**Chapter 8 Securities Homework**

**Name (Last Name, First Name):**

**Class Number and Section:**

Read (skim) the attached private placement memorandum.

Answer the questions and then print off the answers only and turn in at class.

1. Can this be a Subchapter S corporation and give your explanation?

Answer:

1. Identify, copy and paste herein ***three*** references to federal securities law from the memorandum and define a legal term in the reference (the first one I have provided below – define one of the bold and underlined terms):
2. Suitability Standards The Shares will only be sold to persons who are **“accredited investors**” as defined under **Regulation D** promulgated under **the Securities Act of 1933**, as amended (the “Securities Act”). See “INVESTOR SUITABILITY STANDARDS.

Definition:

1. (Insert)

Definition:

1. (Insert)

Definition:

1. Cut and paste the language underneath from the memorandum where it says that this is **‘not a sale of a security’**. Why is this relevant?

Answer:

CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM

**BeyondGaming, Inc.**

**Confidential Copy No.: \_\_\_\_\_\_\_** **Offeree:**

**Date:**

## For Accredited Investors Only

**$500,000**

**250,000 COMMON SHARES AT $2.00 PER SHARE**

This Confidential Private Placement Memorandum relates to a private offering (the “Offering”) of up to 250,000 Common Shares, no par value (the “Shares”) of BeyondGaming, LLC., an Ohio limited liability corporation (“Gaming” or the “Company”), for a total Offering of $500,000. The Company is currently organized as an Ohio limited liability company and has operated as such since June of 2009. Prior to the issuance of any Shares in the Offering, the Company will be reorganized as an OhioC-corporation, with Common Shares issued in exchange for the membership interests currently outstanding.Assuming that all Shares offered hereby are issued, such Shares will represent forty percent (40%) of the total number of Common Shares outstanding, calculated after the assumed issuance of 1,000,000 Common Shares that are reserved for this transaction and issuance to preferred shareholders, current owners and stock options, or warrants that the Board of Directors may elect to grant as incentive compensation for officers, managers and key employees of the Company.

Concurrently herewith, Company is also offering up to 50,000 Preferred Shares with a $10 Face Value, 8% Cumulative Dividend. The terms and conditions of that offering are disclosed herein in the Dilution Table only, and for a greater understanding of the relationship between the Common Shares being offered herein and said Preferred Shares, please read the attached Articles of Organization and Preferred Shareholder Purchase Agreement which have been included in the booklet for your consideration. The Shares and Preferred Shares have different benefits and drawbacks which may or may not impact your investment decision.

The Company will manage a social network that is specifically targeted at the gaming industry. The Company’s services provide “gamers”, those that play games virtually against other competitors, a communication tool and network to game, either competitively for money or just for fun, with other gamers around the globe.Further, the site will be a marketplace for all things gaming, such as hardware and software that game enthusiasts would be likely to buy. The Company will use the proceeds from this Offering to enhance current software and web site, market its gaming services, and infrastructure.

The Shares are being offered pursuant to exemptions from registration under the Securities Act of 1933, as amended (the “Securities Act”), and applicable state securities laws. The Shares are available only to investors who (i) acquire the Shares for their own account for investment and not resale, (ii) have certain business and financial expertise, and (iii) are “accredited investors.” See “INVESTOR SUITABILITY STANDARDS.” The Shares are being offered by officers, directors and employees of the Company on a “best efforts” basis without any requirement that any minimum number of Shares be sold. The Company intends to continue the Offering until December 31, 2010, but it may terminate or extend the Offering at its discretion. The Offering may be terminated by the Company at any time, regardless of the number of Shares sold. See “THE OFFERING AND PLAN OF DISTRIBUTION.”

Sales Net

Offering Price (1) Commissions (2) Proceeds

Per Common Share $2.00 $0.00 $2.00

Per Preferred Shares $10.00 $10.00

Total Offering (3) $500,000 $0.00 $500,000

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1. The Offering Price per Share has been determined by the Company on the basis of certain projections of earnings and cash flow, discounted to present value. See “PRO-FORMA REVENUES, EXPENSES AND CASH FLOW”, which is provided in the accompanying business plan. The Company makes no representation that the offering price is or will be the fair market value of its Common Shares or that such Shares could be resold for such amount. The offering price has no relation to the current assets, book value, earnings (loss) or net worth of the Company. See “RISK FACTORS-Determination of the Offering Price.” Each prospective investor should make an independent evaluation of the fairness of such price under all of the circumstances described in this Memorandum.
2. The Company does not anticipate any sales commissions being paid in this Offering, however, it may have to pay some fees but this figure is not currently anticipated.
3. The Company anticipates raising $500,000, either through sales of Preferred Share and or Common Shares. This document only expressly deals with the Common Share offering and its terms. To fully understand the implications of the Preferred Shares as against the rights of the Common Shares, please review the Articles of Organization and the Preferred Shares Purchase Agreement, both of which have been included in the offering materials.

**THIS OFFERING INVOLVES A HIGH DEGREE OF RISK**

# See “Risk Factors”

THE SHARES OFFERED HEREBY HAVE NOT BEEN REGISTERED WITH, OR APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR BY THE SECURITIES REGULATORY AUTHORITY OF ANY STATE. NO SUCH COMMISSION OR AUTHORITY HAS PASSED UPON OR ENDORSED THE MERITS OF THIS OFFERING OR THE ACCURACY OR ADEQUACY OF THIS MEMORANDUM, NOR IS IT INTENDED THAT THEY WILL AND ANY REPRESENTATIONS TO THE CONTRARY IS A CRIMINAL OFFENSE.

**BeyondGaming, Inc.**

**C/o General Counsel**

1301 N. Summit Street

Toledo, OH43604

Telephone: (419) 344-9571

The Date of this Memorandum is October 1, 2009.

**IMPORTANT DISCLOSURES**

THIS MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO SELL NOR THE SOLICITATION OF AN OFFER TO PURCHASE ANY SECURITIES IN ANY JURISDICTION IN WHICH OR TO ANY PERSON TO WHOM IT WILL BE UNLAWFUL TO DO SO.

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 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 WILL BE SOLD SUBJECT TO THE PROVISIONS OF A STOCK SUBSCRIPTION AGREEMENT CONTAINING CERTAIN REPRESENTATIONS, WARRANTIES, TERMS AND CONDITIONS. YOU SHOULD INVEST IN THESE SECURITIES ONLY AFTER YOU HAVE COMPLETELY AND THOROUGHLY REVIEWED THE PROVISIONS OF THE SUBSCRIPTION AGREEMENT.

THE COMPANY WILL MAKE AVAILABLE TO ANY PROSPECTIVE QUALIFIED INVESTOR, PRIOR TO THE CLOSING, THE OPPORTUNITY TO ASK QUESTIONS OF AND RECEIVE ANSWERS FROM THE COMPANY OR PERSONS ACTING ON BEHALF OF THE COMPANY CONCERNING THE TERMS AND CONDITIONS OF THIS OFFERING AND OUR BUSINESS AND OPERATIONS, AND TO OBTAIN ADDITIONAL INFORMATION IF IT IS IN THE POSSESSION OF THE COMPANY.

THIS MEMORANDUM CONTAINS SUMMARIES, WHICH THE COMPANY BELIEVES TO BE ACCURATE, OF CERTAIN AGREEMENTS AND OTHER DOCUMENTS. THE SUMMARIES MAY NOT BE COMPLETE AND YOU SHOULD REVIEW THE AGREEMENTS AND DOCUMENTS DESCRIBED HEREIN TO FULLY UNDERSTAND THE TERMS THEREOF. THE COMPANY WILL MAKE THE AGREEMENTS AND DOCUMENTS DESCRIBED IN THIS MEMORANDUM AVAILABLE TO QUALIFIED PROSPECTIVE INVESTORS. SEE “ADDITIONAL INFORMATION.”

YOU SHOULD RELY ON THE INFORMATION CONTAINED IN THIS MEMORANDUM. THE COMPANY HAS NOT AUTHORIZED ANY PERSON TO PROVIDE YOU WITH DIFFERENT INFORMATION OR TO MAKE ANY REPRESENTATION NOT COVERED IN THIS MEMORANDUM. IF ANYONE PROVIDES YOU WITH DIFFERENT OR INCONSISTENT INFORMATION, YOU SHOULD NOT RELY ON IT.

YOU SHOULD ASSUME THE INFORMATION CONTAINED IN THIS MEMORANDUM IS ACCURATE ONLY AS OF THE DATE ON THE FRONT COVER OF THIS MEMORANDUM. THE COMPANY'S BUSINESS, FINANCIAL CONDITION, RESULTS OF OPERATIONS AND PROSPECTS MAY HAVE CHANGED SINCE THAT DATE.

YOU SHOULD NOT CONSIDER ANY INFORMATION IN THIS MEMORANDUM TO BE LEGAL, BUSINESS OR TAX ADVICE. YOU SHOULD CONSULT YOUR OWN ATTORNEY, BUSINESS ADVISOR AND TAX ADVISOR FOR LEGAL, BUSINESS AND TAX ADVICE REGARDING AN INVESTMENT IN THESE SECURITIES.

THE COMPANY MAKES NO REPRESENTATION TO YOU REGARDING THE LEGALITY OF AN INVESTMENT IN THESE SECURITIES BY YOU UNDER APPLICABLE LEGAL INVESTMENT OR SIMILAR LAWS. YOU MUST COMPLY WITH ALL APPLICABLE LAWS AND REGULATIONS IN FORCE IN ANY JURISDICTION IN WHICH YOU PURCHASE, OFFER OR SELL THE SECURITIES AND MUST OBTAIN ANY CONSENT, APPROVAL OR PERMISSION REQUIRED FOR YOUR PURCHASE, OFFER OR SALE OF THE SECURITIES UNDER THE LAWS AND REGULATIONS IN FORCE IN ANY JURISDICTION TO WHICH YOU ARE SUBJECT OR IN WHICH YOU MAKE SUCH PURCHASES, OFFERS OR SALES, AND THE COMPANY WILL HAVE NO RESPONSIBILITY FOR YOUR FAILURE TO COMPLY WITH ANY REGULATION OR LAW.

THIS MEMORANDUM IS BASED ON INFORMATION PROVIDED BY THE COMPANY AND OTHER SOURCES THE COMPANY BELIEVES ARE RELIABLE. HOWEVER, THE COMPANY CANNOT ASSURE YOU THAT THE INFORMATION PROVIDED BY SUCH OTHER SOURCES IS ACCURATE OR COMPLETE.

