

CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM

# MindBodySeries Wellness, Inc.

A California Corporation

**\$2,000,000**

10 Units

Each Unit Consisting of 1,000,000 Preferred Stock Shares at \$.20 per Share

---

## FOR ACCREDITED INVESTORS

April 18, 2012

**THE MEMBERSHIP UNITS HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECUTIES ACT OF 1933, AS AMENDED ("THE SECURITIES ACT") AND MAY NOT BE OFFERED OR SOLD EXCEPT AS SET FORTH HEREIN. THE MEMBERSHIP UNITS ARE BEING OFFERED IN RELIANCE ON AN EXEMPTION FROM THE REGISTRATION PROVISIONS OF THE SECURITIES ACT.**

MindBodySeries Wellness, Inc.  
21900 Burbank Blvd. Floor 3  
Woodland Hills, CA 91367  
Toll Free 888-668-0797

CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM  
**MindBodySeries Wellness, Inc.**  
**\$2,000,000**  
**Preferred Stock**  
**10,000,000 Shares at \$.20 Per Share**  
**Minimum Investment: 1,000,000 Shares (\$200,000)**

MindBodySeries Wellness, Inc. (MBSW) (the "Company") is a California corporation formed to create and distribute health and wellness products under the brand name MindBodySeries.

The Company's principal business objectives are to:

1. Sell the products through retail.
2. Advertise the products through television and multi-media.
3. Continue to develop a multi-faceted, wide-ranging relationship with the Dr. Phil Show and The Doctors television show.
4. Achieve a dominant market position for the products and services in the health and wellness industry by taking advantage of the Company's status and credibility achieved by the Dr. Phil Show exposure..
5. Provide an exit to the Company's shareholders through an acquisition.

**Note to readers:** The Company's proprietary products were developed over the course of nearly two years and are comprised of complex, non-replicable technology elements. The Company's services offers flow naturally from the sale or license of the proprietary products. For those readers who desire to gain a deeper understanding of the products and services, we recommend scheduling a demonstration with a Company representative. In order to participate in a demonstration, the reader must have access to the Internet and at least minimal skills in navigating within an Internet browser such as Internet Explorer.

"Internet-enabled" means that the elements of the product are delivered to customers via the Internet, while the technology itself resides on the Company's computer system. This is often referred to as a "hosted solution". "Network-enabled means that the elements of the product are delivered to customers from within that customer's own computer network. This is often referred to as an "infrastructural product"—because the product becomes a part of the customer's technology infrastructure.

"Collaborative" refers to the emerging use of communications tools as multifaceted utilities that allow people to communicate in several ways at the same time. For example, in a collaborative meeting the people attending the meeting may be in several geographical places but are able to share documents, view meeting agendas, send instant messages, talk to one another by audio and invite others to join the meeting.

### **Understanding Our Business**

The company provides interactive health and wellness programs delivered to the consumer primarily online, but also by CD and DVD.

### **Statement of Risk**

There is no assurance that the Company will achieve its objectives. This investment involves a high degree of risk. See 'RISK FACTORS'

## The Offer

The Company is offering 10,000,000 shares of Convertible Preferred Stock, no par value per share (the "Preferred Stock" or "Shares") for a purchase price of \$.20 per Share. Each share of Preferred Stock is convertible into one share of Common Stock at the option of the shareholder, no par value per share, at any time. See 'DESCRIPTION OF THE CAPITAL STOCK'.

**THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION NOR HAS THE COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.**

	<u>Price (1)</u>	<u>Commissions (2)</u>	<u>Selling Net Proceeds to the Company(3)</u>
Per Share	\$ .20	(2)	\$ .20
Total	\$ 2,000,000	(2)	\$ 2,000,000

*\*See footnotes on following page*

**The Date of this Memorandum is April 18, 2012**

- (1) This offering will terminate on August 22, 2012 at 6 p.m. PST unless extended by the Company (the "Sales Termination Date"). There is no minimum capitalization required by the Company and therefore no escrow will be established for subscription funds. Subscription funds may be deposited by the Company directly into its operating account for use as described in Memorandum See 'TERMS OF THE PLACEMENT.
- (2) The Shares will be offered on a "best-efforts" basis by the officers, directors and employees of the Company, by finders who may refer investors and possibly by broker-dealers who are registered the National Association of Securities Dealers, Inc. No selling commissions will be paid to officers, directors or employees of the Company for Shares sold by them. Selling commissions may only be paid to broker-dealers who are registered with the National Association of Securities Dealers, Inc. The Company has not entered into any selling agreements with registered broker-dealers to date. The Company will indemnify participating broker-dealers, if any, with respect to disclosures made in the Memorandum. See "PLAN OF DISTRIBUTION."
- (3) The amounts shown are before deducting offering costs to the Company, which include accounting, printing, due diligence, referral, marketing and other costs incurred in the offering of the Shares. See "USE OF PROCEEDS."
- (4) The Shares will not be sold to more than 35 investors who are not Accredited Investors as that term is defined in Regulation D promulgated under the Securities Act of 1933, as amended. The Company has the option in its sole discretion to increase the maximum amount of the offering of Preferred Stock by up to an additional \$1,000,000 for a total maximum offering of \$3,000,000.

---

THE OFFER AND SALE OF THE SHARES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 AS AMENDED (THE "ACT"). NO SHARES MAY BE RESOLD ASSIGNED OR OTHERWISE TRANSFERRED UNLESS A REGISTRATION STATEMENT UNDER THE ACT IS IN EFFECT OR THE COMPANY HAS RECEIVED EVIDENCE SATISFACTORY TO IT THAT SUCH TRANSFER DOES NOT INVOLVE A TRANSACTION REQUIRING REGISTRATION UNDER THE ACT AND IS IN COMPLIANCE WITH THE ACT.

---

THE PLACEMENT OF THESE SECURITIES IS BEING MADE IN RELIANCE ON THE EXEMPTION FROM REGISTRATION AVAILABLE IN RULE 506 OF REGULATION D PROMULGATED UNDER Section 4(2) OF THE SECURITIES ACT OF 1933, AS AMENDED AND PURSUANT TO THE NATIONAL SECURITIES MARKET IMPROVEMENT ACT OF 1996.

---

THE SHARES HAVE NOT BEEN QUALIFIED UNDER CERTAIN STATE SECURITIES LAWS IN RELIANCE UPON THE APPLICABLE EXEMPTIONS FROM REGISTRATION FOR PRIVATE OFFERS AND SALES OF SECURITIES. NO SHARES MAY BE SOLD, ASSIGNED OR OTHERWISE TRANSFERRED UNLESS THE COMPANY HAS RECEIVED EVIDENCE SATISFACTORY TO IT THAT SUCH TRANSFER DOES NOT INVOLVE A TRANSACTION REQUIRING QUALIFICATION UNDER SAID STATE SECURITIES LAWS AND IS IN COMPLIANCE WITH SUCH LAWS.

---

THIS MEMORANDUM IS NOT KNOWN TO CONTAIN AN UNTRUE STATEMENT OF A MATERIAL FACT, NOR TO OMIT MATERIAL FACTS, WHICH IF OMITTED, WOULD MAKE THE STATEMENTS HEREIN MISLEADING. IT CONTAINS A FAIR SUMMARY OF THE MATERIAL TERMS OF DOCUMENTS PURPORTED TO BE SUMMARIZED HEREIN. HOWEVER, THIS IS A SUMMARY ONLY AND DOES NOT PURPORT TO BE COMPLETE. ACCORDINGLY, REFERENCE SHOULD BE MADE TO THE CERTIFICATION OF RIGHTS, PREFERENCES AND PRIVILEGES AND OTHER DOCUMENTS REFERRED TO HEREIN, COPIES OF WHICH ARE ATTACHED HERETO OR WILL BE SUPPLIED UPON REQUEST FOR THE EXACT TERMS OF SUCH AGREEMENTS AND DOCUMENTS.

