INSTRUCTIONS FOR APPLICATION FOR QUALIFICATION OF ISSUER TRANSACTIONS BY NOTIFICATION (SECTION 260.112)

DBO – 260.112 (Rev. 09-15)

An application for the qualification of the offer and sale of securities by notification pursuant to Section 25112 of the Code shall, in addition to the facing page required by Section 260.110 of the rules, continue in the following form:

Note: Any item which is inapplicable should be listed by number on the form followed simply by the word "inapplicable."

ITEM 8. DESCRIPTION OF BUSINESS.

Describe the business done and intended to be done by the issuer and its subsidiaries and the general development of such business during the past three years. Indicate any other names under which the issuer or any of its subsidiaries have conducted business during such period.

ITEM 9. USE OF PROCEEDS TO ISSUER.

State the principal purposes for which the net proceeds to the applicant for the securities to be offered are intended to be used and the approximate amount intended to be used for each such purpose.

ITEM 10. PLAN OF DISTRIBUTION.

Describe the plan of distribution of securities including the names of any underwriters or agents to be employed by applicant in connection with the sale of securities and the discounts or compensation to be allowed or paid to such persons, or other consideration to be received by such persons or other persons in connection with the sale of securities. If agents (other than licensed broker-dealers) are to be employed by the applicant in connection with the sale of securities in California, the applicant must comply with Sections 260.141.30 and 260.141.31, Title 10, California Code of Regulations, and furnish the following information:

a. The name and business address of each person who will represent the applicant as an agent in this state.

b. The name and business address of the officer or other official who will supervise such agents on behalf of the applicant.

c. A statement that all such agents employed in this state are employees of the applicant.

d. A statement of the compensation to be paid to such agents. A statement of the compensation to be paid to such supervisory personnel other than their regular salaries if they are regular employees of the applicant.

e. Describe any order, judgment or decree of any governmental agency or administrator, or of any court of competent jurisdiction revoking or suspending for cause any license, permit or other authority of such agent or supervisory person or of any corporation of which he is an officer or director, to engage in the securities business or in the sale of a particular security or temporarily or permanently restraining or enjoining any such person or any corporation of which he is an officer or director from engaging in or continuing any conduct, practice, or employment in connection with the purchase or sale of securities, or convicting such person of any felony or misdemeanor involving a security or any aspect of the securities business, or of theft or of any felony.

f. A surety bond complying with Section 260.216.15, Title 10, California Code of Regulations.

ITEM 11. DIRECTORS AND EXECUTIVE OFFICERS.

List the names of all directors and officers of the issuer indicating all positions and offices held by each person named. In addition, describe any order, judgment, or decree of any governmental agency or administrator, or of any court of competent jurisdiction revoking or suspending for cause any license, permit or other authority of such person or of any corporation of which he is an officer or director, to engage in the securities business or in the sale of a particular security or temporarily or permanently restraining or enjoining any such person or any corporation of which he is an officer or director from engaging in or continuing any conduct, practice, or employment in connection with the purchase or sale of securities, or convicting such person of any felony or misdemeanor involving a security or any aspect of the securities business, or of theft or of any felony.

ITEM 12. MATERIAL TRANSACTIONS WITH AFFILIATES.

Describe any material transactions or agreements during the 3-year period immediately preceding the filing of the application between (i) the applicant or any of its affiliated companies, and (ii) any of the promoters, directors, officers, principal employees, principal security holders, underwriters or agents, or any company directly or indirectly controlled by any such person or persons.

ITEM 13. OUTSTANDING SECURITIES.

State in tabular form the title and amount of all outstanding securities and whether any of such securities are publicly traded.

ITEM 14. OUTSTANDING OPTIONS TO PURCHASE SECURITIES.

State in tabular form the title and amount of securities called for by any options, warrants or rights, including the purchase price of the securities so called for and the expiration dates of such options, together with the market value of the securities so called for as of the latest practicable date. Such statement should include the foregoing information for all options held by each officer or director of the applicant. Except for information with respect to each officer or director, information with respect to option prices and expiration dates may be furnished in ranges.

ITEM 15. PRINCIPAL SECURITY HOLDERS.

State in tabular form the voting securities of the issuer owned of record or beneficially by each person who owns of record or is known by the applicant to own beneficially more than 10 percent of the outstanding securities of any class of such voting securities. Such statement should reflect the respective amounts and percentages owned either beneficially or of record by each person and such statement should also include information as to the amounts held by, and the terms of, any voting trust or similar agreement with respect to more than 10 percent of the outstanding securities of any class voting securities of the issuer.

ITEM 16. REMUNERATION OF DIRECTORS AND OFFICERS, AND PRINCIPAL SECURITY HOLDERS.

Furnish in tabular form information as to the direct remuneration paid by the issuer and its subsidiaries during the issuer's last fiscal year for services in all capacities to each director, officer, and principal holder of securities whose aggregate direct remuneration during such year exceeded $60,000, and the aggregate remuneration paid to all officers, directors and principal holders of securities as a group.

