plus earnings explained in this section; or
2. By recharacterizing a conversion made to a Roth IRA by transferring the amount plus earnings back to a traditional IRA discussed in the next section under the heading "Conversion from a Traditional IRA to a Roth IRA".

If you decide by your tax filing deadline (including extensions) of the year for which the contribution was made to transfer a current year contribution plus earnings from your traditional IRA to a Roth IRA, no amount will be included in your gross income as long as you did not take a deduction for the amount of the contribution. You may also recharacterize a current year contribution plus earnings from your Roth IRA to a traditional IRA by your tax filing deadline including extensions of the year for which the contribution was made. A regular contribution that is appropriately recharacterized from your Roth IRA to a traditional IRA may be deductible depending upon the deductibility rules previously discussed. In order to recharacterize a regular contribution from one type of IRA to another type of IRA, you must be eligible to make a regular contribution to the IRA to which the contribution plus earnings is recharacterized. All recharacterizations must be accomplished as a direct transfer, rather than a distribution and subsequent rollover. You are also required to report recharacterizations to the IRS in accordance with the instructions to IRS Form 8606. Any recharacterized contribution (whether a regular contribution or a conversion) cannot be revoked after the transfer. You are required to notify both trustees (or custodians) and to provide them with certain information in order to properly effectuate such a recharacterization.

Conversion from a Traditional IRA to a Roth IRA - You are permitted to make a qualified rollover contribution from a traditional IRA to a Roth IRA if your Modified AGI for the year during which the distribution is made does not exceed \$100,000 and you are not a married person filing a separate tax return. This is called a "conversion" and may be done at any time without waiting the usual 12 months. Modified AGI for purposes of a conversion does not include any distributions from a traditional IRA that are converted to a Roth IRA and included in income. Modified AGI is determined before deductible traditional IRA contributions. Effective for distributions after December 31, 2004, modified AGI also does not include any amounts that are required minimum distributions pursuant to section 408(a)(6), but only for purposes of determining eligibility for conversion contributions.

You are also permitted to recharacterize a conversion made to a Roth IRA if the amount plus earnings is transferred back to a traditional IRA before the tax filing deadline including extensions for the year that the original conversion came from a traditional IRA.

Taxation in Completing a Conversion from a Traditional IRA to a Roth IRA - If you complete a conversion from a traditional IRA to a Roth IRA, the conversion amount (to the

extent taxable) is generally included in your gross income for the year during which the distribution is made from your traditional IRA that is converted to a Roth IRA. However, the 10% additional income tax for premature distributions does not apply.

For taxable conversions made during 1998, you may include the taxable amount of the traditional IRA distribution in income "ratably" over a four-tax-year period beginning in 1998, or include the entire taxable amount of the traditional IRA distribution in income the year of the conversion. Any taxable conversions from a traditional IRA to a Roth IRA after 1998 will be fully includible in your gross income the year in which you receive the distribution from your traditional IRA that is converted to a Roth IRA.

Reconversions - Once an amount has been properly converted, and is then recharacterized back to a traditional IRA, any subsequent conversion of that amount is called a "reconversion". In general, for reconversions beginning in 2000 and thereafter, you may reconvert an amount at any time after the later of (1) the tax year following the tax year during which the original conversion of that amount occurred; or (2) 30 days following the date that the original conversion of that amount was recharacterized back to a traditional IRA. Since adverse tax consequences could arise, it is recommended that you seek the advice of your own tax advisor.

With respect to 1998 conversions, if the taxpayer dies before including the taxable amounts in income over a 4-year period, all remaining amounts will be included in gross income on the return filed on behalf of the decedent for the taxable year of death. However, if the surviving spouse of such deceased Roth IRA participant is the sole beneficiary of all of the individual's Roth IRAs, the surviving spouse may elect to continue including the remaining amount in income over the 4-year period as if the surviving spouse were the Roth IRA owner. If a distribution is deemed from a 1998 conversion amount and the taxpayer is spreading the distribution over four years, a special rule applies. If such distribution occurs before all taxable conversion amounts have been included in gross income, such distribution is accelerated in gross income for that year in addition to that year's one-fourth amount until the original taxable conversion amount has been includible in gross income.

Qualified Rollover Contribution - This term includes: (a) Rollovers between Roth IRA accounts; and (b) Traditional IRA to a Roth IRA. Qualified Rollovers must meet the general IRA rollover rules, except that the 12 month rollover restriction does not apply to rollovers (conversions) between a traditional IRA and a Roth IRA. However, the 12-month rule does apply to rollovers between Roth IRAs. Rollovers from employer-sponsored plans, such as qualified plans and 403(b)s, to a Roth IRA are not permitted. However, you could roll over from the employer's plan to a traditional IRA, and then roll over (convert) to a Roth IRA if you meet the conversion eligibility requirements discussed earlier.

Rollovers From Employer-Sponsored Plans - Employer-Sponsored Plans Eligible for Rollovers to Traditional IRAs - Rollovers to traditional IRAs are permitted if you have received an eligible rollover distribution from one of the following:

- o A qualified plan under Section 401(a);
- o A qualified annuity under Section 403(a);
- o A Tax-Sheltered Annuity (TSA) or Custodial Account under Section 403(b);
- o A governmental section 457(b) plan; or
- o The Federal Employees' Thrift Savings Plan.

Eligible Rollover Distributions - An eligible rollover distribution from one of the employer-sponsored plans listed above generally include any distribution that is not:

1. part of a series of substantially equal payments that are made at least once a year and that will last for:
 - o your lifetime (or your life expectancy), or
 - o your lifetime and your beneficiary's lifetime (or joint life expectancies), or
 - o a period of ten years or more.
2. attributable to your required minimum distribution for the year
3. amounts attributable to any hardship distribution
4. deemed distributions of any defaulted participant loan
5. certain corrective distributions and ESOP dividends

Rollovers of After-Tax Employee Contributions - Beginning for eligible rollover distributions you receive after December 31, 2001, you can roll over your after-tax employee contributions to a traditional IRA either as a 60-day rollover or as a direct rollover. If you roll over your after-tax employee contributions to a traditional IRA, you are required to keep track of these amounts as required by the IRS according to their instructions. This will enable you to calculate the nontaxable amount of any future distributions from your traditional IRAs. Once you roll over your after-tax employee contributions to a traditional IRA, these amounts cannot later be rolled over to an employer plan.