---

THIS MEMORANDUM DOES NOT CONSTITUTE AN OFFER OR SOLICITATION IN ANY JURISDICTION IN WHICH SUCH AN OFFER OR SOLICITATION WOULD BE UNLAWFUL. NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION (OTHER THAN THAT CONTAINED IN ADDITIONAL WRITTEN DOCUMENTATION SPECIFICALLY REFERRED TO HEREIN) OR TO MAKE ANY REPRESENTATIONS CONCERNING THE COMPANY OTHER THAN THOSE CONTAINED IN THIS MEMORANDUM AND IF GIVEN OR MADE SUCH OTHER INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON. NO ORAL REPRESENTATIONS OF ANY KIND MAY BE RULED UPON BY ANY PROSPECTIVE INVESTOR.

---

PROSPECTIVE INVESTORS ARE NOT TO CONSTRUE THE CONTENTS OF THIS MEMORANDUM OR OF ANY PRIOR OR SUBSEQUENT COMMUNICATIONS FROM THE COMPANY OR ANY OF ITS EMPLOYEES, AGENTS OR AFFILIATES AS INVESTMENT, PROFESSIONAL OR TAX ADVICE. EACH INVESTOR SHOULD CONSULT HIS OWN COUNSEL, ACCOUNTANT AND OTHER PROFESSIONAL ADVISORS AS TO PROFESSIONAL, TAX AND OTHER RELATED MATTERS CONCERNING HIS INVESTMENT.

## **STATE NOTICE REQUIREMENTS**

NOTICE REQUIREMENTS IN STATES WHERE SHARES MAY BE SOLD ARE AS FOLLOWS:

1. **FOR ARIZONA RESIDENTS:** THE SECURITIES OFFERED HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF ARIZONA, AS AMENDED AND ARE OFFERED IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION PURSUANT TO A.R.S. SECTION 44-1844(1). THE SECURITIES CANNOT BE RESOLD UNLESS REGISTERED UNDER THE ACT OR PURSUANT TO AN EXEMPTION FROM REGISTRATION.

2. **FOR CALIFORNIA RESIDENTS:** THE SALE OF THE SECURITIES WHICH ARE THE SUBJECT OF THIS OFFERING HAS NOT BEEN QUALIFIED WITH THE COMMISSIONER OF CORPORATIONS OF THE STATE OF CALIFORNIA AND IS BEING MADE PURSUANT TO THE EXEMPTION FROM QUALIFICATION AVAILABLE IN SECTION 25102(f) OF THE CALIFORNIA CORPORATIONS CODE FOR PRIVATE PLACEMENTS, AMONG OTHER EXEMPTIONS.

3. **FOR COLORADO RESIDENTS:** THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE COLORADO SECURITIES ACT OF 1981 BY REASONS OF SPECIFIC EXEMPTIONS THEREUNDER RELATING TO THE LIMITED AVAILABILITY OF THE OFFERING. THESE SECURITIES CANNOT BE SOLD, TRANSFERRED, OR OTHERWISE DISPOSED OF TO ANY PERSON OR ENTITY UNLESS THEY ARE SUBSEQUENTLY REGISTERED OR AN EXEMPTION FROM REGISTRATION IS AVAILABLE.

4. **FOR CONNECTICUT RESIDENTS:** THE SECURITIES OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER SECTION 36-485 OF THE CONNECTICUT GENERAL STATUTES, THE UNIFORM SECURITIES ACT, AS AMENDED AND THEREFORE CANNOT BE RESOLD UNLESS THEY ARE REGISTERED UNDER SECTION 36-485 OR ANY OTHER SECTION OF SUCH ACT OR UNLESS AN EXEMPTION FROM REGISTRATION PURSUANT TO SECTION 36-490 OF SUCH AS IS AVAILABLE.

5. **FOR FLORIDA RESIDENTS:** THESE SECURITIES HAVE NOT BEEN REGISTERED WITH THE FLORIDA DIVISION OF SECURITIES. EACH FLORIDA RESIDENT WHO SUBSCRIBES FOR THE PURCHASE OF SECURITIES HEREIN HAS THE RIGHT, PURSUANT TO SECTION 517.061(11)(a)(5) OF THE FLORIDA SECURITIES ACT, TO WITHDRAW HIS SUBSCRIPTION FOR SUCH PURCHASE AND RECEIVE A FULL REFUND OF ALL MONIES PAID WITHIN THREE BUSINESS DAYS AFTER THE EXECUTION OF THE SUBSCRIPTION AGREEMENT OR PAYMENT FOR THE PURCHASE HAS BEEN MADE, WHICHEVER IS LATER. WITHDRAWAL WILL BE WITHOUT ANY FURTHER LIABILITY TO ANY PERSON. TO ACCOMPLISH THIS WITHDRAWAL, A SUBSCRIBER NEED ONLY SEND A LETTER OR TELEGRAM TO THE COMPANY AT ITS ADDRESS SET FORTH IN THE TEXT OF THIS MEMORANDUM, INDICATING HIS INTENTION TO WITHDRAW. SUCH LETTER OR TELEGRAM SHOULD BE SENT AND POSTMARKED PRIOR TO THE END OF THE AFOREMENTIONED THIRD BUSINESS DAY. IT IS ADVISABLE TO SEND SUCH LETTER BY CERTIFIED MAIL RETURN RECEIPT REQUESTED TO ENSURE THAT IT IS RECEIVED AND ALSO TO EVIDENCE THE TIME IT WAS MAILED. IF THE REQUEST IS MADE ORALLY (IN PERSON OR BY TELEPHONE TO THE COMPANY AT THE NUMBER LISTED IN THE TEXT OF THIS MEMORANDUM), A WRITTEN CONFIRMATION THAT THE REQUEST HAS BEEN RECEIVED SHOULD BE REQUESTED.

6. **FOR ILLINOIS RESIDENTS:** THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECRETARY OF STATE OF ILLINOIS OR THE STATE OF ILLINOIS NOR HAS THE SECRETARY OF STATE OF ILLINOIS OR THE STATE OF ILLINOIS PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

7. **FOR MICHIGAN RESIDENTS:** THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER SECTION 451.701 OF THE MICHIGAN UNIFORM SECURITIES ACT (THE "ACT") AND MAY BE TRANSFERRED OR RESOLD BY RESIDENTS OF MICHIGAN ONLY IF REGISTERED PURSUANT TO THE PROVISIONS OF THE ACT OR IF ANY EXEMPTION FROM REGISTRATION IS AVAILABLE. THE INVESTMENT IS SUITABLE IF IT DOES NOT EXCEED 10% OF THE INVESTORS NET WORTH.

8. **FOR KANSAS RESIDENTS:** THESE SECURITIES ARE BEING OFFERED IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE KANSAS SECURITIES ACT. THE SECURITIES CANNOT BE SOLD OR TRANSFERRED EXCEPT IN A TRANSACTION WHICH IS EXEMPT UNDER SUCH ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER SUCH ACT OR IN A TRANSACTION WHICH IS OTHERWISE IN COMPLIANCE WITH SUCH ACT.

9. **FOR NEW JERSEY RESIDENTS:** THE ATTORNEY GENERAL OF THE STATE OF NEW JERSEY HAS NOT PASSED ON OR ENDORSED THE MERITS OF THIS OFFERING. THIS MEMORANDUM HAS NOT BEEN FILED WITH OR REVIEWED BY THE BUREAU OF SECURITIES OR THE DEPARTMENT OF LAW AND PUBLIC SAFETY OF THE STATE OF NEW JERSEY PRIOR TO ITS ISSUANCE AND USE. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

10. **FOR NEW YORK RESIDENTS:** THIS MEMORANDUM HAS NOT BEEN FILED WITH OR REVIEWED BY THE ATTORNEY GENERAL OF THE STATE OF NEW YORK PRIOR TO ITS ISSUANCE AND USE. THE ATTORNEY GENERAL OF THE STATE OF NEW YORK HAS NOT PASSED ON OR ENDORSED THE MERITS OF THIS OFFERING. ANY REPRESENTATIONS TO THE CONTRARY ARE UNLAWFUL COMPLIANCE WITH SUCH ACT.

11. **FOR NEVADA RESIDENTS:** THESE SECURITIES ARE BEING OFFERED IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE NEVADA SECURITIES ACT. THE SECURITIES CANNOT BE SOLD OR TRANSFERRED EXCEPT IN A TRANSACTION WHICH IS EXEMPT UNDER SUCH ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION UNDER SUCH ACT OR IN A TRANSACTION WHICH IS OTHERWISE IN COMPLIANCE WITH SUCH ACT.

