



## ***Executive Summary***

The way resources are consumed in some of the United States' biggest industries has developed a potentially crippling two-fold problem: increasing depletion of natural resources due to inefficient industrial materials and exponentially mounting expenses brought on by the need to replace those materials.

ACTS CerarMix Solutions International, LLC offers three branches of long-term, cost-efficient alternatives spanning numerous industries with highly lucrative upsides: ACTS Energy Solutions, ACTS CerarMix Coatings, and ACTS Structural Designs (All are divisions of ACTS CerarMix Solutions International).

## **Company and Technology Background**

***ACTS CerarMix Solutions*** encompasses three segments of technological innovation for various industries. Designed to drastically reduce waste, improve worker safety beyond industry standards, dramatically lower resource waste and ecological impacts, and decrease the cost and need for industrial maintenance and replacement, these solutions increase revenue for adopters in the long term through lower-cost methods of improving resource efficiency.

***ACTS Energy Solutions*** not only ensures optimal recovery of oil and gas resources as oilfield costs continue to skyrocket, but will assist in overcoming the increasingly challenging and ongoing retrofitting and restoration processes of site assets through retrofitting, pipeline optimization, well and pipe restoration, and other vital solutions for improving extraction safety and efficiency.

***ACTS CerarMix Coatings*** are abrasion-resistant, ceramic spray-able polymer metallic materials designed to address the need for overall cost-effective, energy-efficient, sustainable, and lower-maintenance building techniques. CerarMix™ technologies can help reinvent the future of building materials protection through innovative collaboration with builders in virtually limitless industries – i.e. sewer systems, piping, bridges, storage facilities, and essentially any material whose integrity and effectiveness rely on the fortification of industrial coating.

***ACTS Structural Designs*** offer panelized building technology to a variety of industries, including commercial, medical, residential, disaster relief, and any industry requiring either permanent or temporary buildings. From structure design to fabrication, these custom buildings can be scaled and deployed in as little as a few days while still boasting the highest levels of structural integrity and longevity.

## **Intellectual Property**

To move the company forward, reach more industries and organizations, and increase returns on investment, ACTS CerarMix Solutions International, LLC identifies these IPs: CerarMix™ Licensing, Global Distribution Rights, Structure/Panel Licensing, Sub-Licensing Authority, Partnership development, and Sales and Marketing.

## ***Business Model***

ACTS CerarMix Solutions International drives revenue through the rent, purchase, outsourcing, and partnership of all ACTS products and services from third parties. Companies and organizations in need of any facet of our products can rent or purchase them as needed, and all of our comprehensive services are available for outsource and hire, including training, construction, design, inspection, and implementation.

## **Market Opportunity**

**ACTS Energy Solutions** responds to the increasing US oilfield costs, which show no sign of decreasing as resource extraction conditions continue to grow more costly (by an average of nearly 11% annually since 1999) as production expectations grow (expected to increase by 1.1 mil barrels daily by 2020). Oil extraction costs have outpaced revenues by 2-3% annually. Up to 60% of oil and gas wells fail over a 30-year period, but utilizing CerarMix technology, resource recovery and site maintenance costs are substantially reduced, thus increasing production optimization and profits.

**ACTS CerarMix Coatings** can aid any of the myriad components that require industrial and/or structural coating. The current market potential related to the construction, maintenance, repair, and rehabilitation of US Municipal, State, and Federal infrastructure highlighting water and wastewater treatment facilities, roads, bridges, power plants, etc. is in the trillions of dollars. US water systems number in the hundreds of thousands, sewers nearing 1 mil miles – and all need substantial long-term investments to provide safe water access. With compliance and regulations either shifting or requiring action regularly, the opportunity for CerarMix™ is virtually limitless in this sector alone. To meet these needs, we provide installation of new infrastructure and the rehabilitation, expansion, or replacement of existing infrastructure.

**ACTS Structural Designs** fit the market of over 500,000 re-locatable buildings in use in North America today representing \$5.5-6 billion with annual revenue of \$3 billion. Structure leasing represents a vast market as well: over a 10-year period, the average annual return on investment of a re-locatable building sold was 18% with an average holding period of 5.8 years. To achieve a unique position in this market, ACTS Structural Designs offers structures with embedding flexibility in their components; the production process itself maximizes the overall performance of the structures with a tested lifespan of 99+ years.

