**CONFIDENTIAL**

**PRIVATE OFFERING MEMORANDUM**

**OF**

**[LIMITED PARTNERSHIP NAME]**

THIS MEMORANDUM IS SUBMITTED TO YOU IN CONNECTION WITH YOUR INVESTMENT INTEREST IN [LIMITED PARTNERSHIP], AN [STATE] LIMITED PARTNERSHIP. DUE TO THE CONFIDENTIAL AND PRIVACY LAWS THE USE OF THIS MEMORANDUM FOR ANY OTHER PURPOSE THAN WHAT IS STATED HEREIN THIS AGREEMENT MIGHT INVOLVE SERIOUS LEGAL CONSEQUENCES. CONSEQUENTLY, THIS MEMORANDUM MAY NOT BE REPRODUCED IN WHOLE OR PART, AND MAY NOT BE GIVEN TO ANY PERSON WITHOUT THE PRIOR WRITTEN CONSENT OF THE GENERAL PARTNER.

AN INVESTMENT IN THE [LIMITED PARTNERSHIP NAME] WILL BE SPECULATIVE AND WILL INVOLVE A HIGH DEGREE OF RISK. SUCH RISKS INCLUDE, BUT ARE NOT LIMITED TO, INVESTMENT IN A NEW START-UP VENTURE WITH SIGNIFICANT CAPITAL NEEDS AND EXPENSES, THE ILLIQUIDITY OF THE INVESTMENT, RESTRICTIONS ON TRANSFERABILITY, THE NEED FOR ADDITIONAL CAPITAL, AND OTHER POTENTIAL RISKS WHICH CANNOT BE DETERMINED IN ADVANCE.

**1. GENERAL COMMENTS**

This memorandum sets forth the objectives and method of operation of the Partnership, the principal terms of the Limited Partnership Agreement (the "Partnership Agreement") and specific other pertinent information.

However, this memorandum does not set forth all of the provisions and conditions of the Partnership Agreement that may be significant to a particular prospective limited partner. Each prospective limited partner should examine this memorandum and the Partnership Agreement accompanying this memorandum to assure himself that the terms of the Partnership Agreement and the Partnership's performance goals are satisfactory to him.

**2. THE LIMITED PARTNERSHIP**

[LIMITED PARTNERSHIP NAME] is a newly formed [STATE] limited partnership (the "Partnership") whose goal will be to develop and market:

[DESCRIBE]

[GENERAL PARTNER NAME] (the "General Partner") is the general partner of the Partnership. The General Partner will be responsible for the day-to-day decisions of the Partnership.

To date, [LIMITED PARTNERSHIP] has accomplished the following:

[DESCRIBE]

The [LIMITED PARTNERSHIP NAME] was registered in [STATE/PROVINCE], on [DATE].. The [LIMITED PARTNERSHIP NAME]’s office is located at [ADDRESS], its telephone number is [PHONE NUMBER], and its fax number is [FAX NUMBER].

**3. THE OPPORTUNITY**

[LIMITED PARTNERSHIP NAME] believes it has the unique opportunity to [DESCRIBE].

**4. THE OFFERING**

[LIMITED PARTNERSHIP NAME] will be offering [NUMBER] units (the “Units”) to qualified limited partners at a purchase price of [AMOUNT] per unit for an aggregate offering price of [AMOUNT]. This document does not solicit any investment but is used only to determine if there is an interest in a possible venture.

**5. MINIMUM INITIAL SUBSCRIPTION**

The Partnership expects new limited partners to invest at least [AMOUNT] subject to reduction in the sole discretion of the General Partner. Persons who are instrumental in the sale of limited partnership interests may be compensated, by the General Partner at its own expense, [IN CASH/OTHER].

**6. PRICE**

Before commencement of business of [LIMITED PARTNERSHIP], Units will be offered at a price of [AMOUNT] per Unit. In the future, Units will be provided at the applicable net asset value per Unit (determined by the limited partnership agreement, a copy of which is annexed to this Offering Memorandum).

**7. RESALE OF THE UNITS**

Units are not transferable except with the consent of the General Partner. Units are subject to restrictions on resale under applicable securities legislation, rules and regulations, unless a further statutory exemption may be relied upon by the investor or an appropriate discretionary order is obtained from the relevant securities regulatory authorities under applicable securities laws. As there is no market for the Units, it may be difficult or even impossible for a purchaser to sell them. However, Units may be redeemed at net asset value (determined by the limited partnership agreement) at any valuation date provided that the request for redemption be submitted to the General Partner at least [NUMBER] days before such valuation date.

**8. USE OF PROCEEDS**

Of the net proceeds to be received from the sale of the Units, approximately [AMOUNT] will be used to [DESCRIBE], about [AMOUNT] will be used to [DESCRIBE], and [AMOUNT] will be used for [DESCRIBE]. The balance, if any, will be added to working capital and used for other general operation purposes. Pending such uses, the net proceeds will be invested in short-term, interest-bearing securities or accounts.