AN INVESTMENT IN THE SECURITIES INVOLVES A HIGH DEGREE OF RISK. IT IS SPECULATIVE AND SUITABLE ONLY FOR PERSONS WHO HAVE SUBSTANTIAL FINANCIAL RESOURCES AND HAVE NO NEED TO SELL THE SECURITIES. YOU SHOULD PURCHASE THE SECURITIES ONLY IF YOU UNDERSTAND OR HAVE BEEN ADVISED ABOUT THE TAX CONSEQUENCES OF AND THE RISK FACTORS ASSOCIATED WITH THE PURCHASE OF THE SECURITIES.

IF YOU PURCHASE THE SECURITIES YOU MUST BE PREPARED TO BEAR THE ECONOMIC RISK OF THE INVESTMENT FOR AN INDEFINITE PERIOD, SINCE THE SECURITIES MAY NOT BE RESOLD UNLESS THEY ARE REGISTERED UNDER THE SECURITIES ACT OF 1933 OR AN EXEMPTION FROM REGISTRATION IS MADE AVAILABLE.

THE COMPANY HAS PREPARED THIS MEMORANDUM TO BE SUBMITTED TO A LIMITED NUMBER OF POTENTIAL INVESTORS SO THAT THEY CAN CONSIDER PURCHASE OF THE SECURITIES. THE COMPANY HAS NOT AUTHORIZED ITS USE FOR ANY OTHER PURPOSE. IF YOU AGREE TO DELIVERY OF THIS MEMORANDUM YOU AGREE TO RETURN IT AND ALL ENCLOSED DOCUMENTS IF YOU DO NOT PURCHASE SECURITIES WITHIN THE TIME PERIOD STATED BELOW. THIS MEMORANDUM MAY NOT BE COPIED OR REPRODUCED IN WHOLE OR IN PART, AND IT MAY ONLY BE DISTRIBUTED AND DISCLOSED TO THE PROSPECTIVE INVESTORS TO WHOM IT IS PROVIDED.

THIS OFFERING WILL TERMINATE ONDECEMBER 31, 2010, UNLESS TERMINATE OR EXTENDED BY THE COMPANY IN ITS SOLE DISCRETION IN CONNECTION WITH THE OFFERING AND SALE OF THE SECURITIES, THE COMPANY RESERVES THE RIGHT, IN ITS SOLE DISCRETION, TO REJECT ANY SUBSCRIPTION BY ANY INVESTOR AND TO HOLD MULTIPLE CLOSINGS.

**ACCREDITED INVESTORS ONLY**

THIS OFFERING IS BEING MADE ONLY TO PERSONS WHO ARE ACCREDITED INVESTORS AS THAT TERM IS DEFINED PURSUANT TO RULE 501 OF REGULATION D OF THE SECURITIES ACT OF 1933, AS AMENDED. THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR UNDER THE SECURITIES LAWS OF THE STATE OF OHIO OR ANY OTHER STATE. THESE SECURITIES CANNOT BE RESOLD, TRANSFERRED OR OTHERWISE DISPOSED OF BY THE INVESTOR WITHOUT APPROPRIATE REGISTRATION OR THE AVAILABILITY OF AN EXEMPTION FROM SUCH REGISTRATION.

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# INVESTOR SUITABILITY STANDARDS

BECAUSE OF THE SIGNIFICANT RISK ASSOCIATED WITH THIS OFFERING, THE MINIMUM INVESTMENT REQUIRED FOR PURCHASE OF THE SHARES SHOULD BE CONSIDERED ONLY BY SOPHISTICATED ACCREDITED INVESTORS WHO HAVE SUBSTANTIAL MEANS, WHO CAN AFFORD THE ILLIQUIDITY OF THIS INVESTMENT, WHO ARE PREPARED TO SUSTAIN A COMPLETE LOSS IN THIS INVESTMENT AND WHO MEET THE FOLLOWING SUITABILITY STANDARDS:

The Company is offering the Shares only to accredited investors and are being offered and sold without registration in compliance with Regulation D of the Securities Act of 1933, as amended. Such securities laws require, among other things, that the following requirements be met with respect to potential investors.

Offers will be made only to persons whom the Company believes either have such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of the investment or can bear the economic risks of the investment (i.e. at the time of investment, could afford a complete loss).

Sales will be only to “accredited investors” as defined in the Subscription Agreement (Exhibit C) and below; all investors are required to represent that they are capable of bearing the economic risk of the investment and personally possess such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of the investment.

The economic suitability standards for individual investors required for this investment are:

1. That the investor has a net worth of at least $1,000,000, or
2. That the investor had 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 corporation, partnership or other entity investing in the Offering must have total assets in excess of $5,000,000 unless all of its equity owners are themselves accredited investors. A qualified pension, profit-sharing or Keogh employee benefit plan, the fiduciary for such plan, or the donor of any such plan who directly or indirectly supplies the funds to purchase an interest in the Company, must also meet the minimum financial suitability standards. See the Subscription Agreement (Exhibit C) for further explanation of these requirements.

The Company has sole discretion with regard to the sale to any prospective investor. In addition to the suitability standards described above, each investor will be required to represent the following by execution of a subscription agreement stating:

1. That the investor has such knowledge and experience in financial and business matters and that he is capable of evaluating the merits and risks of an investment in Company.
2. That the investor has the basic means to provide for his current needs and personal contingencies, has no need for liquidity in this investment and has the ability to bear the economic risks of this investment, including the loss of his investment.
3. That the investor is acquiring the Shares for his own account for long-term investment and not with a view towards the resale or distribution thereof.
4. That the investor has no present intention of selling or granting any participation in or otherwise distributing the Shares.
5. That the investor has read and understands this Private Placement Memorandum and all Exhibits attached hereto.

# THE OFFERING AND PLAN OF DISTRIBUTION

Securities Offered 250,000 Common Shares, no par value.

50,000 Preferred Shares, Face Value of $10.00 per share.

Outstanding Common Shares Upon completion of the conversion of the Company into an Ohio C-corporation prior to the issuance of any Shares in this Offering, the Company will have 1,000,000 Common Shares authorized for issuance, of which all shares will be issued and outstanding (subject to full subscription herein) and 250,000 shares will be reserved for issuance upon exercise of future stock option grants by the Board of Directors as incentive compensation for officers, managers and key employees of the Company and warrants. Assuming that all 250,000 Shares offered hereby are sold, investors in the Offering will hold Twenty Five percent (25%) of the total number of Common Shares outstanding on completion of the Offering, calculated on a fully diluted basis, assuming the grant of stock options for the entire number of Common Shares reserved for stock option grants.

Outstanding Preferred Shares Upon completion of the conversion of the Company into an Ohio C-corporation prior to the **issuance** of any Shares in this Offering, the Company will have 100,000 Preferred Shares authorized for issuance, of which up to 50,000 Preferred Shares may be issued and outstanding (depending on the demand for Shares and / or Preferred Shares which will subject to investor preference) and 50,000 shares will be reserved for issuance should capital demands require the sale of such Preferred Shares for continuing operations at a later date. The Preferred Shares issued and outstanding, shall have a conversion feature of 1 to 1 into Shares thus totaling up to Five percent (5%) of the total number of Common Shares authorized on completion of the Offering, calculated on a fully diluted basis, assuming the grant of stock options for the entire number of Common Shares reserved for stock option grants.

Minimum Investment 5,000 Common Shares ($10,000) for any investor, unless waived by the Company.

1,000 Preferred Shares with 8% cumulative dividend and 1 to 1 conversion feature ($10,000) for any investor, unless waived by the Company.

Use of Proceeds Net proceeds from this Offering will be used (i) as working capital to fund the marketing and sale of the Company’s services, (ii) to build out the Company’s infrastructure, and (iii) to create new proprietary software for gaming.

Risk Factors The Shares involve a HIGH DEGREE OF RISK AND SHOULD NOT BE PURCHASED BY INVESTORS WHO CANNOT AFFORD THE LOSS OF THEIR ENTIRE INVESTMENT See “RISK FACTORS.”

Suitability Standards The Shares will only be sold to persons who are “accredited investors” as defined under Regulation D promulgated under the Securities Act of 1933, as amended (the “Securities Act”). See “INVESTOR SUITABILITY STANDARDS.”

Restrictions on Transfer The Shares are not being registered under the Securities Act or the securities laws of any state and are being offered and sold in reliance upon exemptions from such registration requirements for non-public offerings pursuant to Regulation D under the Securities Act and applicable state securities laws and, therefore, cannot be resold, transferred or otherwise disposed of without registration under such laws or the availability of an exemption from such registration.

Plan of Distribution The Shares will be marketed on a best efforts basis by officers, directors and employees of the Company without any sales commissions or other compensation relating to the number of Shares sold by them.The Company intends to continue the Offering until December 31, 2009 and may elect to extend the Offering to December 31, 2010. There is no required minimum number of Shares being sold in the Offering, meaning that there is no assurance of any future sales of Shares in the Offering after the investment by any person. Amounts invested in the Offering will be available to the Company immediately after the Company’s acceptance of the subscription agreement for the investment. The Offering may be terminated by the Company at any time, regardless of the total number of Shares that have been sold in the Offering.

# ADDITIONAL INFORMATION

The Shares have not been registered under the Securities Act, and the Company is not subject to the reporting and information requirements of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Therefore, information about the Company is not publicly available. Prior to making any decision on the Offering, prospective investors are invited to ask questions of and obtain additional information from the Company concerning the Company and the terms and conditions of the Offering. For any such inquiries, prospective investors should contact Tony Legeza, Chief Executive Officer of the Company, at the offices of the Company at 1301 n. Summit Street, Toledo, OH 43604 Telephone: (419) 344-9571 . You should evaluate such information in connection with the information contained in this Memorandum. The Company has not authorized any person to provide you with information inconsistent with the information set forth herein or any representation as to future performance of the Company or future value of the Shares. Certain documents not included with this Memorandum are available for review by prospective investors, including the organizational documents of the Company and its predecessor, BeyondGaming, LLC, employment agreements and other material contracts of the Company.