Direct Rollover to Another Plan - You can elect a direct rollover of all or any portion of your payment that is an "eligible rollover distribution", as described above. In a direct rollover, the eligible rollover distribution is paid directly from the Plan to a traditional IRA or another employer plan that accepts rollovers. If you elect a direct rollover, you are not taxed on the payment until you later take it out of the IRA or the employer plan, and you will not be subject to the 20% mandatory Federal income tax withholding otherwise applicable to Eligible Rollover Distributions that are paid directly to you. Your employer is required to provide you with a Notice regarding the effects of electing or not electing a direct rollover to an IRA or another employer plan. Although a direct rollover is accomplished similar to a transfer, the IRA Custodian must report the direct rollover on Form 5498 as a rollover contribution.

Eligible Rollover Distribution Paid to You - If you choose to have your eligible rollover distribution paid to you (instead of electing a direct rollover), you will receive only 80% of the payment, because the plan administrator is required to withhold 20% of the payment and send it to the IRS as Federal income tax withholding to be credited against your taxes. However, you may still roll over the payment to an IRA within 60 days after receiving the distribution. The amount rolled over will not be taxed until you take it out of the IRA. If you want to roll over 100% of the payment to an IRA, you must replace the 20% that was withheld from other sources. If you roll over only the 80% that you received, you will be taxed on the 20% that was withheld and that is not rolled over. In either event, the 20% that was withheld can be claimed on your Federal income tax return as a credit toward that year's tax liability.

Conduit IRAs - A direct rollover (or rollover within 60 days) of any eligible rollover distribution may generally be treated as a "Conduit IRA", provided that a separate IRA is established for purposes of retaining the ability to later roll these funds back into an employer's plan that accepts the rollover. The conduit IRA need not be completely distributed in order for a rollover back to an employer's plan that accepts rollovers. In addition, a surviving spouse may also treat such conduit IRA for purposes of rolling over into the surviving spouse's employer plan that accepts rollovers.

Rollovers from Traditional IRAs into Employer-Sponsored Plans - Beginning for distributions made after December 31, 2001, traditional IRAs are permitted to be rolled over into an employer's plan. The employer's plan must accept these types of rollovers. The maximum amount that can be rolled over from a traditional IRA to an employer's plan that accepts these rollovers cannot exceed the amount that would be taxable. Any amount in a traditional IRA that represents the principal amount of a nondeductible IRA contribution or a rollover of after-tax employee contributions to a traditional IRA may not be rolled over to an employer's plan. The types of IRAs that can be rolled over to an employer's plan that accepts these rollovers include regular traditional IRAs, rollover "conduit" IRAs, SEP IRAs and SIMPLE IRAs (after the two-year waiting period has been satisfied applicable to SIMPLE IRAs). In determining the maximum amount eligible to be rolled over from an IRA to an employer's plan, you must treat all of these types of IRAs as one IRA. Only the taxable amount is eligible to be rolled over. If you are interested in rolling over your traditional IRAs into your employer's plan, you should contact the plan administrator of your employer's plan for additional information.

Special Rules for Surviving Spouses, Alternate Payees, and Other Beneficiaries - If you are a surviving spouse, you may choose to have an eligible rollover distribution paid in a direct rollover to a traditional IRA, your own employer's plan that accepts rollovers, or paid to you. If you have the payment paid to you, you can keep it or roll it over yourself to a traditional IRA or to your employer's plan that accepts rollovers. If you are the spouse or former spouse alternate payee with respect to a Qualified Domestic Relations Order (QDRO), you may have the payment paid as a direct rollover or paid to you which you may roll over to a traditional IRA or your own employer's plan that accepts rollovers. If you are a beneficiary other than the surviving spouse or you are a nonspouse alternate payee with respect to a QDRO, you cannot choose a direct rollover and you cannot roll over the payment yourself.

The following additional rules apply to a rollover from an employer-sponsored plan to a traditional IRA:

- o The rollover must be completed no later than the 60th day after the day the distribution was received by you.
- o You are required to make an irrevocable election indicating that this transaction will be treated as a rollover contribution.
- o You are not required to roll over the entire amount you received from the employer's plan.
- o If you are age 70 1/2 or older and wish to roll over your employer's plan to a traditional IRA, you must first satisfy the minimum distribution requirement for that year and then the rollover of the remaining amount may be made.
- o If your distribution consists of property (i.e., stocks) you may either roll over the same property (the same stock) or you may sell the distributed property and roll over the proceeds from the sale. This is true whether the proceeds from the sale are more or less than the fair market value of the property on the date of distribution. You may not keep the property received in the distribution and roll over cash which represents the fair market value of the property.

DISTRIBUTIONS

Taxation of Distributions - When you start withdrawing from your IRA, you may take the distributions in periodic payments, random withdrawals or in a single sum payment. Generally all amounts distributed to you from your IRA are included in your gross income in the taxable year in which they are received. However, if you have made nondeductible contributions to your IRA or rollover over after-tax employee contributions from your employer's plan (collectively referred to as "basis"), the nontaxable portion of any distribution from any of your IRAs (except Roth IRAs), if any, will be a percentage based upon the ratio of your unrecovered "basis" to the aggregate of all IRA balances, including SEP, SIMPLE and rollover contributions, as of the end of the year in which you take the distribution, plus distributions from the account during the year. All taxable distributions from your IRA are taxed at ordinary income tax rates for Federal income tax purposes and are not eligible for any favorable tax treatment.

Premature Distributions - If you are under age 59 1/2 and receive a distribution from your IRA account, a 10% additional income tax will apply to the taxable portion of the distribution unless the distribution is received due to death; disability; a series of substantially equal periodic payments at least annually over your life expectancy or the joint life expectancy of you and your designated beneficiary; medical expenses in excess of 7 1/2% of your adjusted gross income; health insurance premiums paid by certain unemployed individuals; qualified acquisition costs of a first time homebuyer; qualified higher education expenses; a qualifying rollover distribution; the timely withdrawal of the principal amount of an excess or nondeductible contribution; or due to an IRS levy.

If you request a distribution in the form of a series of substantially equal payments, and you modify the payments before 5 years have elapsed and before attaining age 59 1/2, the 10% additional income tax will apply retroactively to the year payments began through the year of such modification.

