

Explanatory Statement/Non-Prejudice Statement

Dear _____ :

_____ in which you own an interest, has applied to the Ohio Division of Securities under Section 1707.39 of the Ohio Revised Code for the retroactive qualification of the securities you purchased on _____ .

In order to process our application with the Ohio Division of Securities, we are required to notify you of the following:

1. The securities sold to you were sold in violation of the Ohio Securities Act because

2. Accordingly, under Section 1707.43 of the Ohio Revised Code you may have the right to void your purchase and obtain a refund of your purchase price.
3. You may wish to consult an attorney before completing this form.

Please place a check mark in one of the following boxes.

- I am satisfied that the sale made to me, while it may have been in violation of law or administrative rule, did not damage or defraud me. I do not wish my investment returned to me. I hereby waive my rights under 1707.43 of the Ohio Revised Code which I possess because of the above stated violation.
- I desire a return of my original investment.
- I do not desire a return of my investment but do not wish to waive any of my rights under section 1707.43 of the Ohio Revised Code at this time because: *(state reason)*

Note: Ohio Revised Code Section 1707.43 provides that an investor's right to rescind terminates thirty (30) days after a written offer to take back the security and refund the purchase price. This could constitute such an offer under Ohio Revised Code Section 1707.43.

This form, along with the forms given to other investors, will be submitted to the Ohio Division of Securities. They may be in touch with you concerning our application. Please cooperate with them fully.

(Please Print)

Name: _____ Date: _____
Address: _____ Phone: _____ (work)
_____ (home)

- I know that I have the right to rescind and receive my money back and hereby elect not to have my money returned to me.

Signatures:

I, _____ am aware that the sale made to me was in violation of the Ohio Securities Act or rules.

I, _____ am aware of my rights to a return of my investment under section 1707.43 of the Ohio Revised Code.

I, _____ have read this form and have placed a checkmark in the box which reflects my wishes.