12. **FOR OHIO RESIDENTS:** THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED OR THE OHIO SECURITIES ACT BY REASON OF SPECIFIC EXEMPTIONS THEREUNDER RELATING TO THE LIMITED AVAILABILITY OF THE OFFERING. THESE SECURITIES CANNOT BE SOLD TRANSFERRED OR OTHERWISE DISPOSED OF TO ANY PERSON OR ENTITY UNLESS THEY ARE SUBSEQUENTLY REGISTERED OR AN EXEMPTION FROM REGISTRATION IS AVAILABLE.

13. **FOR TEXAS RESIDENTS.** THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 AS AMENDED, OR THE TEXAS SECURITIES ACT BY REASON OF SPECIFIC EXEMPTIONS THEREUNDER RELATING TO THE LIMITED AVAILABILITY OF THE OFFERING. THESE SECURITIES CANNOT BE SOLD TRANSFERRED, OR OTHERWISE DISPOSED OF TO ANY PERSON OR ENTITY UNLESS THEY ARE SUBSEQUENTLY REGISTERED OR AN EXEMPTION FROM REGISTRATION IS AVAILABLE.

14. **FOR VIRGINIA RESIDENTS.** THESE SECURITIES ARE BEING OFFERED IN A TRANSACTION EXEMPT FROM THE REGISTRATION REQUIREMENTS OF THE VIRGINIA SECURITIES ACT. THE SECURITIES CANNOT BE SOLD OR TRANSFERRED EXCEPT IN A TRANSACTION WHICH IS EXEMPT UNDER SUCH ACT OR PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER SUCH ACT OR IN A TRANSACTION WHICH IS OTHERWISE IN COMPLIANCE WITH SUCH ACT.

## TABLE OF CONTENTS

### Page

INVESTMENT SUMMARY.....	1
USE OF PROCEEDS.....	3
BUSINESS.....	3
RISK FACTORS.....	8
MANAGEMENT.....	11
PRINCIPAL SHAREHOLDERS.....	14
DESCRIPTION OF CAPITAL STOCK.....	14
ERISA CONSIDERATIONS.....	16
TERMS OF THE PLACEMENT.....	18
PLAN OF DISTRIBUTION .....	19
REPORTS TO SHAREHOLDERS.....	19
ADDITIONAL INFORMATION .....	19
FINANCIAL STATEMENT.....	20
BALANCE SHEET.....	21
PRO FORMA SUMMARY.....	22

### **EXHIBITS**

CERTIFICATE OF DETERMINATION FOR PREFERRED STOCK.....	23
SUBSCRIPTION DOCUMENTS*.....	

\*submitted under separate cover.

SEE THE SUBSCRIPTION AGREEMENT FOR OTHER STATE NOTICES.



## INVESTMENT SUMMARY

*The following summary is qualified in its entirety by the more detailed information and financial statements appearing elsewhere or incorporated by reference in this Memorandum.*

### The Company

The Company was formed in October 2010, and is now marketing its products and services. The Company's primary goal is to achieve dominant market position in the health and wellness industry for its proprietary collaborative communications products and services.

The executive offices of the Company are located at 21900 Burbank Blvd, Floor 3, Woodland Hills, California 91367 and its telephone number is (888) 668-0797. The current principal shareholders of the Company are Gregory Palumbo and G. Frank Lawlis (the "Principal Shareholders"). See "MANAGEMENT."

### Risk Factors

Investors should carefully consider the various risk factors regarding the Company before investing in the Preferred Stock. See "RISK FACTORS."

### The Offering

Preferred Stock offered by the Company.....	10,000,000 shares
Common Stock outstanding.....	10,000,000 shares
Preferred and Common Stock to be outstanding after the offering.....	20,000,000 shares

Use of Proceeds.....	The net proceeds from the placement of the Shares will be used to market the products and services and for general working capital purposes. See "USE OF PROCEEDS."
----------------------	---

### The Preferred Stock

Issue.....	\$2,000,000 of Convertible Preferred Stock, no par value per Share.
Dividend Rate.....	The Preferred Stock will have a special priority dividend (the "Special Priority Dividend") in relation to the Common Stock. The Preferred Stock will not have a cumulative annual dividend. See "INVESTMENT SUMMARY - Special Priority Dividend".
Special Priority Dividend.....	The holders of the Preferred Stock must be paid a special dividend ("Special Priority Dividend") as follows: dividends declared and paid on the capital stock of the Company will be payable 100% among the Preferred Stockholders and 0% to the Common

Stockholder until the Preferred Stockholders receive total dividends or distributions from the Company equal to 125% of the original purchase price of the Preferred Stock ("125% Recoupment"). After 125% Recoupment, any dividends declared and paid on the Common Stock must be accompanied by a pro rata dividend on the Preferred Stock, in proportion to the relative number of outstanding shares of the Company's Preferred Stock and Common Stock.

Liquidation Preference.....	\$.20 per Share plus accrued but unpaid Special Dividends, if any.
Shareholder Conversion Right.....	The Preferred Stockholders may convert each Share of Preferred Stock into one share of Common Stock at any time after the Shares are issued.
Voting Rights.....	The Preferred Stock has no voting rights. Each Share of Preferred Stock is convertible into one share of Common Stock, which will have the same voting rights as other Common Stock.

## USE OF PROCEEDS

The Company was formed with an initial investment of \$100,000. An additional amount equal to approximately \$2,000,000 is required for the marketing of the business's suite of health and wellness programs.

- 80% of the proceeds will be allocated for Marketing Expenditures
  - 75% of the Marketing Budget will be allocated to marketing MBSW products and services via traditional television media buys directly to consumer.
  - 25% of the Marketing Budget will be allocated to marketing the products and services using online marketing campaigns.
- 10% will be allocated for Ordinary Expenses
  - Ordinary Expenses include operational costs.
- 10% will be allocated to Cash Reserves

## BUSINESS

### General

The Company has developed health and wellness programs as well as the marketing and product delivery technologies necessary for delivering the programs to customers.

The Company's mission is to develop the business models articulated above into a global and scalable business that will be a primary player in the collaborative communications markets.

### Agreements

It is contemplated that the Company will enter into agreements and strategic alliances with other professional services related businesses in order to increase the exposure of the Company's products and services, particularly through private labeling, affinity marketing and co-branding strategies. The Company also plans to enter agreements with providers of new technology as such innovations become viable and available (e.g. online continuing education for attorneys).

### **Unique Features**

**The Company's health and wellness programs are all cutting edge programs developed by thought leaders of the various health and wellness fields. The technology used to deliver the programs is highly innovative, providing consumers with a much more intimate relationship with the company and its programs.**

### **Marketing Objectives**

The marketing objectives of the Company are:

1. To widely penetrate the health and wellness industry through co-marketing and co-branding relationships with the largest, most prestigious organizations and professional service firms in the industry.
2. To sell or license the products and services to other organizations with existing customer bases.
3. To market the programs through affiliate marketing relationships.

### **Channels of Distribution**

Products and services are primarily sold directly by the Company to the client. There is no middleman. This enables the Company to receive detailed customer feedback immediately and maximizes profit margin. Secondly, the products and services will be distributed through co-branding relationships with companies and organizations that have a strong brand affinity to a large potential customer base. Although in this scenario profit may be shared, co-branding will maximize MBSW's market share.

The Company will also enlist affiliate marketers to market products online.

### **Expected Accomplishments**

The business expects to draw an ever-increasing percentage of the market share, to meet the expanding demand for collaborative communications technology in the professional services industry, and to provide business and communication services in the field. The Company expects that its unique combination of health and wellness offerings, combined with the timeliness of these offers, provides a real opportunity to dominate this market space. Therefore, over the course of the next five years, the Company expects to steadily increase its market share, to the point at which the Company is considered to be the most used and respected health and wellness programs provider.