Age 70 1/2 Required Minimum Distributions - You are required to begin receiving minimum distributions from your IRA by your required beginning date (the April 1 of the year following the year you attain age 70 1/2). The year you attain age 70 1/2 is referred to as your "first distribution calendar year". Your minimum distribution for each year beginning with the calendar year you attain the age of 70 1/2 is generally based upon the value of your account at the end of the prior year divided by the factor for your age derived from the Uniform Lifetime Distribution Period Table regardless of who or what entity is your named beneficiary. This uniform table assumes you have a designated beneficiary exactly 10 years younger than you. However, if your spouse is your sole beneficiary and is more than 10 years younger than you, your required minimum distribution for each year is based upon the joint life expectancies of you and your spouse. The account balance that is used to determine each year's required minimum amount is the fair market value of each IRA you own as of the prior December 31st, adjusted for outstanding rollovers (or transfers) as of such prior December 31st and recharacterizations that relate to a conversion or failed conversion made in the prior year.

However, no payment will be made from this IRA until you provide the Custodian with a proper distribution request acceptable by the Custodian. Upon receipt of such distribution request, you may switch to a joint life expectancy in determining the required minimum distribution if your spouse was your sole beneficiary as of the January 1st of the calendar year that contains your required beginning date and such spouse is more than 10 years younger than you. The required minimum distribution for the second distribution calendar year and for each subsequent distribution calendar year must be made by December 31 of each such year.

In any distribution calendar year you may take more than the required minimum. However, if you take less than the required minimum with respect to any distribution calendar year, you are subject to a Federal excise tax penalty of 50% of the difference between the amount required to be distributed and the amount actually distributed. If you are subject to that tax, you are required to file IRS Form 5329.

Reporting the Required Minimum Distribution - Beginning for minimum distributions that are required for calendar 2003, the custodial account must provide a statement to each IRA owner who is subject to required minimum distributions that contains either the amount of the minimum or an offer by the Custodian to perform the calculation if requested by the IRA owner. The statement must inform the IRA owner that required minimum distributions apply and the date by which such amount must be distributed. The statement must further inform the IRA owner that beginning in 2004, the Custodian must report to the IRS that the IRA owner is required to receive a minimum for the calendar year.

Death Distributions - If you die before your required beginning date and you have a designated beneficiary, the balance in your IRA will be distributed to your beneficiary over the beneficiary's single life expectancy. These distributions must commence no later than December 31st of the calendar year following the calendar year of your death. However, if your spouse is your sole beneficiary, these distributions are not required to commence until the December 31st of the calendar year you would have attained the age of 70 1/2, if that date is later than the required commencement date in the previous sentence. If you die before your required beginning date and you do not have a designated beneficiary, the balance in your IRA must be distributed no later than the December 31st of the calendar year that contains the fifth anniversary of your death.

If you die on or after your required beginning date and you have a designated beneficiary, the balance in your IRA will be distributed to your beneficiary over the beneficiary's single life expectancy. These distributions must commence no later than December 31st of the calendar year following the calendar year of your death. If you die on or after your required beginning date and you do not have a designated beneficiary, the balance in your IRA must be distributed over a period that does not exceed your remaining single life expectancy determined in the year of your death. However, the required minimum distribution for the calendar year that contains the date of your death is still required to be distributed. Such amount is determined as if you were still alive throughout that year. If your spouse is your sole beneficiary, your spouse may elect to treat your IRA as his or her own IRA, whether you die before or after your required beginning date. If you die after your required beginning date and your spouse elects to treat your IRA as his or her own IRA, any required minimum that has not been distributed for the year of your death must still be distributed to your surviving spouse and then the remaining balance can be treated as your spouse's own IRA.

PROHIBITED TRANSACTIONS

If you or your beneficiary engage in a prohibited transaction (as defined under Section 4975 of the Internal Revenue Code) with your IRA, it will lose its tax exemption and you must include the value of your account in your gross income for that taxable year. If you pledge any portion of your IRA as collateral for a loan, the amount so pledged will be treated as a distribution and will be included in your gross income for that year.

PENALTIES

If you are under age 59 1/2 and receive a premature distribution from your IRA, an additional 10% income tax will apply on the taxable amount of the distribution unless an exception applies. If you make an excess contribution to your IRA and it is not corrected on a timely basis, an excise tax of 6% is imposed on the excess amount. This tax will apply each year to any part or all of the excess which remains in your account. If you are age 70 1/2 or over or if you should die, and the appropriate required minimum distributions are not made from your

IRA, an additional tax of 50% is imposed upon the difference between what should have been distributed and what was actually distributed.

You must file IRS Form 5329 with the Internal Revenue Service for any year an additional tax is due. You must file IRS Form 8606 for any year you make a nondeductible IRA contribution, rollover over after-tax employee contributions from your employer's plan, convert from your traditional IRA to a Roth IRA or recharacterize a contribution to your traditional IRA. The penalty for not filing Form 8606, when required, is \$50.

INCOME TAX WITHHOLDING

All withdrawals from your IRA (except a direct transfer to another traditional IRA or any recharacterization) are subject to Federal income tax withholding. You may, however, elect not to have withholding apply to your IRA distribution in most cases. If withholding does apply to your distribution, the applicable rate of withholding is 10% of the amount of the distribution. In addition to Federal income tax withholding, distributions from IRAs may also be subject to state income tax withholding.

TRANSFERS

A direct transfer of all or a portion of your funds is permitted from this IRA to another traditional IRA or visa versa. Transfers do not constitute a distribution since you are never in receipt of the funds. The monies are transferred directly to the new trustee or custodian. If you should transfer all or a portion of your IRA to your former spouse's IRA under a divorce decree (or under a written instrument incident to divorce) or separation instrument, you will not be deemed to have made a taxable distribution, but merely a transfer. The portion so transferred will be treated at the time of the transfer as the IRA of your spouse or former spouse. If your spouse is the beneficiary of your IRA, in the event of your death, your spouse may "assume" your IRA. The assumed IRA is then treated as your surviving spouse's IRA.