# RISK FACTORS

*The Shares offered hereby are speculative and involve a high degree of risk. Only those persons economically able to lose their investment should purchase these securities. Prospective investors, prior to making an investment decision, should carefully consider, along with other matters referred to herein, the following risk factors:*

# 1. Risk Factors Related To The Business Of The Company

***Development to Early Stage Company******.***The Company has less than three complete years of operating history. The likelihood of the success of the Companymust be considered along with potential problems, expenses and the competitive environment in which the Company will operate. Unanticipated problems are frequently encountered in establishing a technology-related business such as the Company’s. The Company has less than three years of historical financial data on which to base planned operating expenses. The Company’s expense levels are mostly variable and are based on limited operational activities of the Company. As a result of the variable nature of many of the Company’s expenses, the Company may have difficulty forecasting or adjusting expenses in a timely manner to compensate for any unexpected delays in the development of the Company’s business plan or any subsequent shortfall. Any such delays or shortfalls could have an immediate adverse impact on the Company’s business, operating results and financial condition, andcould cause investors to lose all or a substantial part of their investment.

***Ongoing Need For Financing******.*** The Company has fixed operational expenses, and anticipates up to $30,000 per month to maintain its initial overhead. The Company may require additional funds to finance its operations for an undeterminable amount of time. In the event borrowing is required, the Company may become highly leveraged and subject to all the risks of any such borrowing. No person or entity has committed to provide any of the capital that the Company may require to fund its operations. There can be no assurance that any required financing will be available or available on terms acceptable to the Company. See “USE OF PROCEEDS.”

***Negative Net Worth of Company***. Because the Company’s shares are illiquid and it’s assets that will be hard to value, it could have a negative net worth at anytime in the immediate future, meaning that its liabilities exceeded the book value of its assets. Because of such negative net worth, the Company would be technically insolvent under a balance sheet definition of insolvency. Although the Company believes that the fair market value of its assets, including intangible assets such as intellectual property assets and goodwill, will exceed the total liabilities of the Company, no independent valuation of the Company’s assets has been obtained to confirm such belief.

***General Economic Conditions*****.** The Company believes that the general economic conditions will strongly influence company performance and it may experience periods of decline during economic downturns. The Company cannot be certain of the effect of general economic conditions on its market.

***Competition******.*** The Company’s business model crosses multiple industries and is highly competitive. The Company’s primary market is developing with competition scattered globally, however, competition from large, publicly traded companiesis anticipated. . The principal competitive factors in this business are the ability to provide a broad spectrum of customer services at the lowest possible costs, factors that directly relate to location of the business and the availability of capable programmers. The Company’s major impediments to effectively competing are limitations on financing and human resources. Well-funded companies have the ability to offer depth of services to current customers while actively seeking out new customers with advertising and sales initiatives. Because of cash-flow restrictions, the Company has had to focus on current active client needs with very limited ability to market and sell to new clients. This has made long term planning more difficult. Proceeds of the Offering will be used in part to finance increased marketing and selling efforts.

***Management of Growth****.* The Company may have to build out its current asset infrastructure in the next year to meet the service demands of new customers, including new hardware and equipment to manage and store data. The Company alsoanticipates a significant increase in personnel in order to meet its sales criteria. These goals cannot be met without the proceeds from the sale of most or all of the Shares in this Offering.Even with the receipt of such proceeds, the Company’s ability to successfully expand its service offerings with custom, scalable applications will depend on a number of factors, including the Company’s ability to contract with and effectively manage its relationships with advertising agencies and hire qualified additional personnel in operations,primarily marketing and sales. No assurance can be given that the Company will be successful in recruiting and retaining such personnel or managing the growth process. New personnel may be costly in terms of cash compensation and/or equity necessary to attract and retain them, or may not be available to the Company on any terms. Such expansion is expected to place significant strains on the Company’s financial, management and operational resources. There can be no assurance that the Company will be successful in managing its expansion, and the failure to do so could adversely affect the Company’s operating results and financial condition.

***Dependency on Key Personnel******.***The Company is substantially dependent on its present officers. Should one or more of them cease to be affiliated with the Company before acceptable replacements are found, there could be a material adverse affect on the Company’s business and prospects, and no assurance can be given that suitable replacements could be hired, if at all, except at substantial cost to the Company. Loss of key personnel could therefore significantly impair the value of the Shares. See “MANAGEMENT” and “PRINCIPAL SHAREHOLDERS.”

***Technology Risks***. The Company’s technology and software may contain undetected errors or defects. Despite extensive testing and use of such technology and software by the Company, errors or defects may arise in the future. Significant errors or defects could result in, among other things, reputational harm to the Company and erosion of the Company’s customer base and brand confidence. Further, there is no assurance that the Company will be able to keep pace with technology improvements by its competitors.

# 2. Risk Factors Related To Offering

***Best Efforts – No Minimum Offering******.*** The Company is offering the Shares on a “best efforts” – no minimum basis and funds therefore may be utilized as they are received. No individual, firm or corporation has agreed to purchase any of the Shares offered hereby. No assurances are given that any Shares will be sold No provision has been made requiring that any certain minimum number of Shares be subscribed for and sold in this Offering. Each investor’s subscription may be closed as received and approved. If only a small number of Shares are sold, the Company’s ability to accomplish its business objectives would be materially and adversely affected. See “THE OFFERING AND PLAN OF DISTRIBUTION” and “USE OF PROCEEDS.”

***Arbitration******.*** Any dispute arising out of or relating to an investment in shares of the Company must be handled in accordance with the rules and regulations of the American Arbitration Association, said arbitration to be binding on the parties. Additionally, each investor hereunder will be waiving the right to seek punitive damages, the right to trial by jury and other potential remedies that otherwise may be afforded by law. See Exhibit C – “Subscription Agreement.”

***Delay of Dividends******.***The Company cannot guarantee that its intended operations will result in sufficient revenues or cash flow to support the Company. The Company intends on paying dividends to investors as soon as earnings are sufficient to do so. However, any delay in producing or marketing the Company’s services and products could delay the payment of dividends for an undetermined period of time.

***Broad Discretion in Use of Proceeds******.*** The proceeds of this Offering will be used for general corporate and working capital purposes and may be expended at the Company’s discretion. The Company has reserved the right to redirect the application of proceeds of the Offering to acquisitions or other uses, in light of changing circumstances. As a result of the foregoing, any return on investment to investors will be substantially dependent upon the discretion and judgment of the Company’s management with respect to the application and allocation of the proceeds of the Offering. Pending their use as described above, the net proceeds of the Offering may be invested by the Company in short-term securities or money market funds. The Company does not require that any specific minimum investment criteria be used in selecting such short-term investments, but will select such investments as it deems appropriate, taking into consideration such factors as liquidity, return on and safety of investment. See “USE OF PROCEEDS.”

***Determination of the Offering Price******.*** The offering price of the Shares was based on discounted projected cash flows from a pro-forma income statement with somewhat arbitrary variables. See “PRO FORMA REVENUES, EXPENSES AND CASH FLOWS.” The Offering price does not bear any relationship to the current assets, book value, earnings (loss) or net worth of the Company or any other accepted criteria of value and should not be considered to be an indication of the actual current value of the Shares or the Company.

***Company Stock is Not Liquid – No Public Trading Market******.*** The Company’s Shares cannot currently be sold through any public market, and there is no assurance that such a market will be established in the future. An investor may not be able to liquidate his or her investment without considerable delay, if at all. If a public trading market is established, the price of the Company’s Stock may be highly volatile. Factors discussed herein may have a significant impact on the market price.

***No Assurance of Public Offering or Other Liquidity Event******.*** The Company gives no assurances that it will successfully complete a public offering of its securities or a sale of the Company. Investors should only purchase the securities of the Company based on the merits and risks of a long-term investment as disclosed in this Memorandum. The Company has no commitments from any person or underwriter as to any such offering or sale transaction and any such offering or sale would be subject to many variables including market trends for initial public offerings and acquisitions, results of operations, business plan and other factors not yet foreseen.

***Dilution/Disparity of Consideration******.*** Purchasers of the Shares offered hereby will experience immediate dilution of their investment based solely upon the net tangible book value per Share. Additional dilution to future net tangible book value per share may occur upon the exercise of options that may be issued and exercised under an incentive compensationplans of the Company. The founding shareholders of the Company, including certain of the Company’s officers, acquired their equity interest in the Company for nominal consideration and accordingly, new investors will bear substantially all of the risks inherent in an investment in the Company. See “DILUTION.”

***Forward Looking Statements And Associated Risks******.*** This Memorandum and the Exhibits hereto contain certain forward looking statements, including projected sales growth of the Company, projected financial condition from Company operations, business strategy, future of the industry and Company’s ability to compete within said industry. The Company gives no assurances that these forward-looking statements will hold true. The Company’s projections are based in part on industry analysis from third parties and are subject to a number of risks and uncertainties that cannot be foreseen. In addition to other risks described elsewhere in this “Risk Factors” discussion, important factors to consider in evaluating such forward-looking statements include market changes, working capital needs, changes in business strategies required to meet competitive pressures, and human resource issues. In light of these risks and uncertainties, many of which are described in greater detail elsewhere in this “Risk Factors” discussion, there can be no assurance that the events predicted in such forward-looking statements will in fact transpire.

**IN ADDITION TO THE FOREGOING RISKS, BUSINESSES ARE OFTEN SUBJECT TO RISKS THAT ARE NOT FORESEEN OR FULLY APPRECIATED BY MANAGEMENT. POTENTIAL INVESTORS SHOULD KEEP IN MIND THAT OTHER IMPORTANT RISKS COULD ARISE.**

# CAPITALIZATION

The following table sets forth the capitalization of the Company i) as of 06/01/09, and, ii) on a pro-forma basis after giving effect to the adjusted capitalization from the assumed sale of 250,000 Shares in the Offering. The table assumes the effectiveness of the reorganization of the Company as an Ohio C-corporation on or prior to June 30, 2009 without any write-up of the value of the assets of the Company or membership interests of the predecessor limited liability company in connection with the reorganization.

|  |  |  |
| --- | --- | --- |
|  | August 6, 2009  Actual | December31, 2009 as adjusted  Assuming the sale of 250,000 Shares |
|  |  |  |
| Shareholders’ Equity |  |  |
| Common Shares, no par value, 1,000,000 shares authorized, 650,000 shares outstanding (250,000 shares as adjusted) | $0 | $500,000 (3) |
| Accumulated Deficit(1) | $(0) | $(0) |
|  |  |  |
| Total Capitalization | $( 0) | $500,000 |

(1) Notes: Company has secured $20,000 in the form of loans from third parties. Each loan is payable in two years at an interest rate of 8%. Each note also includes a warrant to purchase 1% of the then outstanding stock for a price equal to $10,000.

(2) Company has received a financial commitment from the Regional Growth Partnership’s Launch program which is providing approximately $35,000 in grant dollars to support website design and development.