### **Cautionary Statements**

The following are cautionary statements pursuant to the Private Securities Litigation Reform Act of 1995 in order for the Company to avail itself of the "safe harbor" provisions of the Reform Act: The discussions and information in this Memorandum may contain both historical and forward-looking statements. To the extent that the Memorandum contains forward-looking statements regarding the financial condition, operating results, business prospects or any other aspect of the

Company, please be advised that the Company's actual financial condition, operating results and business performance may differ materially from that projected or estimated by the Company in forward-looking statements. The differences may be caused by a variety of factors, including, but not limited to, adverse economic conditions, intense competition, cost overruns in developing and operating the Website, lack of customer acceptance and use of the Website, termination of contracts with psychologists affiliated with the Website, lack of experience in the Company, government regulation, inadequate capital, unexpected operating deficits, lower sales and revenues than forecast, the risk of litigation and administrative proceedings involving the Company, adverse publicity and news coverage, inability to carry out marketing and sales plans, loss or retirement of key executives, changes in interest rates, inflationary factors, and other specific risks that may be alluded to in the Memorandum, including those set forth under "RISK FACTORS" in the Memorandum.

## **Competition**

The collaborative communications industry is an intensely competitive arena in which to start a business. The competition comes from companies with similar products and companies which create alternative ways for people to communicate through technology. These companies compete for the attention and dollars of professional industry participants who are looking for ways to improve their business flow, maximize productivity and increase profitability. In addition, the Company competes with established businesses that aggregate audiences of professional professionals on the Internet and provide those audiences with professional information, training and occasionally technology products and services. Finally, the Company may, at times, compete with roughly 200 other companies in the continuing education and training industry, who already develop and market classroom-based and in some cases online training for the professional profession. Organizations with which the Company competes may have significantly greater financial and other resources than does the Company.

Our potential competitors include:

- BeachBody, LLC – BeachBody accounts for two of the current top three weight loss / fitness products on the market, including P90x and Insanity. This company has revenues of over \$400 million annually.
- Gaiam, Inc – Gaiam specializes in all sorts of health and wellness products, and has revenues of \$274.8 million annually in 2011.

There can be no assurance of the economic success of the business since the revenues derived there from depend primarily upon the continuing growth in acceptance of the particular products the company offers. Such acceptance cannot be predicted or guaranteed.

The Internet and companies which do business thereon are continuing to undergo significant changes, primarily due to technological developments. These developments have resulted in the availability of alternative and competing forms of communication. It is impossible to predict the overall effect these advances will have on the potential revenue from and profitability of the Company.

## **Employees**

The Company, like many other technology product/service companies, does not maintain a substantial staff. The Company maintains a small core staff which management believes is sufficient to conduct the Company's business activities. Management of the Company believes, however, that there will be adequate qualified personnel available from time to time to meet its needs for additional technical personnel. The Company also employs a staff dedicated to the development and marketing of Web conferencing, online training and e-learning systems.

## **RISK FACTORS**

The purchase of the Preferred Stock involves a high degree of risk. Each prospective investor should carefully consider the following risk factors, in addition to any other risks associated with this investment, and should consult with his own professional and financial advisors before purchasing Shares.

### **Brief Operating History - New Business**

The Company has been recently formed. It is anticipated that earnings from the products and services will be a valuable source of revenue for the Company during the first two quarters of 2012. The Company can, however, make no assurances that such revenues will be sustained, increased or actually cover business operations. The Company has no significant operating history. See "MANAGEMENT."

**Note to readers:** "Adjunct operations" are opportunities the Company has to actually create and present online training courses for alliance partners. The Company will share in the revenue from these presentations. In other words, while our main business is the products and services used by OTHERS to create and present meetings, marketing and training events, the adjunct business includes revenues from doing this on BEHALF of others.

Upon inception, the Company has limited and illiquid assets and limited working capital. See "FINANCIAL STATEMENT OF THE COMPANY." There is no assurance that the Company or its products and services will be profitable or will earn revenues, or that the Company will have sufficient capital to implement its business plan. See "BUSINESS."

### **Competition**

The collaborative communications industry is characterized by intense competition. The Company will be subject to competition from other companies, many of who have greater financial resources and management experience and expertise than the Company. There is no assurance that the Company will be able to successfully or profitably compete. See "BUSINESS - Competition."

### **Risk of Conversion of Preferred Stock**

The Preferred Stockholders will have the right to voluntarily convert their Shares of Preferred Stock into shares of Common Stock. Preferred Stockholders who elect to convert their Shares into Common Stock will thereafter not have the right to the liquidation and dividend preferences. See "DESCRIPTION OF THE CAPITAL STOCK - Convertible Preferred Stock."

### **Absence of Public Market**

There is no public market for the Preferred or Common Stock of the Company, and no market will exist as a result of this offering. In addition the Company has no obligation and no present intention of registering its Preferred or Common Stock. The Preferred Stock and Common Stock into which it is convertible may not be sold or otherwise transferred except pursuant to registration or qualification under applicable federal and state securities laws or evidence satisfactory to the Company (which may require an opinion of counsel to be provided at the investor's expense) that such registration or qualification is not required. There are no registration rights associated with the Preferred Stock. Consequently, the investors may not be able to liquidate their investment in the Company if such liquidation should become necessary or desired.

### **Liabilities**

The Company may have liabilities to affiliated or unaffiliated lenders. These liabilities would represent fixed costs which would be required to be paid regardless of the level of business or profitability experienced by the Company. The absence or unexpected reduction in net cash flow or unanticipated increases in operating expenses could cause a default under such debts. There is no assurance that the Company will be able to pay all of its liabilities.

#### **No Assurance of Dividends**

The declaration and payment of any dividends on the Preferred Stock and the Common Stock are dependent upon a resolution of the Board of Directors and on the financial condition of the Company. There is no assurance that the Company will have sufficient funds to declare or pay dividends, whether or not required.

#### **No Assurance of Profit**

There is no assurance as to whether the Company will be profitable or earn revenues, or whether the Company will be able to return any investment funds, to make cash dividends or to meet its operating expenses and debt service.

#### **No Minimum Capitalization**

The Company does not have a minimum capitalization and it may use the proceeds from the issuance of Shares once the corresponding subscription agreements are accepted. The Company may only raise a minimum of capital, which would leave it with insufficient capital to implement its business plan, resulting in a complete loss of the Stockholders' investment in the Company unless the Company is able to raise the required capital from alternative sources. There is no assurance that alternative capital or financing would be available.

#### **Determination of Consideration to Management**

The Common Stock and cash consideration being paid by the Company to its management have not been determined based on arm's length negotiation. While management believes that the consideration is fair for the work being performed, there is no assurance that the consideration to management reflects the true market value of its services. See "BUSINESS" and "USE OF PROCEEDS."

#### **Conflicts of Interest**

The relationship of management to the Company may create conflicts of interest. Management has participated in and may continue to participate in other entities which engage in activities similar to those of the Company. Some of the Principal Shareholders are engaged in other businesses besides that of the Company. See "MANAGEMENT."

Management believes that it will have the resources necessary to fulfill its management obligations to all entities to which it is responsible. See "MANAGEMENT." Management's compensation from the Company, both as holders of Common Stock and as officers and directors, has not been determined pursuant to arm's-length negotiation. See "RISK FACTORS."

#### **Reliance on Management and Key Executives**

Preferred Stockholders have no right to take part in the management of the Company. Accordingly, no person should purchase the Shares unless they are willing to entrust all aspects of the management of the Company to the officers and directors of the Company. The loss of certain of these executives would have a material adverse impact on the Company. The

Company will be largely dependent upon Kathleene Derrig, Edward Rhol and Gregory Palumbo for the direction, management and daily supervision of the Company's operations. See "MANAGEMENT" and "RISK FACTORS."

The loss of certain officers and directors of the Company would have a material adverse impact on the Company.

### **Regulations and Licensing**

In the United States, the practice of law is governed and regulated by each individual state's licensing and regulatory board or "bar". To date, no state bar has created a comprehensive body of rules to govern the practice of law utilizing a web-based delivery system.

Moreover, only about half of the state bar regulatory authorities have approved online training as a mode of course delivery for "for credit" continuing education courses. While the trend favors more states adopting online training as a medium for continuing education credit courses, the Company cannot guarantee that all states will approve such courses in the near future, or that states currently approving such courses will continue to do so.