FEDERAL ESTATE AND GIFT TAXES

Generally there is no specific exclusion for IRAs under the estate tax rules. Therefore, in the event of your death, your IRA balance will be includible in your gross estate for Federal estate tax purposes. However, if your surviving spouse is the beneficiary of your IRA, the amount in your IRA may qualify for the marital deduction available under Section 2056 of the Internal Revenue Code. A transfer of property for Federal gift tax purposes does not include an amount which a beneficiary receives from a IRA plan.

IRS APPROVAL AS TO FORM

This IRA Trust Agreement has been approved by the Internal Revenue Service as to form. This is not an endorsement of the plan in operation or of the investments offered.

ADDITIONAL INFORMATION

You may obtain further information on IRAs from your District Office of the Internal Revenue Service. In particular you may wish to obtain IRS Publication 590 (Individual Retirement Arrangements).

FINANCIAL DISCLOSURE

In General: IRS regulations require the Custodian to provide you with a financial projected growth of your IRA account based upon certain assumptions.

Growth in the Value of Your IRA: Growth in the value of your IRA is neither guaranteed nor projected. The value of your IRA will be computed by totaling the fair market value of the assets credited to your account. At least once a year the Custodian will send you a written report stating the current value of your IRA assets. The Custodian shall disclose separately a description of:

- (a) The type and amount of each charge;
- (b) the method of computing and allocating earnings, and
- (c) any portion of the contribution, if any, which may be used for the purchase of life insurance.

Custodian Fees: The Custodian may charge reasonable fees or compensation for its services and it may deduct all reasonable expenses incurred by it in the administration of your IRA, including any legal, accounting, distribution, transfer, termination or other designated fees. Any charges made by the Custodian will be separately disclosed on an attachment hereto. Such fees may be charged to you or directly to your trust account. In addition, depending on your choice of investment vehicles, you may incur brokerage commissions attributable to the purchase or sale of assets.

ACC000105
FILE #7991

Investing: Private Placements

The following instructions apply for all private placements, private stock and some LLCs.

As with any investment within your retirement plan, it is the IRA holder's responsibility to seek competent legal and investment advice prior to perusing an investment. It is also the IRA holder's responsibility so ensure sure that the investment does not violate any IRS Prohibited Transactions including;

Your IRA may not purchase stocks in a company that you or any other disqualified person currently own a combined majority of. Disqualified persons include yourself, your parents, grandparents, children, grandchildren, spouse or any of their IRAs as well as any company or entity that they own.

For a complete list of prohibited transactions please contact our office.

Documents required prior to funding

The following items must be received at least 48 hours prior to funding:

1. Buy Direction Letter (Attached)
2. Subscription Agreement (Signed as "Read and Approved")
3. Signed Investment Disclaimer (Attached)

Subscription Agreement Requirements:

Please complete the entire subscription agreement following these guidelines;

Investor Name: "END-IRA, Inc FBO *client name*, IRA"

Investor Address: 1300 Plaza Court North Suite 103
Lafayette, CO 80026

Investor TIN: 20-0157510

Signatures: The only authorized signers for the IRA are William Humphrey and/or Catherine Wynne

Read and Approved: Prior to us signing the subscription agreement the IRA holder must add their own "read and approved" signature line for themselves to sign. (This can be hand written in the margins.)

Your account will need to be opened and funded for this paperwork to be processed.

Entrust New Direction IRA, Inc.
1300 Plaza Court North, Suite 103
Lafayette, CO 80026

303-546-7930 **phone**
303-665-5962 **fax**
877-742-1270 **toll free**
NewDirectionIRA.com **website**

ACC000106
FILE #7991

■ Buy Direction Letter (Standard)

*** If faxing, call 303-546-7930 to confirm delivery *** Please mail the original of this form to our office ***

If you will be using funds from other IRAs and/or qualified plans administered by us, please use separate Buy Direction Letters for each IRA and/or qualified plan. You may photocopy this form for this use.

1. Administrator: Entrust New Direction IRA, Inc.

The name of the company that performs record keeping and administration of your plan on behalf of custodian named in IRS form 5305.

2. Name

The best phone number
to reach me is:

3. Your Account Number

I hereby authorize and direct the administrator and/or custodian, trustee or assigns, to BUY the following asset for my account:

4. Name of Asset

5. Description of Asset

6. Quantity Number of shares, units, etc.

7. Price Price per unit
\$

8. Total Purchase Price Quantity times Price
\$

9. Check made payable to Payee/Seller

OR **Wire Transfer Funds**
 Wire instructions attached

10. Investment Fax #

11. Address Payee's/Seller's address

12. Mailing Address

- Same as above
 Mail via overnight delivery

We require that checks be
sent by a trackable method
(2nd day FedEx: \$10)

13. Transaction Fees to be paid by:

All fees are due at time of transaction
If no indication is made, fees will be deducted
from your uninvested cash balance

- Credit Card : Visa / Mastercard (circle one)
 Your Account Card # _____ expires ____/____
 Check Enclosed 3 digit security code on back of card: _____

14. Subscription Documents must be attached and notated as "Read and Approved" with your signature and date.

Funding will only take place for partnership or similar assets which have subscription documents provided for them if those documents are completed, dated and signed.

15. Special Instructions

I understand that my account is self-directed and that the administrator and/or trustee or custodian do not review the merits, appropriateness and/or suitability of any investment in general, or in connection with my account in particular. I acknowledge that I have not requested that my administrator provide, and administrator has not provided, any advice with respect to the investment directive set forth in this Buy Direction Letter. I understand that neither the administrator nor trustee or custodian determine whether this investment is acceptable under the Employee Retirement Income Securities Act (ERISA), the Internal Revenue Code, or any applicable federal, state, or local laws, including securities laws. I understand that it is my responsibility to review any investments to ensure compliance with these requirements.

I understand that no one at Entrust or any of its licensees has authority to agree to anything different than my foregoing understandings of Entrust policy.

I understand that neither the administrator nor trustee or custodian is a "fiduciary" for my account as such term is defined in the Internal Revenue Code, ERISA, or any applicable federal, state or local laws. I agree to release, indemnify, defend and hold the administrator and trustee or custodian harmless from any claims arising out of this investment, including, but not limited to claims that an investment is not prudent, proper, diversified or otherwise in compliance with ERISA, the Internal Revenue Code or any other applicable federal, state or local laws. I also understand and agree that the administrator and/or trustee or custodian will not be responsible to take any action should there be any default with regard to this investment.