(3) Preferred Shares are a hybrid Equity Debt instrument and for the purposes of this capitalization chart, it will be assumed that all the Equity sold is in Shares.

**DILUTION**

For ease of computation, the Company’s Net Tangible Book Value as of August 15, 2009 was $(0), because there have been no operating activities of the company to generate any losses, and the $20,000 loan to the company on the liability side is offset by the cash in the company’s checking account and the book value of the software being developed.These figures do not reflect the $35,000 grant from the Regional Growth Partnership. Thus, “Net Tangible Book Value” represents the Company’s total tangible assets less its total liabilities. After giving effect to the sale of the Shares offered hereby, the Company’s Net Tangible Book Value as of August 15, 2007 would have been $500,000per the Common Shares, assuming the sale of 250,000 Shares in this Offering for proceeds of $500,000. This represents an $2.00 net increase in the Net Tangible Book Value per Common Share to existing shareholders, and an $1.34 per shareimmediate dilution to investors purchasing Shares in the Offering at the offering price of $2.00 per share. The following table illustrates this dilution in Net Tangible Book Value to new investors:

Offering Price $2.00

Net Tangible Book Value Per Common Share Before

Offering $.00

Increase Attributable To Sale of the Shares, Assuming

the Sale of 250,000 Shares $2.00

As Adjusted Net Tangible Book Value Per Common Share

After the Offering, Assuming the Sale of 250,000 Shares $.66

Dilution of New Investors Per Share, Assuming Sale

of 250,000 Shares $1.34

The following table sets forth the number of Common Shares purchased from the Company, the effective total contribution made and the average price per share paid by existing shareholders and by purchasers of the Shares offered hereby (at the offering price of $2.00 for an assumed sale of 250,000 shares).

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | Units (Shares) Held |  | Total Consideration Paid |  |  |  |
|  | Number | Percent | Amount | Percent | Avg. Price Per Share |  |
| Existing Shareholders | 500,000 | 50% | $500 | 0.08% | $0.00 |  |
| New Investors | 250,000 | 25% | $500,000 | 99.02% | $2.00 | \* |
| Treasury | 250,000 | 25% | $0 | 0.00% | $0.00 | \* |
| Total | 1,000,000 | 100% | $500,500 | 100% | $0.667 | \* |
| \*Against 750,000 shares only, does not factor in Treasury, full dilution including Treasury at no consideration: $.50 per share. | | | | | | |
| \*\* Again, for the purposes of this table, Company assumes that only Shares are sold. | | | |  |  |  |

**USE OF PROCEEDS**

The estimated net proceeds to the Company from the sale of the Shares offered hereby will depend upon the number of Shares that are sold. If all of the Shares are sold, the estimated net proceeds to the Company, after deducting estimated Offering expenses of $25,000, will be approximately $475,000. No minimum number of Shares must be subscribed for in this Offering.

If all 250,000 Shares are sold in the Offering for estimated net proceeds of $475,000, the Company anticipates that the estimated net proceeds will be used as follows:

Working capital to fund the marketing and selling of the Company’sservices………………………………………..………………… $290,000

Build out of the Company’s infrastructure, including new hardware

and equipment to house data……….…………………………… $125,000

Creating new proprietary software for the Company’s

Hosted services…………………………………………………..……. $60,000

Total……………………………………………………….….. $475,000

Pending such uses, the Company intends to invest the net proceeds of the Offering in short-term securities or money market funds. The Company does not require that any specific minimum investment criteria be used in selecting such short-term investments, but will select such investments as it deems appropriate, taking into consideration such factors as liquidity, return on and safety of investment.

While the above allocations represent the Company’s most probable use of the proceeds, the amounts actually spent for each specified purpose may vary significantly from the allocations as represented above. Any variations to the above allocations will depend on various factors, including changes in micro or macro economic conditions,the success or lack of success of the Company’s marketing plans,and the amount of funds raised. The Company’s working capital requirements are a function of its future sales growth and expansion, neither of which can be predicted with any reasonable degree of certainty.Any reallocation of the net proceeds of the Offering will be made at the discretion of the Company’s executives under the direction of the Board of Directors, but will be in furtherance of the Company’s strategy to achieve growth and profitable operations.

# THE COMPANY

*The following summary is qualified in its entirety by, and should be read in conjunction with the more detailed information appearing elsewhere in this Memorandum. This Memorandum contains, in addition to historical information, forward-looking statements that involve risks and uncertainties. The Company’s actual results or experience could differ significantly from those discussed in the forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those discussed in “Risk Factors” as well as those discussed elsewhere in this Memorandum.*

**EXECUTIVE SUMMARY**

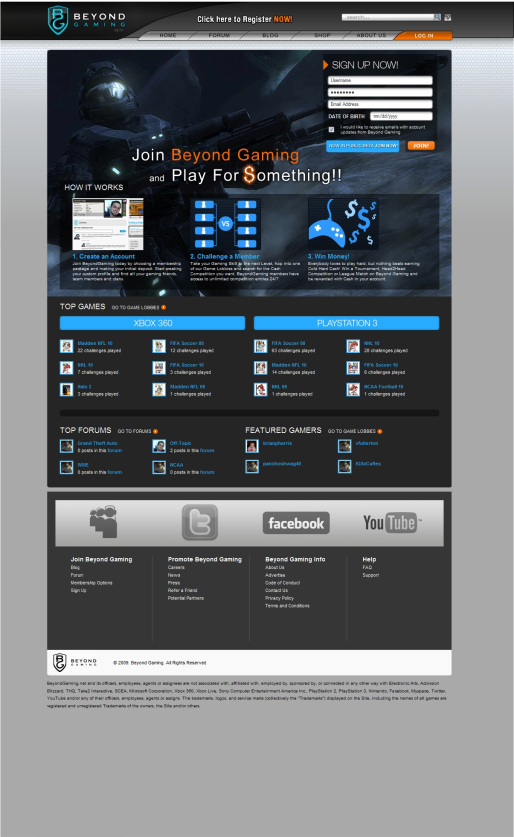
**Value Proposition**

*Beyond Gaming, LLC exists to* ***offer competitive console gamers*** *newways to enjoy their gaming experience. By leveraging its proprietary technology, Beyond Gaming offers paying members the ability to participate in* ***stakes based competitive gaming action,****on their favorite console game titles against each other regardless of time or geographic location in a safe, secure and legal environment.*

**Problem Statement**

**The online console gaming community does not have a destination which provides means for safe, secure and legal cash competitions and tournaments for their supported titles which gives users the ability to play for real money. There are over 238 Million gaming consoles registered online whose users enjoy the capability of engaging in competitive gaming action with others users across the globe. While online capabilities allow users to interact and compete against users with similar experience and skill levels, many users are looking for ways to monetize their video gaming skills.**

Spurred by the new generation of consoles and handhelds with integrated internet capabilities, and by increased penetration of broadband and wireless technologies, the video game industry is under constant pressure to further engage and support its generally technology embracing user base. Additional web functionality and the growth in popularity of online gaming which allows any user to connect and compete with other players, colleagues and friends anywhere has opened the opportunity support new ways to connect video game competitors in diverse ways.

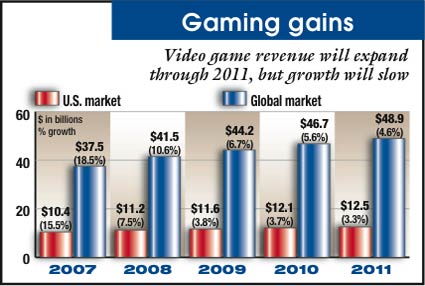
**Solution**

Beyond Gaming, LLC offers a dynamic online portal, www.beyondgaming.net, which provides members the ability to interact with each other, compete and win cash from inter-member competitions while playing their favorite next generation online capable console games. All of the competitive action provided by Beyond Gaming is predicated on "Games of Skill" competitions. Games of Skill are games where the outcome is determined mainly by mental and/or physical skill, rather than by pure chance like traditional casino games. Because of this unique membership based operating structure Beyond Gaming does not function as a gambling arenaand is legal in the United States and many areas across the globe. Beyondgaming.net is the platform which competitive gamers can arrange matches and verifies their results. Revenue for Beyond Gaming is developed through paid memberships and advertising and is in no way tied to competitions or tournaments.

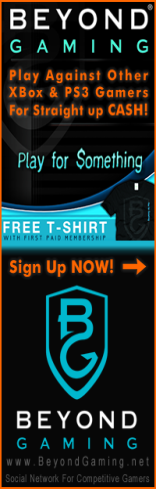
**Market Size/ Trends**

Beyond Gaming, LLCplans to leverage the large cross section of the population who play video games online and offer a platform specifically for console gamers who play, interact and compete with eachother online. Online gaming is a popular trend in the United Sates with an estimated 200 million active users monthly.

|  |
| --- |
| **According to The ESA (Electronic Software Association):** |
| Total Market size: 211.08 Million Internet capable Gaming Consoles (7/09) |
| 68 Million registered console gamers online under various services(12/09) |
| 65% (73 million) of the over 113 million American households play computer or video games |
| The average game player is 35 years old and has been playing games for 13 years. |
| 49% of console gamers are age 18-49, 26% are over 50 yrs old and only 25% are under the age of 18. |

Consumers are spending a larger percentage of their expendable income on gaming consoles and games which are viewed to produce more hours of activitythan other forms of entertainment. In addition, new games and platforms are being pursued which seek to engage users not only in older age groups but with a focus on wellness. These users are engaging in gaming action both at home and virtually online verse a diverse group of competitors. The amount of online gaming that is taking place among console game market is growing and the users who are participating in online gaming

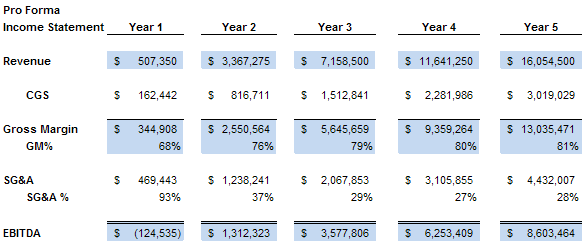
By 2011, the worldwide gaming market will be worth $48.9 billion according to PriceWaterHouse Cooper (PwC) at a compound annual growth rate of 9.1% during the five-year period, with gains slowing every year because of the maturation of the current generation of consoles, according to the report. The compound gains handily exceed the 6.4% advance that PwC eyes for the overall entertainment economy during the period.