ITEM 17. ADDITIONAL INFORMATION IN CONNECTION WITH DEBT SECURITIES AND OPTIONS OR STOCK BONUSES. Instructions:

(i) Debt securities:

(a) A copy of the trust indenture or other instrument pursuant to which the debt securities are to be issued should be attached to the application as an additional exhibit.

(b) Include a calculation based upon earnings history during the past three years demonstrating the ability of applicant to meet the proposed dividends, interest and signing fund requirements on all senior securities outstanding and proposed to be outstanding (in cases where such ability to meet the proposed dividends, interest and sinking fund requirements depends upon future earning capacity, applicant should submit calculations of such future earning capacity together with such supporting evidence as may be necessary to demonstrate reasonable certainty in connection with such future earning capacity).

(c) Such other information as may be required to comply with the rules of the Commissioner of Corporations relating to debt securities.

(ii) Options or stock bonuses:

(a) A copy of the plan pursuant to which options or stock bonuses will be granted should be attached to the application as an additional exhibit together with a copy of the form of option or stock bonus agreement to be issued pursuant to the plan.

(b) A copy of any proxy material submitted or to be submitted to shareholders in connection with approval of the plan.

(c) If the plan has previously been approved by the shareholders, a statement of the number of shares approving and the number of shares opposing or not represented.

ITEM 18. ADDITIONAL INFORMATION.

Indicate such additional information as may be required to evidence compliance with any of the rules of the Commissioner contained in Title 10 of the California Code of Regulations.

ITEM 19. EXHIBITS.

Attach and incorporate by reference the following exhibits:

Note: Any exhibit which is inapplicable should be listed by letter on the form followed simply by the work "inapplicable."

A. A copy of the charter documents of applicant as described in Section 260.001 of Title 10 of the California Code of Regulations (which may be in the form of a restated or composite copy).

B. Specimen certificate evidencing the security to be issued. (Instruction: Certificates evidencing securities of a class with currently outstanding shares or units should not be submitted.)

C. A copy of any contract made or to be made by the issuer affecting any of the rights, privileges or preferences or transferability of the securities.

D. Financial statements of the issuer and, if some or all of the consideration to be received by the issuer in the transaction is securities of another business, the financial statements of such other business, as required by Section 260.613 of Title 10 of the California Code of Regulations.

E. A copy of any advertisement or prospectus to be used in connection with the offer or sale of the securities. Also include the consent of any attorney, accountant or other expert named in any such advertisement or prospectus, if required pursuant to Section 260.504.2.2 of Title 10, California Code of Regulations, in the form required by that section.

F. A description of the consideration to be received by applicant in exchange for the securities if other than cash.

Instructions: If the applicant proposes to issue securities in exchange for consideration other than cash, state in tabular form the total number of shares proposed to be issued for each type of consideration, the per share selling price based on the consideration proposed to be paid and the names of the purchasers for each category. Submit an appraisal or detailed description of the valuation thereof, or if for a patent or invention for which an application for patent is pending, a copy of the patent or application together with an opinion of a patent attorney covering subjects of ownership and validity thereof and of infringement of patents of others by products as disclosed therein, and a description of all contracts, licenses and assignments of rights or interests herein.

G. A list of the names of the proposed purchasers or an identification of the class of the proposed offerees, if the application is for a limited offering qualification.

Instructions: A list of the complete names, post office addresses and occupations of the proposed issuees and a statement as to the relationship, if any, of the proposed issuees to the promoters, officers or directors of applicant. Further information as to the financial responsibility and investment experience of the proposed purchasers, while not required as part of the original application except in connection with oil and gas or mining interests and real estate syndicates, if furnished may serve to facilitate processing by the Department. (UPON REQUEST, SUCH INFORMATION WILL BE TREATED AS CONFIDENTIAL BY THE COMMISSIONER.) If the applicant proposes to limit the offering to a class of purchasers, information concerning the financial

and other qualifications which will be used to determine the class, together with the methods to be used by the applicant in qualifying purchasers within that class, should be submitted.

H. The Consent to Service of Process if required by Section 25165 of the California Corporations Code.

I. A Customer Authorization of Disclosure of Financial Records Form (Form No. QR 500.259).

ITEM 20. REPORTS OF FINANCIAL CONDITION.

Pursuant to Section 25146 of the California Corporations Code and Section 260.146 of Title 10 of the California Code of Regulations, applicant hereby undertakes, as long as required under the foregoing sections and subject to the exception therein contained, to file with the Commissioner: (a) within 120 days after the end of each fiscal year a report of financial condition and a related statement of income and expenses covering such fiscal year; and (b) within 90 days after the first six months of each fiscal year, a like report and statement covering such six months period.

(Note: The application must be signed and verified in the following manner.)

The applicant has duly caused this application to be signed on its behalf by the undersigned, thereunto duly authorized.

_____

(Applicant)

By _____

_____

(Title)

I certify (or declare) under penalty of perjury under the laws of the State of California that I have read this application and the exhibits thereto and know the contents thereof, and that the statements therein are true and correct.

Executed at _____, on _____, 20 _____.

(Place) (Date)

_____

(Signature)