I am directing you to complete this transaction as specified above. I confirm that the decision to buy this asset is in accordance with the rules of my account, and I agree to hold harmless and without liability the administrator and/or the trustee or custodian of my account.

I declare that I have examined this document, including accompanying information, and to the best of my knowledge and belief, it is true, correct, and complete.

16. Signature:

Date: _____

Please read the disclosure above the signature line before signing and dating.

ACC000107
FILE #7991

Investment Disclaimer

For LLCs, LPs, LLLPs, Private Placements, and Private Stock

By signing this disclaimer and also signing the attached Operating/Subscription Agreement as "read and approved" the IRA holder acknowledges and agrees to the following:

- 1) That this Agreement is signed by Entrust New Direction IRA, Inc. ("END-IRA") not individually but solely as agent for the Custodian under the Individual Retirement Account Plan Agreement also known as Form 5305-A. Said Agreement is hereby made a part hereof & any claims against END-IRA which may result here from, shall be payable only out of any IRA property which may be held hereunder. Any and all personal liability of END-IRA is hereby expressly waived by the parties hereto & their respective successors & assigns. All representations & undertakings are of END-IRA as agent for the Custodian as aforesaid & not individually & no liability is assumed by or shall be asserted against END-IRA personally as a result of the signing of this instrument. The grantor, as account controller, has made all representations & Warranties contained herein & END-IRA, as agent for the Custodian, is signing this document along with the grantor merely to assist the grantor in this purchase as prescribed by the Internal Revenue procedures requiring the purchase to be made by an IRA Custodian on behalf of the Individual Retirement Account. END-IRA hereby disclaims all fiduciary responsibility for the investment choice and its inherent risks. The beneficial owner indemnifies and agrees to hold harmless END-IRA in following these instructions.
- 2) END-IRA is **not reviewing this document** and is not responsible for its content and makes no judgments as to legality, viability, appropriateness, consistency, enforceability or fairness of the content. You further acknowledge that END-IRA is not responsible for determining whether or not this document complies with IRS Code Sections 4975 and 408, which is solely your responsibility and that you have obtained competent legal and tax advice for this investment.
- 3) Client acknowledges that all rules set forth in IRS Code Section 4975 as well as requirements of IRS Code Section 408 and 408A apply to investments within an LLC, LLP, LLLP or Corporation.

Name of Investment: _____

Read and Approved by _____, **IRA Holder**
Account Holder's Name

Account Holder Signature _____ **Account#** _____

| | |
|--|-----------------------------|
| Entrust New Direction IRA, Inc. | 303-546-7930 phone |
| 1300 Plaza Court North, Suite 103 | 303-665-5962 fax |
| Lafayette, CO 80026 | 877-742-1270 toll free |
| | NewDirectionIRA.com website |

NOTE

AN ALL INCLUSIVE DEMAND PROMISSORY COLLATERAL NOTE

| | | | | | |
|-----------|-----------|----------|----------|-------------|---------|
| Principal | Loan Date | Maturity | Loan No. | Collateral | Account |
| \$ _____ | _____ | _____ | _____ | Surety Bond | _____ |

References in the above area are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing **** has been omitted due to text length limitations.

Borrower: SDI
 8604 Cliff Cameron Dr, Suite 145
 Charlotte, NC 28269

Lender: XXXXXXXXXX
 Full Address
 City, State 11111

Collateral: \$2,000,000 Surety Bond, Concert Ticket Sales

Principal Amount: \$xxx,xxx,xxx Initial Rate: 25.00% Date of Note: xx-xx-xx

PROMISE TO PAY. SDI ("Borrower"), their heirs, assigns, guarantors, promises to pay to XXXXXX, their heirs, successors, assigns, subsidiaries, affiliates, agents or funders, hereinafter in lawful money (immediately available good funds) of the United States of America, the principal amount of xxxxxxxxxxxxxxxxxxxxxxxx or so much as may be outstanding, together with on the unpaid outstanding principal balance of each advance, be the advance staged, layered, cascaded or all at one disbursement. Interest shall be calculated from the date of each advance or repayment of each advance.

PAYMENT. Borrower will pay this loan in a payment 90 days from date of issue. Unless otherwise agreed or required by applicable law, payment will be included stated interest plus principal quarterly interest rate for this Note is computed on a quarterly basis. Borrower will pay Lender at Lender's address shown above or at such other place as Lender may designate in writing.

PREPAYMENT; MINIMUM INTEREST CHARGE. Borrower agrees that all loan fees and other prepaid finance charges are earned fully as of the date of the loan and will not be subject refund upon early payment (whether voluntary or as a result of default), except as otherwise required by law. In any event, even upon full prepayment of this Note, Borrower understands that is entitled to a minimum interest charge of 2.25 percentage of gross loan disengagement fee. Other than Borrower's obligation to pay any minimum interest charge, Borrower may pay without all or a portion of the amount owed earlier than it is due. Early payments will not, unless agreed to by Lender in writing, relieve Borrower of Borrower's obligation to continue to make payment. Rather, early payments will reduce the principal balance due. Borrower agrees not to send Lender payments marked "paid in full", "without recourse", or similar language. If Borrower sends payment, Lender may accept it without losing any of Lender's rights under this Note, and Borrower will remain obligated to pay any further amount owed to Lender. All written communication concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: XXXXXXXX.

LATE CHARGE. If a payment is 30 days or more late, Borrower will be charged 10.000% of the regularly scheduled payment.

INTEREST AFTER DEFAULT. Upon default, including failure to pay upon final maturity, Lender, at its option, may, if permitted under applicable law, increase the interest rate on this Note 12.000 percentage (12%) points annual percentage rate. The interest rate will not exceed the maximum rate permitted by applicable law.

PROMISSORY NOTE
 (Continued)

ACC000109
 FILE #7991

DEFAULT. Each of the following shall constitute an event of default ("Event of Default") under this Note:

Payment Default. Borrower fails to make any payment when due under this Note.

Other Defaults. Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Note or in any of the related documents comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.