**Operations**

|  |  |
| --- | --- |
| **Management Team** | |
| **Anthony J. Legeza: CEO/President**   * + BSME, MBA (in-process), Six-Sigma Green Belt   + 9+ yrs Project Management, Engineering   + World Class Problem Solving Skills | **Justin R. Yamek: Vice President**   * + 7+ yrs Competitive Gaming, Major League Gaming Ranked Player   + Wealth of Industry Knowledge |
| **Dan M. Gross: CTO**   * + Web-Design, DB Management, Network Protocols   + Successful startup experience (Toledo Media) | **Brandon S. Cohen: Strategic Partner & General Counsel**   * + Successful startup and exit experience with Gateway Defender, Inc. University of Toledo Lecturer & Chair of Ohio’s IT Alliance |

**SuccessionPlan**

**Financials**

****

**Financial Assumptions**

**The Company**

**1.0 Value Proposition**

*Beyond Gaming, LLC exists to* ***offer competitive console gamers*** *new ways to enjoy their gaming experience. By leveraging its proprietary technology, Beyond Gaming offers paying members the ability to participate in* ***stakes based competitive gaming action,****on their favorite console game titles against each other regardless of time or geographic location in a safe, secure and legal environment.*

**1.1 Corporate Statements**

**1.1.1 Mission**

Beyond Gaming exists to provide an engaging platform of competition for consoles gamers worldwide.

**1.1.2 Passion**

The company believes in a customer first philosophy and will strive to continually provide members with the market leading product, bleeding edgetechnology, and best in class customer service.

**1.1.3 Vision (future)**

At Beyond Gaming, we have a vision to be known as the place to be seen and heard for competitive gamers. We anticipate capturing a large target audience in the extremely high paced, growing competitive gaming industry.

**1.1.4 Quality Statement**

Beyond Gaming will provide a safe and secure network and provide best in class customer service for their customers. The company will continually evolve via consumer surveys, focus groups and make the voice of the customer heard within the company. We will be driven to provide the most accurate and content rich network for console gamers.

**Background**

**2.0 Problem Statement**

**There are over 238 Million gaming consoles registered online whose users enjoy the capability of engaging in competitive gaming action with others users across the globe. While online capabilities allow users to interact and compete against users with similar experience and skill levels, many users are looking for ways to monetize their video gaming skills. The online console gaming community does not have a destination which provides means for safe, secure and legal cash competitions and tournaments for their supported titles which gives users the ability to play for real money.**

****

Online gaming has drastically increased the scope and size of gaming culture and in many respects has grown in direct correlation with the web 2.0 functionality of the internet as a communication medium. Online gaming can attribute its roots to games on [bulletin board systems](http://en.wikipedia.org/wiki/Bulletin_board_system) and on college[mainframes](http://en.wikipedia.org/wiki/Mainframe_computer) from the 1970s and 1980s. Initial gamesallowed multiplayer competition and cooperation but on a scope more geographically limited than on the internet.

The internet has allowed gamers from all over the world - not just within one country or state - to play games together with ease. Gamers quickly began to establish their own organized groups, called [clans](http://en.wikipedia.org/wiki/Clan_(computer_gaming)). Clans established their own identities, their own [marketing](http://en.wikipedia.org/wiki/Marketing), and even their own form of internal organization. Clans maintained both friendly and hostile rivalries, and there were often clans who were allied with other clans. Clan interaction took place on both professionally set competition events, and during normal casual playing where several members of one clan would play on a public [server](http://en.wikipedia.org/wiki/Server_(computing)). The emergence of clan lead to the development of more multiplayer titles and has support the development of an intense competitive spirit among many gamers which has expanded with the growth of online gaming capabilities.

Online gaming has spread from its initial computer roots to console gaming as well. Today, every major [video game console](http://en.wikipedia.org/wiki/Video_game_console) available offers degrees of online gaming, some limited by particular titles, some even offer up entire virtual communities.As affordable broadband Internet connectivity spread, many publishers turned to online gaming as a way of innovating and creating market share.  Every major platform released since Sega’s Dreamcast introduced in late 1998 has either been bundled with the ability to support an Internet connection or has had the option available as an aftermarket add-on. Microsoft's Xbox also had its own online gaming service called [Xbox Live](http://en.wikipedia.org/wiki/Xbox_Live). Xbox Live was a huge success and proved to be a driving force for the Xbox with games like [Halo 2](http://en.wikipedia.org/wiki/Halo_2) that were overwhelmingly popular.

Spurred by the new generation of consoles and handhelds, and by increased penetration of broadband and wireless technologies, the video game industry is under constant pressure to further engage and support its generally technology embracing user base. Additional web functionality and the growth in popularity of online gaming which allows any user to connect and compete with other players, colleagues and friends anywhere has opened the opportunity support new ways to connect video game competitors in diverse ways.

**2.1 Solution**

Beyond Gaming, LLC offers a dynamic online portal, www.beyondgaming.net, which provides members the ability to interact with each other, compete and win cash prizes while playing their favorite console game titles.

The Beyond Gaming management team’s intense desire to provide its users with a fair and legal platform to game for cash has resulted in significant advancements in the development of a sound business model. Their proprietary software automatically interprets competition results of online competitions played on Xbox 360, PS2, PS3 and Wii platforms and enables players to wager against each other based on their own defined competition variables. Not only does BeyondGaming.net allow users to participate in head to head action, but members can also participate in competitive clan and group matches and tournaments for cash!

***“Online gaming is enjoyed by a diverse group of players. The sheer variety of content and ease of access makes online gaming attractive to a much larger demographic than what we typically see in retail,” said Anita Frazier, industry analyst at NPD Group***

All of the competitive action provided by Beyond Gaming is predicated on "Games of Skill" competitions. Games of Skill are games where the outcome is determined mainly by mental and/or physical skill, rather than by pure chance like traditional casino games. Because of this unique membership based operating structure Beyond Gaming does not function as a gambling arenaand is legal in the United States and many areas across the globe.

The operating model ensures that Beyond Gaming has no vested interest in which player prevails or how much or often they participate in stakes based matches (This is contrary to casinos, sports betting operations and other competitive online gaming sites.) Beyondgaming.net is the platform which competitive gamers can arrange matches and verifies their results. Revenue for Beyond Gaming is developed through paid memberships and advertising and is in no way tied to competitions or tournaments.

**2.2 Opportunity**

The video gaming industry in the U.S. has witnessed dramatic growth over the last 15 years and is projected to enjoy continued growth in the next 5 years due to the technology integration and the online gaming movement. Major console manufacturers are focused not only on introducing new and unique games but also adding additional gaming experiences by providing an online environment which allows users to play against anyone in the world at anytime. Pricewaterhouse Coopers, in their comprehensive Global Entertainment and Media Outlook report for 2008, indicates that the future of gaming is, unequivocally, a bright one. The report offers in-depth global analysis and five-year growth projections for the year 2008 through to 2012. Headlining the report is a projected compound annual growth rate for the gaming industry of 10.3 percent, which will easily top growth in the majority of other entertainment sectors.

The target market for Beyond Gaming, the average "gamer" is 35 years old, and there are more female gamers of voting age than there are male players younger than 17. In 2007, consumers spent $9.5 billion on computer and video games. And 45 percent of video and computer games sold are action, sports and racing games (Games of Skill) which are ideally suited for the Beyond Gaming business model.

Beyond Gaming is currently offering its product in a closed Beta format to 350 users. It is also seeking to establish category of online skill based competitive gaming and raise funds to support growth. The operational strategy suggestsan aggressive development process encompassing the following objectives:

1. Establish corporate identity, brand names, and trademarks.
2. Build staff, infrastructure, and retain consultants for trial and compliance issues.
3. Conduct efficacy trials (open Beat test) and continue to refine product based on user feedback.
4. Develop most promising revenue sources from the model
5. Establish membership base to sustain a highly profitable business (30,000 users within one (1) year of open beta launch

**2.3 Location of Company Activity**

**2.3.1 Background**

Beyond Gaming was established in Toledo, OH and incorporated as a Limited Liability Company (LLC) effective 7/27/09 organizers, Anthony J. Legeza Jr. & Justin R. Yamek Have backgrounds and experience with Operations Management, Corporate Strategy, and Competitive Gaming. This technology was pursued because of the tremendous scalable opportunity that exists in the market place today and in the future.

**2.3.2 Headquarters**

Beyond Gaming business offices are located at 1301 N. Summit St., Toledo, OH 43604. Phone is 419-344-9571. Web URL is [www.beyondgaming.net](http://www.beyondgaming.net). The custom programming, graphic design and technical support will be conducted by Windfall Design Studios and a team of contract software developers from Toledo Media ([www.toledo-media.com](http://www.toledo-media.com)).

* Beyond Gaming holds and develops all of the corporation’s intellectual property
* Sales office is located in Toledo, Ohio.
* This business plan calls for the establishment of more robust corporate offices

**2.3.3 Shareholder detail**

|  |  |  |
| --- | --- | --- |
| **Name** | **# of Shares** | **% Ownership** |
| **Anthony J. Legeza Jr.** | 310,000 | 31.00% |
| **Justin R. Yamek** | 120,000 | 12.00% |
| **Dan Gross** | 50,000 | 5.00% |
| **Bandon Cohen\*** | 65,000 | 6.50% |
| **Heath Lein** | 5,000 | 0.50% |
| **Billy Skeels** | 5,000 | 0.50% |
| **Dean Craven** | 2,500 | 0.25% |
| **Yoder Warrant** | 10,000 | 1.00% |
| **Girrell Warrant** | 10,000 | 1.00% |
| **Option Pool** | 50,000 | 5.00% |
| **Treasury** | 372,500 | 37.25% |
| **Total** | 1,000,000 | 100.00% |

**2.3.4 Key milestones achieved**

* + - Seed Funding in the amount of $55,000
    - Secured $30,000 in grants through the RGP
    - Closed Beta site operational (350 users)

**2.3.5 Key milestones to be achieved in founding (Next steps)**

* + - Close $500,000 initial PPM to follow operational strategy.
    - Launch Open Beta Q4 2010
    - Secure 30,000 paid monthly members by Q3 2011

***Summation*****.**As Beyond Gaming will offer its members the premier social network for competitive console gamers using leading edge technology and services, it will be able to rapidly capture market share in this rapidly expanding space as well as bring on advertising dollars to help grow diversified revenue streams. Beyond Gaming will offer its paying members the ability to game for cash and will host dynamic action which will be world class, fulfilling an industry need for competitive gamers. This creates a significant opportunity in this space for the company which creates a reasonable platform for financial gain to the investors.