**9. ILLIQUIDITY OF INVESTMENT IN THE PARTNERSHIP**

Because of the limitation on withdrawal rights and the fact that limited partnership interests are not tradeable, an investment in the Partnership is a relatively illiquid investment and involves a high degree of risk.

**10. ELIGIBLE PARTNERS**

Admission as a limited partner in the Partnership is not open to the general public. Subscriptions will be accepted only from “accredited partners” who meet appropriate suitability standards, determined by the General Partner.

**11. TAXES AND OTHER RELATED CONSIDERATIONS**

Tax results will depend upon the Partnership being recognised as a partnership for National income tax purposes. Existing income tax laws and regulations and interpretations thereof by the courts may be changed or repealed in the future, and the effect of such modifications cannot be predicted. Also, specific prospective limited partners may be subject to national and state laws, rules and regulations which may regulate their participation in the Partnership or their engaging directly, or indirectly through an investment in the Partnership, in investment strategies of the type which the investment managers may utilise from time to time.

**12. MANAGEMENT**

The Partnership is managed by its General Partner. The management team of the [LIMITED PARTNERSHIP NAME] consists of the following:

 [NAME]: [AGE] [TITLE] [DESCRIPTION OF EXPERIENCE]

 [NAME]: [AGE] [TITLE] [DESCRIPTION OF EXPERIENCE]

 [NAME]: [AGE] [TITLE] [DESCRIPTION OF EXPERIENCE]

**13. MANAGEMENT FEE**

In consideration for serving as General Partner to the Partnership, the General Partner, or an entity designated by the General Partner, shall be paid a quarterly management fee computed at an annual rate equal to [%] of each limited partner's capital account. The management fee will be debited to the capital account of each limited partner as of the first day of each fiscal quarter. In the event the Partnership is not in existence for the entire fiscal quarter, the management fee for such quarter shall be prorated. The General Partner, in its sole discretion, may waive the management fee for any limited partner who is an employee or affiliate of the General Partner.

**14. ADMISSION OF PARTNERS AND ADDITIONAL CAPITAL CONTRIBUTIONS**

The General Partner may, in its sole discretion, admit additional limited partners to the Partnership, or accept other capital contributions from existing limited partners on a monthly basis or, in the choice of the General Partner, at any time during the fiscal year. The Partnership expects new limited partners invest at least [AMOUNT] subject to reduction in the sole discretion of the General Partner. Initial capital contributions shall be made only in cash. Additional capital contributions shall be prepared just in money, in amounts of at least [AMOUNT] subject to reduction in the sole discretion of the General Partner.

**15. RISK FACTORS**

Purchase of units by a new limited partner will be speculative and will involve a high degree of risk. Potential limited partners should not purchase any Unit unless they are prepared and can afford to lose their entire investment. The risks associated with [LIMITED PARTNERSHIP NAME] include but are not limited to:

* 1. [LIMITED PARTNERSHIP NAME] is in its early stage of development, and its proposed operations are subject to all risks inherent in the establishment of a new enterprise
  2. [LIMITED PARTNERSHIP NAME] has made no material sales to date and have encountered significant expenses in commencing operations
  3. The principal products upon which [LIMITED PARTNERSHIP NAME]’s plans depend are still in development
  4. [LIMITED PARTNERSHIP NAME] will need to attract and retain key personnel
  5. [LIMITED PARTNERSHIP NAME] expects to face significant competition for its products
  6. [LIMITED PARTNERSHIP NAME] will need to obtain additional capital to grow the business
  7. [OTHER RELEVANT INFORMATION]

**16. CONFLICTS OF INTEREST**

The interests of the limited partners at times may conflict in some respects with the interests of the General Partner or its affiliates. However, the fiduciary obligations of the General Partner require that it exercise good faith and integrity *in re*solving any conflicts of interest.

**17. PROJECTIONS**

Attached hereto are specific projections concerning [LIMITED PARTNERSHIP NAME]. Projections are hypothetical and based upon present factors influencing the business of [LIMITED PARTNERSHIP NAME]. Assumptions regarding future changes in sales and revenues are necessarily speculative in nature. In addition, projections do not take into account such factors as general economic conditions, unforeseen changes and developments in available technologies including without limitations, the entry into [LIMITED PARTNERSHIP NAME]’s market of significant additional competitors, natural disasters, the terms and conditions of future financings of [LIMITED PARTNERSHIP NAME], and other risks inherent to the business of [LIMITED PARTNERSHIP NAME]. While management believes that the projections reflect the possible future results of [LIMITED PARTNERSHIP NAME]’s operations, such effects cannot be guaranteed. Limited partners must be prepared for the substantial economic risks involved in the purchase of Units, including the total loss of their investment.

**18. EXHIBITS**

This document contains the following exhibits:

* Projections
* Product brochures
* Business Plan
* Newspaper articles
* [OTHER RELEVANT INFORMATION]

IN WITNESS WHEREOF, the parties hereto have signed this Confidential Memorandum on [DATE], in [CITY, STATE/PROVINCE].

[YOUR COMPANY NAME] [POTENTIAL LIMITED PARTNER]

Authorised Signature Authorised Signature

Print Name and Title Print Name and Title