E-learning, at the enterprise level, is forecast to grow substantially as a percentage of total corporate training for many years to come. However, the Company cannot guarantee that those forecasts will prove accurate, that law firms, associations and corporations will desire professional-related training content for their e-learning systems, or that the products and services offered by the Company will gain substantial market share.

### **Technological Advances**

The Internet industry in general has been and is expected to continue to be subject to significant changes as technological advances make new forms of communication commercially viable. Given the rapid developments in applicable technology, it is impossible to predict accurately the possible changes in this industry. See "BUSINESS."

### **Potential Dilution of Interest**

The Company's stock could be diluted if an interest therein is sold to a third party. The Company has the right to raise additional capital for operation of the business if it deems such additional capital to be necessary to successfully promote and operate the business or to enhance the quality of the business.

### **Level of Capitalization**

Expenditures for the development, operation and promotion of the business may exceed the amounts allocated for those purposes. The success of the Company depends largely upon the ability of the Company and its employees to promote the business. There is no assurance that the Company's working capital will be adequate to meet this objective, especially if less than the maximum proceeds from this offering of Shares is raised. Management is not obligated to and, in any event, may not be able to contribute the additional capital necessary to successfully develop and promote the business. It presently does not have such capital. There is no assurance that attempts to secure any additional financing will be successful. Other financing needs may also arise which may not be met by proceeds from this offering and no assurance can be given that the Company will be able to meet such needs as they arise.

### **Uninsured Losses**

There is no assurance that the Company will not incur uninsured liabilities and losses as a result of the conduct of its business. The Company plans to maintain comprehensive liability and property insurance for its business. The Company will also evaluate the availability and cost of business interruption insurance. However, should uninsured losses occur, the Stockholders could

lose their invested capital.

## MANAGEMENT

### Officers and Board of Director

The company will be managed by a board of directors and its executive officers. The Board of Directors is comprised of acknowledged experts in the fields of technology, the Internet, law, education and media. This combination of talented individuals create a foundation from which the Company may continue to grow and evolve based both upon the needs of its consumer and professional clients and upon the development of support technology.

The table below sets forth the officers of the Company as of the date of this Memorandum.

<u>Name</u>	<u>Position</u>
Gregory Palumbo	Chairman of the Board, Chief Executive Officer
Dr. G. Frank Lawlis	Chief Health Information Officer

**Gregory Palumbo - Chairman of the Board, Chief Executive Officer** is an innovator in the health and wellness industry, helping create some of the most popular wellness products on the market today.

After having attempted to lose weight for over 20 years, Gregory was 70 pounds overweight and had developed significant health issues. Realizing that diet and exercise plans all followed a very similar approach, Gregory decided to break down the problem into two simple questions: what is the best way to exercise, and what is the best way to change habits.

Gregory asked those questions of fitness expert Michael Carson and psychologist Dr. Frank Lawlis. Dr. Lawlis explained that any significant change triggered the “fight or flight” response – which explains why so few people are able to stick with any weight loss plan. Michael Carson described how the first 90 seconds of exercise trigger the vast majority of the metabolic processes that produce the health benefits of exercise – time that 90 seconds to your meals, and the body uses its automatic “Primal Metabolic Response” to optimally process food into energy – instead of storing it as fat!

Realizing that Dr. Lawlis directive of “no major changes” and Michael’s 90 second workout were a perfect match, Gregory began doing “MyMobileMinute”, as he originally called it. After losing 70 pounds he was ecstatic. But it was only after he realized that all of his “chronic” health problems had disappeared that he made it his mission to help share what has become “Ignite 90” with the world. Gregory then put together a team of psychologists, dietitians and life coaches, and launched an “online wellness center” for people to learn Ignite 90 and receive the support and direction needed to stick with the plan and succeed at long-term weight wellness.

**Dr. Frank Lawlis** is the Chief Content Advisor for the Dr. Phil Show, and Dr. Phil’s mentor and doctoral professor. He is a pioneer in the field of Imagery and has been using Imagery with his patients for the past thirty years with remarkable results.

Dr. Lawlis has focused upon clinical and research methods of the mind-body relationship since 1968 when he received his Ph.D. in Counseling Psychology with an emphasis in medical psychology and rehabilitation. He was awarded the Diplomate (A.B.P.P.) in both Counseling Psychology and Clinical Psychology. He also received the status of Fellow from the American Psychological Association for his scientific contributions to the field of clinical psychology and behavioral medicine, as well as other awards for his pioneering research in this field. Having served on five prestigious medical school faculties and five graduate psychology faculties, he has blazed new studies and approaches in the care of patients with chronic and acute pain, cancer and psychosomatic problems.

Dr. Lawlis has authored and co-authored more than 100 articles and chapters as well as textbooks; Imagery and Disease, Bridges of the Bodymind, Transpersonal Medicine, and The Mosby Textbook on Alternative Medicine.



## **Key Employees**

The Company may retain additional key employees who will assist in developing and operating the business. These key employees may perform marketing, administrative and other services for the Company and would receive compensation from the Company for their services, to be determined by the Board of Directors.

## **Employment Agreements**

The Company has entered into employment agreements with its key employees.

## **Board of Directors**

The Company's Board of Directors consists of six (6) members. The Board of Directors is not expected to have any committees (i.e., compensation, audit or other committees) until a need for such committees is identified by the Board of Directors. The Bylaws of the Company generally provide for majority approval of disinterested directors in order to adopt resolutions, including any borrowings by the Company or the issuance of any additional shares of Common or Preferred Stock.

Under California Corporation law and the Company's Articles of Incorporation, the Company's directors will have no personal liability to the Company or its stockholders for monetary damages incurred as the result of the breach or alleged breach by a director of his "duty of care" This provision does not apply to the directors' (i) breach of their duty of loyalty, (ii) acts or omissions not in good faith or involving intentional violations of law, (iii) ilprofessional payment of dividends, stock repurchases, or stock redemptions, and (iv) approval of any transaction from which a director derives an improper personal benefit. Directors may be responsible to the Company's shareholders for damages suffered by the Company or its shareholders as a result of a breach of their fiduciary duty.

## **Cumulative Voting**

Pursuant to the Company's Bylaws and in accordance with the California Corporations Code, each shareholder is entitled to one vote for each share of the Company's Common Stock held, and such holders may be entitled to cumulative voting rights in the election of directors. Under the California Corporations Code, cumulative voting is not required unless, at the annual meeting and prior to the voting, at least one shareholder gives notice of his intention to cumulate his votes. If one shareholder gives notice of an intention to cumulate votes, then all shareholders have cumulative voting rights in the election of directors. If no such notice is given, voting for directors is non cumulative, which means that a simple majority of the shares voting may elect all of the directors. Under cumulative voting, each shareholder entitled to vote has the right to give one candidate a number of votes equal to the number of authorized directors multiplied by the number of votes to which his shares are entitled, or to distribute his votes on the same principle among as many candidates as he desires. As a result, each share of the Company's Common Stock has a number of votes equal to the number of authorized directors. The California cumulative voting law applies only to the election of directors and not to any other matters as to which shareholders may vote.

## **Indemnification**

The Company's Bylaws and Sections 204 and 317 of the California Corporations Code contain comprehensive provisions for indemnification of directors, officers and agents of California corporations against expenses, judgments, fines and settlements in connection with litigation.

Under the California Corporations Code, other than an action brought by or in the right of the Company, such indemnification is available if it is determined that the proposed indemnity acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Company and, with respect to any criminal action or proceeding, has no reasonable cause to believe his conduct was unlawful. In actions brought by or in the right of the Company, such indemnification is limited to expenses (including attorneys' fees) actually and reasonably incurred if the indemnity acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Company. No indemnification may be made, however, in respect of any claim, issue or matter as to which such person is adjudged to be liable to the Company unless and only to the extent that the court in which the action was brought determines that in view of all the circumstances of the case, the person is fairly and reasonably entitled to indemnity for such expenses as the court deems proper. To the extent that the proposed indemnity has been successful in defense of any action, suit or proceeding, he must be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the action. The Company's Articles of Incorporation, as amended, provide for indemnification of the directors and officers of the Company against liabilities to the maximum extent provided by California law.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers or persons controlling the Company pursuant to the foregoing provisions, the Company has been informed that in the opinion of the Securities and Exchange Commission, such indemnification is against public policy as expressed in the Act and is therefore unenforceable.