***Facilities******.*** The Company has a low cost office at 1301 N. Summit Street, Toledo, Ohio 43604 in the HTTP building, which has high speed internet access and is a gross rent of $300 a month.

# MANAGEMENT

**Name Age Position**

*Executive Officers* Tony Legeza 31 CEO

Justin Yamek 25 Vice-president of Marketing

Dan Gross 23 CTO

## 

## *Executive Officers*.

**Anthony J. Legeza Jr – CEO/President**

Mr. Legeza has been involved in Engineering and Technology for over 9 years. Serving many roles within Engineering at Tecumseh Products Company (TECUA), Mr. Legeza applied his mechanical aptitude in creating many new products and technology enhancements within the commercial refrigeration technology arena. At TECUA, Mr. Legeza’s last role was as Global CRS Engineering Lead; with 8 direct reports within India, Brazil, France and the USA. Since 2007, he has moved on to serve as Product Engineer for Masco BCG (MAS). He has been spearheading an IS initiative for new custom Engineering software which automates BOM, drawings, item master data, thus increasing efficiencies and reducing NPI time at Masco BCG. Prior to Engineering positions, he served as General Manager (GM) for Rosie’s Fine Foods, Inc for over 4 years. Within this time period his restaurants operated at the highest Profit Levels in company history. Mr. Legeza is currently a member of ASME and ASHREA and holds a BSME from Eastern Michigan University. Mr. Legeza is currently taking courses for his MBA at Wayne State University.

**Justin R. Yamek – Vice President**

Mr. Yamek has been an active competitive gamer for over 10 years. He has been involved in many high level tournaments and member of teams ranked in the top 10 for several game titles. He has been invited to participate in Major League Gaming (MLG) tournaments and is well known and respected within competitive console gaming arena. He brings a wealth of industry knowledge and consumer perspective to the team which is crucial to developing the appropriate content for our target audience. Mr. Yamek is a member of the Carpenters Union 1365 based in Toledo, Ohio.

**Dan M. Gross – CTO**

Mr. Gross has been in the IT industry for over seven years. He has been working primarily as a freelance website developer for the majority of those years but is also experienced in fields such as computer repair, printer repair, network management, software development and many other IT skills. Some of his works can be seen at [www.ToldoCityPaper.com](http://www.toldocitypaper.com/), [www.VailNordicShop.com](http://www.vailnordicshop.com/), [www.PrecisionRafting.com](http://www.precisionrafting.com/) . Dan is also the current CTO for OnsiteAdz, a digital advertising agency based in Toledo, OH with customers being Westfield Shopping Centers, Owens Community College and Urban Active.

**Brandon S. Cohen – Secretary, Counsel and Advisor**

Brandon S. Cohen, Corporate Secretary, Corporate Counsel. Mr. Cohen is presently a full time lecturer at the University of Toledo at the College of Business Administration, wherehe teaches entrepreneurship, finance and business law. He is also the longest tenured board member of the Ohio IT Alliance, Inc., an Ohio non-profit focusing on economic development in information technology and IT workforce in the state. He is currently the organization’s President. A licensed attorney for 16 years in Ohio, Mr. Cohen has also been involved in starting ten companies in the past eight years, including co-founding GatewayDefender, Inc., an internet security firm that successfully raised over a million dollars in debt and equity and reached its exit goals in selling to MX Logic, which was recently sold to McAfee, Inc. Mr. Cohen also invests in commercial real estate in downtown Toledo, and is a restaurant owner. He represents other technology companies desiring to raise money. Mr. Cohen is an incoming board member for the Northwest Ohio branch of Junior Achievement, and is also actively engaged in the Toledo community as the general counsel for the TPS Parent Congress, Inc., which is the umbrella organization for the 42 PTO’s in the Toledo Public School System. He is married, has three children and resides in Sylvania Township.

**MANAGEMENT COMPENSATION**

Management will be paid as 1099 contractors until such time as an office can be set up to accommodate all the company employees, until then, company will operate primarily in a virtual office except for the office at 1301 N. Summit. Management compensation will begin to accrue upon completion of the software, which is anticipated by November 1, 2009. Once the company has raised $200,000, then the compensation will commence being paid. Between completion of the software and raising of the $200,000, compensation will be deferred.

Tony Legeza $ 80,000

Justin Yamek $50,000

Dan Gross $ 50,000

As part of retaining top level talent, including CEO, board members and advisory board, the Company will create a performance pool from authorized common stock that will tie into stock options and warrants for said participants.

# CERTAIN TRANSACTIONS

***Transactions with Officers, Directors, Shareholders and Closely Related Parties***

The company is in the process of moving into 1301 North Summit, Toledo, OH 43604, on a month to month basis, at a cost of $300 gross rent per month. Brandon Cohen is a 25% shareholder of the LLC that owns the building.

The CEO’s relatives the Yoder’s have loaned $10,000 to Beyond Gaming and received a Warrant to acquire 1% of the company’s outstanding common stock for $10,000.

Brandon S. Cohen has provided certain legal and consulting services to the company for which he received $5,000 in cash ($2,500 which has been paid and $2,500 due and payable) and 15,000 shares of common stock. Cohen also signed another retainer agreement where he is to provide 150 hours of legal and consulting services between 1/1/2010 and 3/31/2010 in exchange for up to a dilutive amount of 50,000 common shares of stock (these shares are tied to a warrant).

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**PRINCIPAL SHAREHOLDERS**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Anticipated Ownership After Offering** |  |  |  |
|  | (In common shares) | |  |  |
|  |  |  |  |  |
| **Name** | **Number of Common Shares** | **Number of Preferred Shares** | **% of Common Shares** |  |
| Tony Legeza | 310,000 |  | 31% |  |
| Justin Yamek | 120,000 |  | 12% |  |
| Dan Gross | 50,000 |  | 5% |  |
| Brandon Cohen | 15,000[[1]](#footnote-2) |  | 2% |  |
| NewCommon Share | 250,000 |  | 25% |  |
| Reserved for Preferred Conversion, Warrant execution and incentive compensation(1) | 250,000 |  | 25% |  |
| New Preferred Shareholders | N/A | 100,000 | N/A | \*\* |
|  |  |  |  |  |
| Total | 1,000,000 | 100,000 | 100% |  |
|  |  |  |  |  |
| \*\* When the Preferred Shares are converted to Common Shares, there will | | | | |
| be a reserve for the conversion on a 1 to 1 basis. | | |  |  |

(1) The shares reserved for incentive compensation will be used for stock options or other stock grants as incentive to attract top talent to the Company as well as in connection with an employee retention plan. Further, as the Company has raised debt financing and provided Warrants with the debt, 2% of the Treasury as of 8/15/09 is reserved for warrant execution.

# DESCRIPTION OF SECURITIES

The Company is currently organized as an Ohio limited liability Company. Prior to the issuance of any Shares in this Offering, it will be reorganized as an Ohio corporation with 1,000,000 authorized Common Shares, no par value, as well as 100,000 Preferred Shares with a face value of $10.00 and a cumulative dividend of 8%.

The following description of the Company’s securities is qualified in its entirety by reference to the Company’s Articles of Incorporation and Code of Regulations, which may be obtained on request of the Company.

Holders of the Common Shares have one vote for each share held by them on matters submitted to the shareholders for a vote. The Company intends to eliminate the right of shareholders to cumulate voting in the election of Directors as soon as this can be accomplished in accordance with Ohio law. Holders of the Common Shares will be entitled to preemptive rights to the extent providedunder Ohio law with respect to subsequent share issuances by the Company. Each Common Share is entitled to share ratably in distributions to shareholders and to receive ratable such dividends as may be declared by the Board of Directors out of funds legally available therefore.Upon liquidation, dissolution or winding up of the Company, the holders of Common Shares are entitled to receive, pro rata, the assets of the Company that are legally available for distribution to the shareholders, subject to the rights and preferences of secured or unsecured creditors including Preferred Shares. All Common Shares will be fully paid and non-assessable. To fully review the securities descriptions which are fully described in the Company Articles of Incorporation attached hereto. See Preferred Shareholders Agreement, Stock Purchase Agreement and Articles of Organization for a full description of the securities being offered.

# LEGAL PROCEEDINGS

The Company has never been and is not currently subject to any legal judgments or actions against it.

# REPORTS TO SHAREHOLDERS

The Company will furnish its shareholders with annual reports of its operations and annual financial statements. The Company plans to send each shareholder a quarterly newsletter detailing the Company’s annual progress in executing its business concept.

**Exhibit A**

**Financial Statements (Proforma Income Statement)**

**See Business Plan**

**(Proforma Balance Sheet)**

See Business Plan

**Exhibit B**

**See Business Plan**

**Exhibit C**

BEYONDGAMING, INC.

SUBSCRIPTION AGREEMENT

ACCREDITED INVESTORS ONLY

(Provided Separately)

**Exhibit C**

BEYONDGAMING, INC.

SUBSCRIPTION AGREEMENT

ACCREDITED INVESTORS ONLY

Subscription. The undersigned Subscriber hereby agrees to purchase **\_\_\_\_\_\_\_\_\_\_**Common Shares, no par value (the “Shares”) of **BeyondGaming, Inc.**, an Ohio corporation(the “Company”), whose current address is 1301 N. Summit Street Toledo, OH43604**.**