False Statements. Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf under this Note or the related documents misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Insolvency. The dissolution or termination of Borrower's existence as a going business, the insolvency of Borrower, the appointment of a receiver for any part of Borrower property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by a creditor of Borrower or by any governmental agency against any collateral securing the loan. This includes a garnishment of any of Borrower's accounts, including deposit accounts, Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the creditor forfeiture proceeding and if Borrower gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding. In an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any Guarantor of any of the indebtedness or any Guarantor dies or becomes incompetent, or revokes the validity of, or liability under, any guaranty of the indebtedness evidenced by this Note. In the event of a death, Lender, at its option, may, but shall not be required to, permit the Guarantor's estate to assume unconditionally the obligations arising under the guaranty in a manner satisfactory to Lender, and, in doing so, cure any Event of Default.

Change in Ownership. Any change in ownership of Fifty One percent (51%) or more of the common control stock of Borrower.

Adverse Change. A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of this Note is impaired.

Insecurity. Lender in good faith believes and deems itself insecure by written notice of such covenant.

Cure Provisions. If any default, other than a default in payment is curable and if Borrower has not been given a notice of a breach of the same provision of this Note within the preceding Twelve (12) months, it may be cured if Borrower, after receiving written notice from Lender demanding cure of such default: (1) cures the default within Twenty (20) days; or (2) requires more than Twenty (20) days, immediately initiates steps which Lender deems to be sufficient to cure the default and thereafter continues and completes reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

LENDER'S RIGHTS. Upon default, Lender may declare the entire unpaid principal balance on this Note and all accrued unpaid interest immediately due, and then Borrower will pay that amount.

ATTORNEYS' FEES; EXPENSES. Lender may hire or pay someone else who is not Lender's salaried employee to help collect this Note if Borrower does not pay. Borrower will be liable for reasonable costs incurred in the collection of this Note, including but not limited to, court costs, attorneys' fees and collection agency fees, except that such costs of collection shall not include recovery of both attorney's fees and collection agency fees.

GOVERNING LAW. This Note will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Domicile without regard to its law provisions. This Note has been accepted by Lender in the State of Domicile.

**PROMISSORY NOTE
(Continued)**

ACC000110
FILE #7991

CHOICE OF VENUE. If there is a lawsuit, Borrower agrees upon Lender's request to submit to the jurisdiction of the courts of prevailing County, *State of Domicile*.

DISHONORED ITEM FEE. Borrower will pay a fee to Lender of \$1,000.00 if Borrower makes a payment on Borrower's loan and the check or preauthorized charge with which Borrower later dishonored.

RIGHT OF SETOFF. To the extent permitted by applicable law, Lender reserves a right of setoff in all Borrower's accounts with Lender (whether checking, savings, or some other account includes all accounts Borrower holds jointly with someone else and all accounts Borrower may open in the future. However, this does not include any IRA or Keogh accounts, or any trust account which setoff would be prohibited by law. Borrower authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the indebtedness against any and all such accounts.

COLLATERAL. Borrower acknowledges this Note is secured by A \$2,000,000 SURETY BOND ISSUED BY TRI-POINT HOLDINGS AS WELL AS CONCERT TICKETS SALES.

FINANCIAL STATEMENTS AND OTHER INFORMATION. SDI shall provide to Lender upon request any financial statements or information you may deem necessary. SDI warrants financial statements and information provided are or will be accurate, correct and complete.

SUCCESSOR INTERESTS. The terms of this Note shall be binding upon Borrower, and upon Borrower's heirs, personal representatives, successors and assigns, and shall inure to the benefit of Lender and its successors and assigns.

NOTIFY US OF INACCURATE INFORMATION WE REPORT TO CONSUMER REPORTING AGENCIES. Please notify us if we report any inaccurate information about your account to a consumer reporting agency. Your written notice describing the specific inaccuracy(ies) should be sent to us at the following address: XXXXXXXXXXXXXXX, Full Address.

GENERAL PROVISIONS. This Note is payable on demand. The inclusion of specific default provisions or rights of Lender shall not preclude Lender's right to declare payment of this Note in full on demand. Lender may delay or forgo enforcing any of its rights or remedies under this Note without losing them. Borrower and any other person who signs, guarantees or endorses this Note, in whole or in part, shall be bound by law, waive presentment, demand for payment, protest and notice of dishonor. Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, the terms of this Note, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may renew or extend (repeatedly and repeatedly) this loan or release any party or guarantor or collateral; or impair, fail to realize upon or perfect Lender's security interest in the collateral, and take any other action deemed necessary by Lender without the consent of or notice to anyone. All such parties also agree that Lender may modify this loan without the consent of or notice to anyone other than the party with whom modification is made. The obligations under this Note are joint and several.

NO ORAL AGREEMENTS. This written agreement is the final expression of the agreement between Lender and Borrower and may not be contradicted by evidence of any prior agreement or of a contemporaneous oral agreement between Lender and Borrower.

NONSTANDARD TERMS. The following contains additional or further enhanced nonstandard terms, including all previous oral agreements, if any, between Lender and Borrower.

The maker waives presentment and protest, notice of acceleration, notice of intention to accelerate, notice of protest, dishonor and non-payment of this Note, and expressly agrees that this Note or any payment due hereunder, may be extended from time to time without in any way affecting the liability of the Maker (Borrower) hereof.

This Note may be prepaid, in whole or in part, and from time to time, without penalty or premium. Payments made under this Note shall be applied first to accrued but unpaid interest and then to principal.

The remedies of the holder hereof, as provided herein or in any other instrument securing this Note, shall be cumulative and concurrent, and may be pursued singularly, successively or together, at the sole discretion of the holder hereof, and may be exercised as often as the occasion therefore shall arise. No act of omission or commission of the holder, including, without limitation, any failure to exercise any right, remedy or recourse, shall be deemed to be a waiver or release of the same, such waiver or release to be effected only through a written document executed by the holder and then only to the extent specifically recited therein. A waiver or release with reference to any one event shall not be construed as continuing, as a bar to, or as a waiver or release of, any subsequent right, remedy or recourse as to a subsequent event.

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The undersigned represents, warrants and agrees that the proceeds of this Note shall be used solely for business and corporate reimbursement, operating purposes and that the indebtedness evidenced by this Note constitutes a business loan. The undersigned agrees that the proceeds of this Note will be disbursed in "an orderly manner" in accordance with the Loan Proceeds and Note Agreement relating hereto.