#### **Amendment of Certificate of Incorporation and Bylaws**

Under the California Corporations Code, a corporation's articles of incorporation can be amended by the affirmative vote of the holders of a majority of the outstanding shares entitled to vote, and a majority of the outstanding stock of each class entitled to vote as a class, unless the certificate requires the vote of a larger portion of the stock. The Company's Articles of Incorporation, as amended, do not require a larger percentage affirmative vote. As is permitted by the California Corporations Code, the Company's Bylaws give its Board of Directors the power to adopt, amend or repeal the Company's Bylaws. The Company's shareholders entitled to vote have concurrent power to adopt, amend or repeal the Company's Bylaws.

#### **PRINCIPAL SHAREHOLDERS**

The following table sets forth the name and address of each owner of more than five percent (5%) of the issued and outstanding capital stock of the Company as of the date of this Memorandum:

<b><u>Class of Stock</u></b>	<b><u>Name and Address(i)</u></b>	<b><u>Number of Shares Beneficially Owned</u></b>	<b><u>Percentage of Outstanding Shares</u></b>
Common Stock	Gregory Palumbo 21900 Burbank Blvd. Floor 3 Woodland Hills, CA 91367	5,000,000	50%
Common Stock	Dr. G. Frank Lawlis 21900 Burbank Blvd. Floor 3 Woodland Hills, CA 91367	5,000,000	50%

(1) The officers of the Company are as follows:

Gregory Palumbo

Chairman, Chief Executive Officer

Dr. G. Frank Lawlis

Chief Health Information Officer

For further information, see "MANAGEMENT."

## **DESCRIPTION OF CAPITAL STOCK**

### **General**

The authorized capital stock of the Company consists of 100,000,000 shares of Common Stock, no par value per share, of which 10,000,000 shares of Common Stock are issued and outstanding, and 10,000,000 shares of Preferred Stock, no par value per share, of which no Shares are issued and outstanding. See "CAPITALIZATION."

### **Common Stock**

Holders of Common Stock ("Common Stock") are entitled to one vote for each share held. In the event of the liquidation, dissolution or winding-up of the Company, holders of Common Stock are entitled to share equally and ratably in the assets, if any, remaining after payment of all debts and liabilities subject to the payment of the liquidation preference with respect to the Preferred Stock then outstanding. See "DESCRIPTION OF CAPITAL STOCK - Convertible Preferred Stock - Liquidation Preference." Holders of Common Stock do not have any preemptive, subscription or redemption rights. They are entitled to cumulative voting rights under the California Corporations Code. Under cumulative voting, minority shareholders may have the right to vote one or more members onto the Company's Board of Directors. All outstanding shares of Common Stock are fully paid and non assessable. The holders of the Common Stock do not have any registration rights with respect to the stock.

### **Convertible Preferred Stock Voting and Dividends**

The holders of the Convertible Preferred Stock (the "Preferred Stock") are not entitled to voting rights by virtue of their ownership of the Preferred Stock. Each Share of Preferred Stock is convertible into one share of the Company's Common Stock, in which event such Shares would have the same voting rights as other Common Stock on all matters presented for the vote of the stockholders. A copy of the Certificate of Determination for the Preferred Stock is attached to this Memorandum as Exhibit A and should be reviewed carefully by all prospective investors before they subscribe for Preferred Stock.

A priority dividend on the Preferred Stock is established. Any and all dividends on the Company's capital stock shall be paid pro-rata to the holders of the Preferred Stock and the holders of the Common Stock as follows:

The Preferred Stock will have a special priority dividend (the "Special Priority Dividend") in relation to the Common Stock. The Preferred Stock will not have a cumulative annual dividend. The payment of dividends on the Common Stock is subject to the payment of the Special Priority Dividend to the holders of the Preferred Stock. No dividend may be declared or paid on the Common Stock until the full Special Priority Dividend has been declared and paid on the Preferred Stock. Once the Special Priority Dividend is paid in full, dividends may be declared and paid among the Preferred and Common Stockholders on a pro rata basis. Dividends will be

payable when and if declared by the Board of Directors.

**Special Priority Dividend:** The holders of the Preferred Stock must be paid a special dividend ("Special Priority Dividend") equal to 125% of the original purchase price of their Preferred Stock. Dividends declared and paid on the capital stock of the Company will be payable 70% among the Preferred Stockholders and 30% to the Common Stockholder until the Preferred Stockholders receive total dividends or distributions from the Company equal to 125% of the original purchase price of the Preferred Stock ("125% Recoupment"). After 125% Recoupment, any dividends declared and paid on the Common Stock must be accompanied by a pro rata dividend on the Preferred Stock, in proportion to the relative number of outstanding shares of the Company's Preferred Stock and Common Stock.

### **Conversion by Shareholder**

Each share of Preferred Stock is convertible at the option of the holder at any time after issuance into one share of Common Stock, subject to adjustment from time to time in the event (i) the Company subdivides or combines its outstanding Common Stock into a greater or smaller number of shares, including stock splits and stock dividends; or (ii) of a reorganization or reclassification of the Company's Common Stock, the consolidation or merger of the Company with or into another company, the sale, conveyance or other transfer of substantially all of the Company's assets to another corporation or other similar event, whereby securities or other assets are issuable or distributable to the holders of the outstanding Common Stock of the Company upon the occurrence of any such event; or (iii) of the issuance by the Company to the holders of its Common Stock of securities convertible into, or exchangeable for, such shares of Common Stock.

### **Preemptive Rights**

A holder of the Preferred Stock has no preemptive rights to subscribe for any additional shares of any class of stock of the Company or for any issue of bonds, notes or other securities convertible into any class of stock of the Company.

### **Liquidation Preference**

In the event of a liquidation, dissolution or winding-up of the Company, whether voluntary or otherwise, after payment of the debts and other liabilities of the Company, the holders of the Preferred Stock will be entitled to receive from the remaining net assets of the Company before any distribution to the holders of the Common Stock, the amount of \$.50 per share in cash. Holders of the Preferred Stock will not be entitled to receive any other payments upon liquidation.

## **ERISA CONSIDERATIONS**

*General Fiduciary Obligations.* Trustees and other fiduciaries of qualified retirement plans or IRAs that are set up as part of a plan sponsored and maintained by an employer as well as trustees and fiduciaries of Keogh Plans under which employees, in addition to self-employed individuals are participants (together, "ERISA Plans") are governed by the fiduciary responsibility provisions of Title 1 of the Employee Retirement Income Security Act of 1974 ("ERISA"). An Investment in Shares by an ERISA Plan must be made in accordance with the general obligation of fiduciaries under ERISA to discharge their duties (i) for the exclusive purpose of providing benefits to participants and their beneficiaries; (ii) with the same standard of care that would be exercised by a prudent person familiar with such matters acting under similar circumstances; (iii) in such a manner as to diversify the Investments of the plan, unless it is clearly prudent not do so; and (iv) in accordance with the documents establishing the plan. Fiduciaries considering an investment in the Shares should accordingly consult their own professional advisors if they have any concern as to whether the investment would be inconsistent with any of these criteria.

Fiduciaries of certain ERISA Plans which provide for individual accounts (for example those which qualify under Section 401(k) of the Code, Keogh Plans and IRAs) and which permit a beneficiary to exercise independent control over the assets in his individual account will not be liable for any investment loss or for any breach of the prudence or diversification obligations which results from the exercise of such control by the beneficiary, nor will the beneficiary be deemed to be a fiduciary subject to the general fiduciary obligations merely by virtue of his exercise of such control. On October 13 1992 the Department of Labor issued regulations establishing criteria for determining whether the extent of a beneficiary's independent control over the assets in his account is adequate to relieve the ERISA Plans fiduciaries of their obligations with respect to an investment directed by the beneficiary. Under the regulations, the beneficiary must not only exercise actual independent control in directing the particular investment transaction but also the ERISA Plan must give the participant or beneficiary a reasonable opportunity to exercise such control, and must permit him to choose among a broad range of investment alternatives.