Name of Purchaser: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

1. Purchase Price. The total purchase price is $2.00 per Share payable in the form of cash which shall be transferred upon execution hereof. Accordingly, the undersigned delivers herewith the purchase price required to purchase the Shares subscribed for, payable to the order of BeyondGaming, Inc.
2. Representations and Warranties of Subscriber. Each investor should carefully read each and every representation and warranty. The Company will be entitled to rely upon such representations and warranties in accepting the investor’s subscription. If an investor does not believe he, she or it meets a representation or warranty, the investor should not execute and deliver this Agreement without first requesting the Company, in writing, to waive such representation and warranty. Subscriber and, if Subscriber is an Entity, each of its officers, directors, partners, trustees, beneficial owners, principals and/or agents, hereby represents, warrants and covenants as follows:
   1. Opportunity to Ask Questions and to Review Agreement, Books and Records. During the course of this transaction, and before purchasing the Subscribed Securities, Subscriber has been provided with financial and other written information about the Company; Subscriber has had the opportunity to ask questions and receive answers concerning the terms and conditions of the offering, the Subscribed Securities, this investment and the business of the Company and its finances; and Subscriber has had the opportunity to review all documents, books and records of the Company to the extent Subscriber availed himself or herself of this opportunity.
   2. Independent Review of Investment Merits; Due Diligence. During the course of Subscribers review, and before purchasing the Subscribed Securities, Subscriber has been provided with financial and other written information about the Company, Subscriber has had the opportunity to engage such investment professionals including, without limitation, independent accountants, appraisers, investments, tax and legal advisors, to (i) conduct such due diligence review as Subscriber and/or such investment professionals deem necessary or advisable, and (ii) to provide such opinions as to the merits of an investment in the Subscribed Securities given Subscriber’s personal circumstances as Subscriber may deem advisable and, to the extent Subscriber has availed himself or herself of this opportunity, Subscriber has received satisfactory information and answers from such advisors.
   3. Investment Risks. Subscriber has carefully reviewed the section of the Memorandum captioned “Risk Factors.”Subscriber has been informed and understands and agrees as follows: (i) An investment in the Subscribed Securities is a speculative investment with a high degree of risk of loss and Subscriber must, therefore, presently be able to afford a complete loss of this investment; (ii) Subscriber must be able to hold the Subscribed Securities indefinitely due to, among other factors, substantial restrictions on the transferability of the Subscribed Securities and there being no public market for resale of the Subscribed Securities in the case of emergency and/or other need and Subscriber must, therefore, have adequate means of providing for Subscriber’s current and future needs and personal contingencies and have no need for liquidity in this investment, and (iv) Subscriber has evaluated Subscriber’s financial resources and investment position in view of the foregoing, and is able to bear the economic risk of loss of this investment.
   4. Experienced Investor. Subscriber has had experience in the business of investments in one or more of the following: (i) investment experience with securities, such as stock and bonds, (ii) ownership of interests in partnerships, new ventures and start-up companies, (iii) experience in business and financial dealings; and Subscriber can protect his own interest in an investment of this nature and does not have an “Investor Representative”, as that term is defined in Regulation D of the Securities Act of 1933, as amended (the Securities “Act”) and does not need such a Representative.
   5. No General Solicitation or Advertising. The offer and sale of the Subscribed Securities was not accomplished by the publication of any advertisement, article, notice or other communication published in any newspaper, magazine or similar media or broadcast over television or radio, nor was the offer and sale of the Subscribed Securities accomplished through any seminar or meeting to which Subscriber was invited by any such publication or advertisement.
   6. Securities Purchased For Subscriber’s Own Account. The Subscribed Securities are being purchased by Subscriber as principal and not by any other person, with Subscriber’s own funds and not with the funds of any other person, and for the account of Subscriber as principal and not as a nominee or agent and not for the account of any other person. Subscriber is purchasing the Subscribed Securities for investment for an indefinite period and not with a view to the sale or distribution of any part or all thereof by public or private sale or other disposition. No person other than Subscriber will have any interest, beneficial or otherwise, in the Subscribed Securities, and Subscriber is not obligated to transfer the Subscribed Securities to any other person nor does Subscriber have any agreement or understanding to do so. Subscriber understands that the Company is relying in material part upon Subscriber’s representation as set forth herein for purposes of claiming certain securities exemptions and that the basis for such exemptions may not be reserved if, notwithstanding Subscriber’s representations, Subscriber has in mind merely acquiring the Subscribed Securities for resale on the occurrence or nonoccurrence of some predetermined event, Subscriber has no such intention.
   7. Material Changes in Representations. Subscriber will notify the Company immediately of any material change(s) in any statement made herein occurring prior to the Closing for the purchase by Subscriber of the Subscribed Securities.
3. Indemnification. Subscriber hereby agrees to indemnify and defend (with counsel acceptable to the Company) the Company and its directors, officers and other shareholders and hold them harmless from and against any and all liability, loss, damage, cost or expense, including costs and reasonable attorney’s fees, incurred on account of or arising out of:
   1. Any breach of or inaccuracy in Subscriber’s representations, warranties or agreements;
   2. Any disposition of any of the Subscribed Securities contrary to any of Subscriber’s representations, warranties or agreements herein; and
   3. Any suit or proceeding based on (i) a claim that any said representations, warranties or agreements were inaccurate or misleading or otherwise cause for obtaining damages or redress from the Company or any director or officer of the Company under any securities law, or (ii) any disposition of any of the Subscribed Securities.
4. Miscellaneous.
   1. Preparation of Agreement: Costs and Expenses. This Agreement was prepared by the Company or its legal counsel solely on behalf of the Company. It is acknowledged by Subscriber that such party was not represented by the Company or any of its officers, directors employees or agents (including the Company’s legal counsel) in connection with the transaction contemplated by this Agreement, and that Subscriber had separate and independent advice of counsel. In light of the foregoing, it is acknowledged by Subscriber that the Company shall not be construed to be solely responsible for the drafting hereof, and that any ambiguity in this Agreement, or the interpretation thereof or hereof, shall not be construed against the Company as the alleged draftsman of this Agreement. Except as expressly set forth in this Agreement, each party shall pay all legal and other costs and expenses incurred or to be incurred by such party in negotiating and preparing this Agreement, in performing any transactions contemplated by this Agreement, and otherwise complying with such party’s representations, warranties, covenants, agreements and conditions contained herein.
   2. Interpretation.
      1. Survival. All representations and warranties made by any party in connection with any transaction contemplated by this Agreement shall, irrespective of any investigation made by or on behalf of any party hereto, survive the execution and delivery of this Agreement, the performance or consummation of any transaction described in this Agreement, and the termination of this Agreement.
      2. Entire Agreement/No Collateral Representations. Each party expressly acknowledges and agrees that this Agreement including all exhibits attached hereto: (1) is the final, complete and exclusive statement of the agreement of the parties with respect to the subject matter hereof, (2) supersedes any prior or contemporaneous agreements, proposals, commitments, guarantees, assurances, communications, discussions, promises, representations, understanding, conditions, conduct, acts, course of dealing, warranties, interpretations or terms of any kind, oral or written (collectively and severally, the “Prior Agreements”), and that any such prior agreements have no force or effect except as expressly set forth herein and (3) may not be varied, supplemented or contradicted by evidence of Prior Agreements, or by evidence of subsequent oral agreements. No prior drafts of this Agreement and no words or phrases from any such prior drafts shall be admissible into evidence in an action or suit involving this Agreement.
      3. Amendment: Waiver. Forbearance. Except as expressly otherwise provided herein, this Agreement nor any of its terms, provisions, obligations or rights contained herein may not, be amended, modified, supplemented, augmented, rescinded, discharged or terminated (other than by performance), except by a written instrument or instruments signed by all of the parties to this Agreement. No waiver of any breach of any term, provision or agreement herein contained, or of the performance of any acts or obligations under this Agreement, or of any extension of time for performance of any such acts or obligations, or of any rights granted under this Agreement, shall be effective and binding unless such waiver shall be in a written instrument or instruments singed by each party claimed to have given or consented to such waiver and each party affected by such waiver. Except to the extent that the party or parties claimed to have given or consented to a waiver may have otherwise agreed in writing, no such waiver shall be deemed a waiver relinquishment, as the case may be, of any other terms, provisions, agreements, acts, obligations, rights granted under this Agreement, or any preceding or subsequent breach thereof. No forbearance by a party to seek a remedy for any noncompliance or breach by another party hereto shall be deemed to be a waiver by such forbearing party of its rights and remedies with respect to such noncompliance or breach unless such waiver shall be in a written instrument or instruments signed by the forbearing party.
      4. Remedies Cumulative. The remedies of each party under this Agreement are cumulative and shall not exclude any other remedies to which such party may be lawfully entitled.
      5. Severability. If any term or provision of this Agreement or the application thereof to any person or circumstance shall, to any extent, be determined to be invalid, illegal or unenforceable under present or future laws effective during the term of this Agreement, then and, in that event: (1) the performance of the offending term of provision (but only to the extent its application is invalid, illegal or unenforceable) shall be excused as if it had never been incorporated into this Agreement, and, in lieu of such excused provisions as may be possible and be legal, valid and enforceable, and (2) the remaining part of this Agreement (including the application of the offending term or provision to persons or circumstances other than those as to which it is held invalid, illegal or unenforceable) shall not be affected thereby and shall continue in full force and effect to the fullest extent provided by law.
      6. No Third Party Beneficiary. Notwithstanding anything else herein to the contrary, the parties specifically disavow any desire or intention to create any third party beneficiary obligations, and specifically declare that no person, other than as set forth in this Agreement, shall have any rights or remedies of any nature or kind whatsoever under or by reason of this Agreement.
      7. No Reliance Upon Prior Representation. Each party acknowledges that no other party has made any oral representation or promise which would induce them prior to executing this Agreement to change its position to its detriment, partially perform or part with value in reliance upon such representation or promise; each party acknowledges that it has taken such action as its own risk; and each party represents that it has not so changed its position, performed or parted with value prior to the time of their execution of this Agreement.
   3. Enforcement.
      1. Applicable Law. This Agreement and the rights and remedies of each party arising out of and/or relating to the Agreement (including, without limitation, equitable remedies) shall be solely governed by, interpreted under, and construed and enforced in accordance with the laws (without regard to the conflicts of law principles thereof) of the State of Ohio, as if this Agreement were made, and if its obligations are to be performed, wholly within the State of Ohio.
      2. Binding Arbitration. In the event that a dispute arises out of or concerning this Agreement or an investment relating to matters contained in the Memorandum or the Subscribed Securities, such dispute shall be handled in accordance with the rules and regulations of the American Arbitration Association. Any aforesaid arbitration shall be in Lucas County, Ohio, the results of which shall be binding on all parties. Each party generally and unconditionally accepts the exclusive jurisdiction of such arbitration and to venue therein, consents to the service of process in any such action by certified or registered mailing in accordance with the notice provisions of this Agreement, and waives any defense or right to object to venue in said courts based upon the doctrine of “Forum Non-Convenient.”
      3. Waiver of Right to Jury Trial: Punitive Damages. Each party hereby waives such party’s respective right to a trial by jury of any claim or cause of action based upon or arising out of this Agreement. Further, Subscriber waives any claim to punitive damages. Each party acknowledges that this waiver is a material inducement to each other party hereto to enter into the transaction contemplated hereby, that each other party has already relied upon this waiver in entering into this Agreement, and that each other party will continue to rely on this waiver in their future dealings. Each party warrants and represents that such party has reviewed this waiver with such party’s legal counsel, and that such party has knowingly and voluntarily waived its jury trial rights and any potential claim to punitive damages following consultation with legal counsel.
5. Transferability. The Subscriber agrees not to transfer or assign this Agreement, or any of the subscriber’s interest herein and further agrees that the assignment and transferability of the Subscribed Securities (unless subsequently registered) will be made only in accordance with this Agreement. The Company will issue stop transfer instructions to any transfer agent with respect to the Securities and will place the following legend similar thereto on the certificates representing such Securities:

THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE BEEN ACQUIRED PURSUANT TO A TRANSACTION EFFECTED IN RELIANCE UPON SECTION 4(2) OF THE SECURITIES ACT AND HAVE NOT BEEN THE SUBJECT OF A REGISTRATION STATEMENT UNDER THE SECURITIES ACT OR APPLICABLE STATE SECURITIES LAWS. THESE SECURITIES MAY NOT BE SOLD OR OTHERWISE TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR APPLICABLE EXEMPTION THEREFROM UNDER THE SECURITIES ACT OR ANY APPLICABLE STATE SECURITIES LAW.