If any provision of this Note, or any payments pursuant to the terms hereof, shall be invalid or unenforceable to any extent, the remainder of this Note, and any other payments hereunder, shall not be affected thereby and shall be enforceable to the greatest extent permitted by law. Notwithstanding anything in this Note, expressed or implied, to the contrary, in no event shall any interest rate charged hereunder, or any interest contracted for, collected or received by any holder hereof, exceed the maximum amount permitted by law.

If is expressly stipulated and agreed to be the intent of Maker and Holder (Lender) hereof at all times to comply with the applicable law governing the maximum rate or amount of interest payable on or in connection with this Note. If the applicable law is ever judicially interpreted so as to render usurious any amount called for under the Note, or contracted for, charged, taken, reserved or received with respect to this Note, or if acceleration of the maturity of this Note, any prepayment by Maker, or any other circumstance whatsoever, results in the holder having been paid any interest in excess of that permitted by applicable law, then it is the express intent of Maker and the holder that all excess amounts therefore collected by the holder hereof be credited on the principal balance of this Note (or, if the Note has been or would thereby be paid in full, refunded to Maker), and the provisions of this Note immediately be deemed reformed and the amounts thereafter collectible hereunder and hereunder reduced, without necessity of the execution of any new document, so as to comply with the applicable law, but so as to permit the recovery of the fullest amount otherwise called for hereunder and thereunder. All sums paid or agreed to be paid to the holder for the use, forbearance or detention of the indebtedness evidenced hereby or by any other document relating hereto shall, to the extent permitted by applicable law, be amortized, prorated, allocated and spread throughout the full term of such indebtedness until payment in full so that the rate or amount of interest on account of such indebtedness does not exceed the maximum amount permitted by applicable law.

The Maker further agrees to pay reasonable attorney's fees, court costs, and expenses of every kind incurred by the holder hereof in collecting or enforcing payment hereof, whether or not any lawsuit is filed with respect hereto.

Any and all moneys, credits or other property belonging to the undersigned in transit to or in the possession of the Lender, or the Holder hereof, may, without notice, be appropriated and applied against the liability of the Maker hereunder.

The undersigned agrees that this Note and all related documents and agreements may be assigned by the Holder for business and tax purposes. Maker will be considered and shall ratify should said assignment need be perfected for business or tax purposes.

All notices or other communications hereunder to either party shall be (a) in writing and, if mailed, shall be deemed to be given on the fifth day after the date when deposited in the United States mail, by registered or certified mail, postage prepaid, addressed as provided hereinafter, and (b) addressed as follows:

If to Maker:

Marc Hubbard, CEO
Sports Dimensions, Inc. DBA SDI
8604 Cliff Cameron Dr. Suite 145
Charlotte, NC 28269

If to Holder:

XXXXXXXXXXXX
Full Address
City, State

or to either party at such other addresses as such party may designate in a written notice to the other party. Facsimile transmission of notices or other communications shall be acceptable and shall be deemed given on the date of transmission.

THIS NOTE, INCLUDING THE MANNER OF ITS EXECUTION, SHALL BE GOVERNED BY AND CONSTRUED UNDER THE INTERNAL LAWS OF THE STATE OF DOMICILE. THIS NOTE AND THE OTHER LOAN DOCUMENTS EXECUTED IN CONNECTION HERewith REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN, ORAL AGREEMENTS BETWEEN THE PARTIES.

IN WITNESS WHEREOF, the undersigned has executed and delivered this Note as of the xxx day of xxxxx, 2006.

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Name:

By:

By:

Name:

By:

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BY INITIALING THE BOXES BELOW, LENDER AND BORROWER AFFIRM THAT NO UNWRITTEN ORAL AGREEMENT EXISTS BETWEEN THEM; THERE EXIST VERBAL, PRIVATE OR SIDE AGREEMENTS.

Borrower's Initials

Lender's Initials

PRIOR TO SIGNING THIS NOTE, BORROWER HAS READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE, BORROWER AGREES TO THE TERMS OF NOTE.

BORROWER ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THIS PROMISSORY DEMAND NOTE

BORROWER:

By: _____

ACC000113
FILE #7991

MR. MARC HUBBARD, President and CEO of
SDI

ACC000114
FILE #7991



NORTH CAROLINA

Department of The Secretary of State

To all whom these presents shall come, Greetings:

I, ELAINE F. MARSHALL, Secretary of State of the State of North Carolina, do hereby certify the following and hereto attached to be a true copy of

ARTICLES OF INCORPORATION

OF

SPORTS DIMENSIONS, INC.

the original of which was filed in this office on the 25th day of January, 2002.



IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at the City of Raleigh, this 18th day of August, 2009.

Elaine F. Marshall

Secretary of State



22 024 9007

SOSID: 617801
Date Filed: 1/25/2002 12:00 PM
Elaine F. Marshall
North Carolina Secretary of State

STATE OF NORTH CAROLINA
DEPARTMENT OF THE SECRETARY OF STATE

ARTICLES OF INCORPORATION

Pursuant to Section 55-2-02 of the General Statutes of the State of North Carolina, the undersigned does hereby submit these Articles of Incorporation for the purposes of forming a business corporation.

1. The name of the corporation is SPORTS DIMENSIONS, INC.
2. The number of shares the corporation is authorized to issue is 100,000 and these shares shall be all of one class.
3. The street address and county of the initial registered office of the corporation is 407 Fannie Circle, Charlotte, NC 28205, in Mecklenburg County, NC.
4. The name of the initial registered agent is Marc Hubbard, 407 Fannie Circle, Charlotte, NC 28205.
5. The name and address of the incorporator is: Marc Hubbard, 407 Fannie Circle, Charlotte, NC 28205
6. These Articles will be effective upon filing.

This 20th day of January, 2002.

SPORTS DIMENSIONS, INC.


Marc Hubbard **INCORPORATOR**
407 Fannie Circle
Charlotte, NC 28205

STATE OF NORTH CAROLINA



Department of The
Secretary of State

IN THE MATTER OF:

THE NORTH CAROLINA SECURITIES DIVISION

Petitioner,

vs.