*Prohibited Transactions.* Trustees and other fiduciaries making the investment decision for any qualified retirement plan, IRA or Keogh Plan (or beneficiaries exercising control over their individual accounts) should also consider the application of the prohibited transactions provisions of ERISA and the Code in making their investment decision. Sales and certain other transactions between a qualified retirement plan, IRA or Keogh Plan and certain persons related to it (e.g., a plan sponsor fiduciary or service provider) are prohibited transactions. The particular facts concerning the sponsorship, operations and other investments of a qualified retirement plan, IRA or Keogh Plan may cause a wide range of persons to be treated as parties in interest or disqualified persons with respect to it. Any fiduciary, participant or beneficiary considering an investment in Shares by a qualified retirement plan, IRA or Keogh Plan should examine the individual circumstances of that plan to determine that the investment will not be a prohibited transaction. Fiduciaries, participants or beneficiaries considering an investment in the Shares should consult their own professional advisors if they have any concern as to whether the Investment would be a prohibited transaction.

*Special Fiduciary Considerations.* Regulations issued on November 13, 1986 by the Department of Labor (the "Final Plan Assets Regulations") provide that when an ERISA Plan or any other plan covered by Code Section 4975 (e.g., an IRA or a Keogh Plan which covers only self-employed persons) makes an investment in an equity interest of an entity that is neither a "publicly offered security" nor a security issued by an investment company registered under the Investment Company Act of 1940, the underlying assets of the entity in which the investment is made could be treated as assets of the investing plan (referred to in ERISA as "plan assets"). Programs which are deemed to be operating companies or which do not issue more than 25% of their equity interests to ERISA Plans are exempt from being designated as holding "plan assets." Management anticipates that the Company would be characterized as an "operating company" for the purposes of the regulations, and that it would therefore not be deemed to be holding "plan assets."

Classification of the assets of the Company as "plan assets" could adversely affect both the plan fiduciary and management. The term "fiduciary" is defined generally to include any person who exercises any authority or control over the management or disposition of plan assets. Thus classification of Company assets as plan assets could make the management a "fiduciary" of an investing plan if assets of the Company are deemed to be plan assets of investor plans, transactions which may occur in the course of its operations may constitute violations by the management of fiduciary duties under ERISA. Violation of fiduciary duties by management could result in liability not only for management but for the trustee or other fiduciary of an investing ERISA Plan. In addition, if assets of the Company are classified as "plan assets," certain transactions that the Company might enter into in the ordinary course of its business might constitute prohibited transactions under ERISA and the Code.

*Reporting of Fair Market Value.* Under Code Section 408(i) as amended by the Tax Reform Act of

1986, IRA trustees must report the fair market value of investments to IRA holders by January 31 of each year. The Service has not yet promulgated regulations defining appropriate methods for the determination of fair market value for this purpose. In addition, the assets of an ERISA Plan or Keogh Plan must be valued at their current value as of the close of the plan's fiscal year in order to comply with certain reporting obligations under ERISA and the Code. For purposes of such requirements, current value means fair market value where available. Otherwise, current value means the fair value as determined in good faith under the terms of the plan by a trustee or other named fiduciary, assuming an orderly liquidation at the time of the determination. The Company does not have an obligation under ERISA or the Code with respect to such reports or valuation although management will use good faith efforts to assist fiduciaries with their valuation reports. There can be no assurance, however that any value so established (i) could or will actually be realized by the IRA ERISA Plan or Keogh Plan upon sale of the Shares or upon liquidation of the Company or (ii) will comply with the ERISA or Code requirements.

## **TERMS OF THE PLACEMENT**

### **Securities Offered**

The Company is offering Shares of Convertible Preferred Stock for a purchase price of \$.20 per Share with a minimum purchase requirement of 1,000,000 Shares (\$200,000). The maximum offering is \$2,000,000. The Company will have the unrestricted right to reject tendered subscriptions for any reason and to accept less than the minimum investment from a limited number of subscribers. In the event the Shares available for sale are oversubscribed they will be sold to those investors subscribing first, provided they satisfy the applicable investor suitability standards. See INVESTOR SUITABILITY STANDARDS.

The purchase price for the Shares will be payable in full upon subscription. Subscription funds which are accepted will be deposited into the Company's operating account. The Company has no required minimum capitalization and therefore no escrow will be established for subscription funds.

### **Subscription Period**

The offering of Shares will terminate on August 22, 2012 at 6 pm PST unless extended by the Company (the "Sales Termination Date"). The Sales Termination Date may occur prior to January 1, 2014 if subscriptions for the maximum number of Shares have been received and accepted by the Company before such date. Subscriptions for Shares must be received and accepted by the Company on or before such date to qualify the subscriber for participation in the Company.

### **Subscription Procedures**

Completed and signed subscription documents and subscription checks should be sent to the Company at the following address: 21900 Burbank Blvd. Floor 3, Woodland Hills, California 91367 attention: Gregory Palumbo, Chairman. Subscription checks should be made payable to the Company. If a subscription is rejected, all funds will be returned to subscribers within ten days of such rejection without deduction or interest. Upon acceptance by the Company of a subscription, a confirmation of such acceptance will be sent to the subscriber.

### **Investor Suitability Standards**

Shares will be sold only to a person who has either (i) a net worth (or joint net worth with the purchaser's spouse) of at least \$50,000 (exclusive of home, home furnishings and automobiles) and an annual gross income (or joint gross income with spouse) of at least \$50,000 or (ii)

irrespective of annual gross income, a net worth (or joint net worth with spouse) of \$200,000 (exclusive of home, home furnishings and automobiles). In the case of sales to fiduciary accounts (Keogh Plans, Individual Retirement Accounts (IRAs) and Qualified Pension/Profit Sharing Plans or Trusts) the above suitability standards must be met by the fiduciary account, the beneficiary of the fiduciary account, or by the donor who directly or indirectly supplies the funds for the purchase of Shares. Investor suitability standards in certain states may be higher than those described in this Memorandum. These standards represent minimum suitability requirements for prospective investors, and the satisfaction of such standards does not necessarily mean that an investment in the Company is suitable for such persons

Each investor must represent in writing that he meets the applicable requirements set forth above and in the Subscription Agreement, including among other things, that (i) he is purchasing the Shares for his own account, for investment and not with a view toward distribution, and (ii) he has such knowledge and experience in financial and business matters that he is capable of evaluating without outside assistance the merits and risks of investing in the Shares, or he and his purchaser representative together have such knowledge and experience that they are capable of evaluating the merits and risks of investing in the Shares. Broker-dealers and other persons participating in the offering must make a reasonable inquiry in order to verify an investor's suitability for an investment in the Company. Transferees of Shares will be required to meet the above suitability standards.

### **Interim Investments**

Company funds not needed on an immediate basis to fund Company operations may be invested in government securities, money market accounts, deposits or certificates of deposit in commercial banks or savings and loan associations, bank repurchase agreements, funds backed by government securities, short-term commercial paper, or in other similar interim investments backed by government securities, short-term commercial paper, or in other similar interim investments.

### **PLAN OF DISTRIBUTION**

The Shares are being offered by the Company on a best-efforts basis by the officers, directors and employees of the Company, possibly by independent finders, and possibly through registered broker-dealers who are members of the National Association of Securities Dealers, Inc. ("NASD"). As of the date of this Memorandum, the Company had not entered into any selling agreements with registered broker-dealers. The Company may pay selling commissions to participating broker-dealers who are members of the NASD. No selling commissions will be paid to the officers, directors or employees of the Company for the sale of Shares by them. Participating broker-dealers, if any, will be indemnified by the Company with respect to this offering and the disclosures made in this Memorandum.

### **REPORTS TO SHAREHOLDERS**

For tax and accounting purposes the fiscal year of the Company will end on December 31st of each year and all financial information will be prepared in accordance with the accrual method of accounting. The books and records of account will be kept at the address of the Company. Each Shareholder or his duly authorized representative will have the right to inspect and copy the Company's books and records during normal business hours. The Company will furnish each Shareholder within approximately ninety (90) days after the end of each fiscal year unaudited financial statements for the Company.