7. Revocation. The Undersigned agrees that he cannot cancel, terminate or revoke this Agreement or any agreement of the Undersigned made hereunder.

1. Notices. All notices or other communications given or made hereunder will be in writing and will be delivered or mailed by registered or certified mail, return receipt request, postage prepaid, to the Subscriber or to the Company at their respective addresses set forth at the end of this Agreement.
2. Entire Agreement. This Agreement constitutes the entire agreement among the parties hereto with respect to the subject matter hereof and may be amended only in writing executed by all parties.
3. Investor Suitability. (You must complete Items A,B, and C)
   1. Accredited Investor. Subscriber, if an individual, is an “accredited investor” as that term is defined in Rule 501 (a) of Regulation D promulgated under the Securities Act, as follows (Please initial one or more of the following provisions which describe Subscriber’s accredited status as may be applicable):

\_\_\_(1) Individuals. Subscriber, if an individual, is an “accredited investor” as that term is defined in Rule 501 (a)(5) and (6) of Regulation D promulgated under the Securities Act, i.e.:

\_\_\_ (a) Subscriber’s individual net worth or combined net worth with his or her spouse exceeds $1,000,000 (for purposes of this Subparagraph “net worth” means the excess of total assets at fair market value (including principal residence, home furnishings and automobiles) over total liabilities),

(i) My net worth (total assets less total liabilities) inclusive of home, home furnishings without regard to this investment, is in excess of \_\_\_\_\_\_\_$1,000,000, \_\_\_\_\_\_\_$1,500,000, \_\_\_\_\_\_\_$2,000,000, \_\_\_\_\_\_\_$2,500,000 \_\_\_\_\_\_\_$3,000,000, \_\_\_\_\_\_\_$5,000,000

\_\_\_\_ (b) Subscriber’s individual income, exclusive of any income attributable to his or her spouse, was in excess of $200,000 for the two most recent calendar years preceding the calendar year of this Agreement, and he or she reasonable expects an income in excess of $200,000 in the current year, and/or

1. My gross income from all sources, without regard to this investment, is in excess of: (check one)

2006 \_\_\_\_ $200,000 \_\_\_\_\_$300,000 \_\_\_\_$500,000

2007 \_\_\_\_ $200,000 \_\_\_\_\_$300,000 \_\_\_\_$500,000

2008 \_\_\_\_ $200,000 \_\_\_\_\_$300,000 \_\_\_\_$500,000

\_\_\_\_(c) Subscriber’s combined income with his or her spouse was in excess of $300,000 for the two most recent calendar years preceding the calendar year of the Agreement and Subscriber and his or her spouse reasonably expect a combined income in excess of $300,000 in the current calendar year.

\_\_\_(2) Entity with Value Exceeding $5 Million. Subscriber is a corporation, partnership (general or limited) or LLC not formed for the specific purpose of acquiring the Subscribed Securities and Subscriber has total assets in excess of $5,000,000.

\_\_\_(3) Entity Comprised with Accredited Investors. Subscriber is a corporation, partnership (general or limited) or LLC and all of Subscriber’s equity owner’s are accredited investor as defined above.

\_\_\_(4) Revocable Trust. Subscriber is a revocable trust (AKA “family” or “living” trusts) established to facilitate the distribution of the estate or settlers individually; and all of the settlers are accredited investors as defined above.

\_\_\_(5) Trust Whose Assets Exceed $5 Million. Subscriber is a trust with total assets in excess of $5,000,000 and the person making the investment decision on behalf of the trust has such knowledge and experience in financial and business matters as to be capable of evaluating the merits and risks of the investment in the Subscribed Securities.

\_\_\_(6) Entity with Value Exceeding $5 Million. Subscriber is a corporation, partnership (general or limited) or LLC not formed for the specific purpose of acquiring the Subscribed Securities and Subscriber has total assets in excess of $5,000,000.

\_\_\_(7) Employee Benefit Plan (including Keogh Plan) With Self-Directed Investments and Segregated Accounts. Subscriber is an employee benefit plan within the meaning of ERISA; the plan itself is self directed and provides for segregated accounts; the investment decision is being made by a plan participant who is an accredited investor as defined above, and the investments are being made solely on behalf of each accredited investor.

\_\_\_(8) Employee Benefit Plan (including Keogh Plan) with Financial Institution as Trustee. Subscriber is an employee benefit plan within the meaning of ERISA, and the decision to invest in the Subscribed Securities was made by a plan fiduciary (as defined in Section 3 (21) of ERISA), which is either a bank, savings and loan association, insurance Company, or registered investment advisor.

\_\_\_(9) Employee Benefit Plan (including Keogh Plan) With Assets Exceeding $5 Million. .Subscriber is an employee benefit plan within the meaning of ERISA and has total assets in excess of $5,000,000.

\_\_\_(10) Tax Exempt 501(c)(3) Organization. Subscriber is an organization described in section 501(c)(3) of the Internal Revenue Code of 1986, as amended, not formed for the specific purpose of acquiring the Subscribed Securities, with total assets in excess of $5,000,000.

\_\_\_(11) Bank. Subscriber is a bank as defined in Section 3(a)(2) of the Act.

\_\_\_(12) Savings and Loan Association. Subscriber is a savings and loan association as defined in Section 3(a)(5)(a) of the Act.

\_\_\_(13) Insurance Company. Subscriber is an insurance Company as defined in Section 2(14) of the Act.

\_\_\_(14) Investment Company. Subscriber is an investment Company as registered under the Investment Company Act of 1940.

\_\_\_(15) Business Development Company. Subscriber is a business development Company as defined in Section 2(a)(48) of the Investment Company Act of 1940.

\_\_\_(16) Small Business Investment Company. Subscriber is a Small Business Investment Company licensed by the U.S. Small Business Investment Act of 1958.

\_\_\_(17) Private Business Development Company. Subscriber is a Private Business Development Company as defined in Section 202(a)(22) of the Investment Advisors Act of 1940.

\_\_\_(18) Registered Broker or Dealer. Subscriber is a broker or deal registered pursuant to Section 15 of the Securities and Exchange Act of 1934.

* 1. Preexisting Relationship and/or Sophistication (Blue Sky). Subscriber represents that Subscriber satisfies at least one of the two following tests:

\_\_\_(1) Sophistication. By reason of Subscriber’s business or financial experience, Subscriber can be reasonably assumed to have the capacity to protect Subscriber’s own interest in connection with the transaction contemplated by this Agreement; or

\_\_\_(2) Preexisting Relationship. Subscriber has a preexisting personal or business relationship with the Company or the following officers or directors or controlling persons at the Company \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

* 1. Prior Investment Experience
     1. Investment in Stocks or Bonds

Yes \_\_\_\_\_\_\_\_\_ No \_\_\_\_\_\_\_\_\_

* + 1. Investments in new ventures and start-up companies:

Yes \_\_\_\_\_\_\_\_\_ No \_\_\_\_\_\_\_\_\_

(3) \_\_\_\_\_\_\_\_ % of my net worth, exclusive of home, home furnishings and automobiles, is in investments which are not liquid, such as the Shares of the Company.

(4) \_\_\_\_\_\_\_\_ % of my net worth, exclusive of home, home furnishings and automobiles, constitutes liquid assets (cash or cash equivalents).

1. Please indicate the frequency of your investment in marketable securities:

( ) often; ( ) occasionally; ( ) seldom; ( ) never

1. Please indicate the frequency of your investment in unmarketable securities:

( ) often; ( ) occasionally; ( ) seldom; ( ) never

1. Please indicate the cumulative amount of your investment in nonmarketable securities:

Securities such as Stock up to $50,000 \_\_\_\_\_\_\_\_\_\_\_\_\_\_

$50,000 to $150,000\_\_\_\_\_\_\_\_\_\_\_\_\_\_

over $150,000 \_\_\_\_\_\_\_\_\_\_\_\_\_\_

New Venture Investments up to $50,000 \_\_\_\_\_\_\_\_\_\_\_\_\_\_

$50,000 to $150,000 \_\_\_\_\_\_\_\_\_\_\_\_\_\_

over $150,000 \_\_\_\_\_\_\_\_\_\_\_\_\_\_

Other up to $50,000 \_\_\_\_\_\_\_\_\_\_\_\_\_\_

$50,000 to $150,000 \_\_\_\_\_\_\_\_\_\_\_\_\_\_

over $150,000 \_\_\_\_\_\_\_\_\_\_\_\_\_\_

REPRESENTATIONS

The undersigned represents that:

1. The information contained herein is complete and accurate and may be relied upon by the Company in determining my/our qualification as purchaser of the Subscribed Securities; and
2. The undersigned will notify the Company immediately of any adverse material change in any such information occurring prior to the acceptance of such investor’s subscription by the Company.

PLEASE PRINT

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

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

Occupation:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

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

Home Tel: ( )\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Work Tel: ( )\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

SSN or Tax I.D. \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

State of Residence: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Number of Purchased Shares:

Total Purchase Price, at $2.00 per share:

(Submit payment with this Subscription Agreement)

The above information supplied by me is true and correct in all respects and I recognize that the Company is materially relying on the truth and accuracy of such information.

IN WITNESS WHEREOF, I have executed this Subscription Agreement this \_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_, \_\_\_\_\_\_\_.

Signature:

Signature

(if joint subscription)

SUBSCRIPTION ACCEPTED AND AGREED TO

Beyond Gaming, Inc.

By:

Its:

Dated:

1. In addition to the 15,000 shares Cohen holds, Company has retained Cohen for an additional 150 hours of legal and consulting services effective 1/1/2010 through 3/10/2010 provides in exchange up to an additional maximum of 50,000 common shares. [↑](#footnote-ref-2)