SPORTS DIMENSIONS, INC.,
8604 Cliff Cameron Drive
Suite 145
Charlotte, North Carolina 28269

**FINAL ORDER TO
CEASE & DESIST**

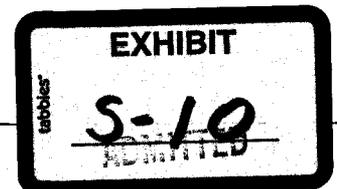
and

MARC HUBBARD
8604 Cliff Cameron Drive
Suite 145
Charlotte, North Carolina 28269
(Individually and in his capacity as President of
Sports Dimensions, Inc.)

FILE NO. O6-040-RF

Respondents.

THIS CAUSE coming on to be heard and being heard upon the Motion for Final Order to Cease and Desist filed herein by the Petitioner, the Securities Division of the Department of the Secretary of State of North Carolina; and **IT APPEARING** to the undersigned that, upon the call of this matter for hearing, that the Petitioner was represented by Nancy Ann Vecchia, Enforcement Attorney for the Petitioner, and that the Respondents **SPORTS DIMENSIONS, INC.** and **MARC HUBBARD** did not appear in person or through counsel; and



BASED UPON the record in this administrative proceeding and the representations of counsel, the undersigned makes the following:

FINDINGS OF FACT

1. On January 2, 2007 the Deputy Securities Administrator entered a Summary Order To Cease And Desist against the Respondents named in the above-captioned case.
2. On January 5, 2007 the Respondents were personally served with copies of the Division's Administrative Petition, the Summary Order To Cease And Desist, and a Notice of Right To Administrative Hearing.
3. The Notice of Right To Administrative Hearing served upon Respondents informed said Respondents that, upon their failure to request a hearing in writing, file a responsive pleading, or make a submission within thirty (30) business days following service that the Petitioner would apply for a permanent and final Order To Cease And Desist the offer and sale by the Respondents of investments in the form of investment contracts and promissory notes issued by Sports Dimensions, Inc. and any other security of any issuer, howsoever denominated, unless and until the security and the persons offering and selling said security were registered under the North Carolina Securities Act.
4. In addition the permanent and final Order To Cease And Desist would command that the Respondents not violate any of the antifraud provisions under the North Carolina Securities Act.
5. Furthermore the permanent and final Order to Cease and Desist would command the Respondents **SPORTS DIMENSIONS, INC.** and **MARC HUBBARD** to remove from their website <http://www.allstarconcerts.com>, the specific link and posting "Investment Opportunities" that allows SDI and Hubbard to continue to offer to sell through general solicitation of the members of the public including

members of the public of North Carolina, investment opportunities in the form of investment contracts and promissory notes issued by Sports Dimensions, Inc.

6. The Summary Order To Cease And Desist gave notice to the Respondents that, if no request for a hearing, responsive pleading, or other submission was received by the Deputy Securities Administrator within thirty (30) business days following service of said Order, the Summary Order To Cease And Desist would become final and remain in effect unless modified or vacated by the Secretary of State in her capacity as Administrator of the North Carolina Securities Act.
5. The Petitioner on February 21, 2007 filed a Motion For Default against Respondents. The Deputy Securities Administrator entered default against Respondent on February 21, 2007.
6. On February 21, 2007 counsel for the Petitioner mailed to Respondents by certified mail, return receipt requested a Notice that the Petitioner's Motion For Final Order would be brought before the undersigned on March 5, 2007 at 10:00 A.M.; said Respondents have not appeared to contest the entry of a permanent and final Order to Cease and Desist.

BASED ON THE FOREGOING Findings of Fact, the undersigned makes the following:

CONCLUSIONS OF LAW

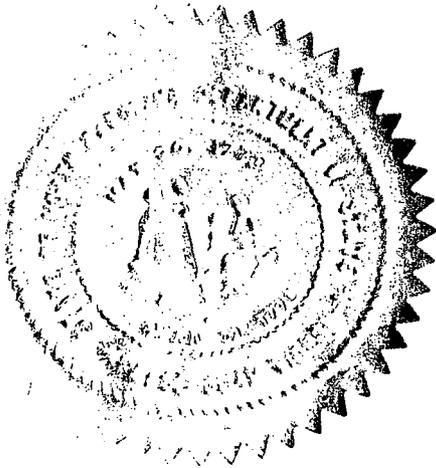
1. The undersigned Deputy Securities Administrator has jurisdiction over the person of the Petitioner and Respondents Sports Dimensions, Inc. and Marc Hubbard and over the subject matter of this administrative proceeding against Respondents.
2. Respondents are now subject to the entry of a permanent and final Order To Cease And Desist.

3. The entry of a final and permanent Order To Cease and Desist against Respondents is in the public interest.

NOW, THEREFORE, IT IS HEREBY ORDERED, ADJUDGED AND DECREED pursuant to the authority contained in N.C.G.S. §78A-47(b)(2) that Respondents **SPORTS DIMENSIONS, INC.** and **MARC HUBBARD** shall immediately cease and desist:

1. Offering for sale, soliciting offers to purchase, or selling, to the public in North Carolina, securities in the form of investment contracts and promissory notes issued by Sports Dimensions, Inc. or any security of any issuer, howsoever denominated, unless and until such securities have been registered pursuant to the provisions of the Securities Act.
2. Offering for sale, soliciting offers to purchase, or selling, in or from North Carolina, securities in the form of investment contracts and promissory notes issued by Sports Dimensions, Inc. and any security of any issuer, howsoever denominated, unless and until said persons become registered as dealers or salesmen pursuant to the provisions of the Securities Act.
3. In connection with the offer, sale or purchase of any security, making false statements of material facts or omitting to state material facts necessary in order to make statements made, in light of the circumstances under which such statements are made, not misleading.
4. In connection with the offer, sale or purchase of any security the Respondents **SPORTS DIMENSIONS, INC.** and **MARC HUBBARD** are commanded to remove from their website <http://www.11starconcerts.com>, the specific link and posting "Investment Opportunities" that allows SDI and Hubbard to continue to offer to sell through general solicitation of the members of the public including members of the public of North Carolina, investment opportunities in the form of investment contracts and promissory notes issued by Sports Dimensions, Inc.

WITNESS MY HAND AND THE OFFICIAL SEAL of the North Carolina Department of the Secretary of State, this the 5th day of March 2007.



ELAINE F. MARSHALL
SECRETARY OF STATE OF NORTH CAROLINA
and SECURITIES ADMINISTRATOR

by: _____
David S. Massey
Deputy Securities Administrator