### **ADDITIONAL INFORMATION**

This Memorandum does not purport to restate all of the relevant provisions of the documents referred to or pertinent to the matters discussed herein all of which must be read for a complete description of the terms relating to an investment in the Company. Such documents are available for inspection during regular business hours at the office of the Company, and upon written request copies of documents not annexed to this Memorandum will be provided to prospective investors. Each prospective investor is invited to ask questions of, and receive answers from, representatives of the Company. Each prospective investor is invited to obtain such information concerning the terms and conditions of this offering, to the extent the Company possesses the same or can acquire it without unreasonable effort or expense as such prospective investor deems necessary to verify the accuracy of the information referred to in this Memorandum. Arrangements to ask such questions or obtain such information should be made by contacting Gregory Palumbo at the executive offices of the Company. The telephone number is (818) 961-0204.

The offering of the Preferred Stock is made solely by this Memorandum and the exhibits hereto. The prospective investors have a right to inquire about and request and receive any additional information they may deem appropriate or necessary to further evaluate this offering and to make an investment decision. Representatives of the Company may prepare written responses to such inquiries or requests if the information requested is available. The use of any documents other than those prepared and expressly authorized by the Company in connection with this offering may constitute a violation of applicable securities laws and regulations.

ONLY INFORMATION OR REPRESENTATIONS CONTAINED HEREIN MAY BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE COMPANY. NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS OTHER THAN THOSE CONTAINED IN THIS MEMORANDUM IN CONNECTION WITH THE OFFER BEING MADE HEREBY, AND IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE COMPANY. INVESTORS ARE CAUTIONED NOT TO RELY UPON ANY INFORMATION NOT EXPRESSLY SET FORTH IN THIS MEMORANDUM. THE INFORMATION PRESENTED IS AS OF THE DATE ON THE COVER HEREOF UNLESS ANOTHER DATE IS SPECIFIED, AND NEITHER THE DELIVERY OF THIS MEMORANDUM NOR ANY SALE HEREUNDER SHALL CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE INFORMATION PRESENTED SUBSEQUENT TO SUCH DATE(S).

### **Financial Statements**

The financial statements of the Company at its inception on the following pages have been prepared by management and have not been audited or reviewed by an independent certified public accounting firm. The balance sheet does not reflect any operating results or the financial condition of the Company for the period from inception through and as of the date of this Memorandum.



**EXHIBIT A**  
**CERTIFICATE OF DETERMINATION**  
**FOR**  
**CONVERTIBLE PREFERRED STOCK**  
**OF**  
**MINDBODYSERIES WELLNESS, INC.**

**CERTIFICATE OF DETERMINATION**  
**OF**  
**MINDBODYSERIES WELLNESS, INC.**

Gregory Palumbo hereby certifies as follows:

1. He is the Chief Executive Officer and co-Founder of MindBodySeries Wellness, Inc., a California corporation (the "Company").
2. The number of authorized shares of Preferred Stock is 10,000,000, none of which has been issued.
3. The Board of Directors has duly adopted the following resolutions:

WHEREAS, the Articles of Incorporation authorize the Preferred Stock of the Company to be issued in series and authorize the Board of Directors to determine the rights, preferences, privileges and restrictions granted to or imposed upon any wholly unissued series of Preferred Stock and to fix the number of shares and the designation of any such series.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors does hereby provide for the issue of the first series of Preferred Stock of the Company and does hereby fix and determine the rights, preferences, restrictions and other matters relating to said initial series of Preferred Stock as follows:

**1. Designation**

There is hereby designated a series of Preferred Stock to be known as "Series A Convertible Preferred Stock" and the authorized number of shares of Series A Convertible Preferred Stock (the "Convertible Preferred Stock") shall be 4,000,000 shares, with the rights, preferences, privileges and restrictions set forth in this Certificate.

**2. Dividends**

All dividends available for payment to the holders of the Company's capital stock shall be paid pro rata among the holders of the Common Stock and Convertible Preferred Stock in proportion to the relative number of outstanding shares of all stock.

**3. Voting Rights**

Except as otherwise prescribed by law, the holders of Convertible Preferred Stock shall not have any voting rights. The Common Stock into which each share of Convertible Preferred Stock is convertible will have voting rights equivalent to other Common Stock.

**4. Conversion by Shareholder**

Each holder of Convertible Preferred Stock may, at his sole option at any time after the Convertible Preferred Stock is issued, convert any or all of his shares of Convertible Preferred Stock into shares of voting Common Stock at a conversion rate of one share of Common Stock for each share of Convertible Preferred Stock converted. In order to exercise the conversion privilege a holder shall give written notice to the Company stating that such holder elects to convert one or more shares of Convertible Preferred Stock and the number of such shares to be converted. The notice must be accompanied by the certificate evidencing the shares of Convertible Preferred Stock being converted. If less than all shares evidenced by such certificate are converted, a new certificate for such remaining shares of Convertible Preferred Stock will be

issued by the Company. Shares of Convertible Preferred Stock so converted will be deemed to have been converted immediately prior to the close of business on the date of receipt of such notice even if the Company's stock transfer books are at that time closed and such holder will be treated for all purposes as the record owner of the shares deliverable upon such conversion as of the close of business on such date. The Company will issue certificates for the Common Stock into which the Convertible Preferred Stock is converted or as soon as practicable after the effective date of the conversion. If less than all of the Convertible Preferred Stock evidenced by a certificate is converted then upon the surrender of said certificate a new certificate of said Preferred Stock for the remaining shares of Convertible Preferred Stock will be issued by the Company.

The issue of Common Stock certificates on conversion shall be made without charge to the holder for any tax in respect of the issue thereof, except taxes, if any, on the income of the holder. The Company shall not, however be required to pay any tax which may be payable in respect of any transfer involved in the issue and delivery of shares of Common Stock in any name other than that of the holder.

#### **5. Adjustment of Shares and Price**

The number of shares of Common Stock into which the Convertible Preferred Stock is convertible pursuant to Paragraph 4 herein is subject to adjustment from time to time in the event (i) the Company subdivides or combines its outstanding Common Stock into a greater or smaller number of shares, including stock splits and stock dividends payable in stock, rights or convertible securities; or (ii) of a reorganization or reclassification of the Company's Common Stock, the consolidation or merger of the Company with or into another company, the sale, conveyance or other transfer of substantially all of the Company's assets to another corporation or other similar event, whereby securities or other assets are issuable or distributable to the holders of the outstanding Common Stock of the Company upon the occurrence of any such event; or (iii) of the issuance by the Company to the holders of its Common Stock of securities convertible into, or exchangeable for, such shares of Common Stock.

#### **6. Liquidation Preference**

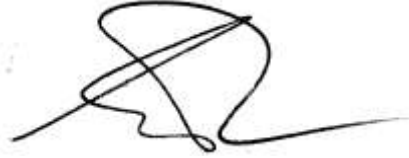
In the event of any liquidation, dissolution or winding up of the Company, the holders of Convertible Preferred Stock then outstanding shall be entitled to be paid, out of the assets of the Company available for distribution to its shareholders, a preference (the "Liquidation Preference"), whether from capital surplus or earnings, before any payment or declaration and setting apart for payment of any amount is made with respect to the Common Stock of the Company. The amount of the Liquidation Preference shall be Fifty Cents (\$.50) per share. If the assets of the Company available for distribution to its shareholders are insufficient to pay the full Liquidation Preference to holders of the Convertible Preferred Stock, such holders of said Preferred Stock shall share ratably in any distribution of assets according to the respective amounts which would be payable with respect to the shares held by them upon distribution if all amounts payable with respect to said shares were paid in full.

#### **7. Notices**

Any notice required by the provisions hereof to be given to the holders of shares of Convertible Preferred Stock shall be deemed given when personally delivered to such holder or five business days after the same has been deposited in the United States mail, certified or registered mail, return receipt requested, postage prepaid, and addressed to each holder of record at his address appearing on the books of the Company.

Gregory Palumbo hereby declares under penalty of perjury under the laws of the State of California that he has read the foregoing certificate and knows the contents thereof and that the same is true of his own knowledge.

Dated: April 18, 2012

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal tail extending to the right.

---

Gregory Palumbo, Chief Executive Officer