## **Executive Management Team**

The Corporate Officers of **ACTS CerarMix Solutions International, LLC** are R. Michael Buehler, Chief Executive Officer; Matt Merchant, Chief Technology Officer, Ed Bowles, Chief Information Officer and Bill O'Connor, Chief Operations Officer. Senior Executives are: Dan Riedel, DR Rawson, Jim Girardi.

### ***R. Michael Buehler, Chief Executive Officer/President***

R. Michael Buehler serves as the Chief Executive Officer and President of ACTS CerarMix Solutions, LLC where he leads the strategic direction of the company's three operating units. Mr. Buehler has over forty years of significant experience with corporate strategy, development, and implementation both domestically and internationally. Driven by a visceral "hard-wired" need to strategize, to innovate, and to disprove the words "It can't be done!" Mr. Buehler is gifted with the vision, determination, and skills needed for high-level revenue-building strategies and tactics. The primary driving force behind the development of a strategic partnership with AlphaGen Materials, and CerarMix™ manufacturer, Mr. Buehler instills urgency for the implementation of a global commercialization plan for CerarMix™ technologies. Operating as both motivator and mentor, Mr. Buehler is successful at directing cross-functional teams using interactive and motivation leadership that spurs people to willingly give 110% effort and loyalty needed to achieve mission-critical results.

### ***Matt Merchant, Chief Technology Officer***

Matthew Merchant is a managing partner in ACTS CerarMix™ Solutions International, LLC and serves as Chief Technology Officer for the company's operating units. Mr. Merchant has extensive experience in polymer, ceramic and metallic compounding research along with 20 years of design and implementation of composite materials processes. He has helped solve materials problems for numerous public and private entities, including 15 years of Department of Defense related material science programs. As the founder of AlphaGen Materials and the inventor of CerarMix™ technologies, he continues to perform material research

for individual branches of the United States Armed Services and many countries around the world. He is a graduate of Hawkeye Institute of Technology, Institute for Physical Research and Technology, with degrees in Automotive Engineering, Material Science, Conservation Resource Management, and Agricultural Management.

***Bill O'Connor, Chief Operating Officer***

Mr. O'Connor is an experienced manufacturing operations leader. With a track record in building, turning around and optimizing fundamental corporate infrastructure, technologies, processes, and measurement systems to increase revenues and improve bottom-line, Bill brings a sense of urgency to ACTS to further develop and expand areas of manufacturing operations excellence. Mr. O'Connor is a high-energy leader experienced in brand positioning, revenue growth financial management, with a demonstrated record of exceeding profitability goals. Serving in the capacity of Chief Operating Officer for ACTS CerarMix™ Solutions, Mr. O'Connor has a history of success, leading initiatives for sales, marketing, advertising and product management. His expertise in the manufacturing and building materials industries brings great working knowledge to the Company. Mr. O'Connor also possesses in depth knowledge in international patent laws and practices.

***Edwin Bowles, Chief Information Officer***

Mr. Bowles is a highly successful, business technology executive with a servant-leader approach, specializing in entrepreneurial environments, rapid growth and turnaround opportunities. Innovative and results-oriented, Ed strategically and cost effectively utilizes technology in alignment with corporate goals. He excels at strategic planning, building high-performance teams, project management, implementing best practice methodologies, and continuous improvement programs. Mr. Bowles brings to ACTS CerarMix™ Solutions, thirty years of experience in information technology. His proven areas of expertise includes infrastructure design and implementation, technical support, development, architecture, management and leadership roles. Ed and Mr. Buehler have worked together on several projects over the past two decades.

***Bruce Holden, General Corporate Counsel***

Mr. Holden is a partner in the Business Transactions group of Gordon & Rees, LLC and has been in practice for over 30 years. Mr. Holden's practice includes serving as general counsel for a number of small and mid-sized privately held businesses. Mr. Holden represents real estate developers, lenders, software development companies, construction companies, distributors, and manufacturers. Additionally, he represents a number of factoring companies, asset based lenders, and purchase order financing companies.

His experience includes counseling entrepreneurs and business people on the various legal aspects related to development and growth of their business as well as work on many significant transactions, such as acquisition of loan portfolios, negotiating and documenting credit facilities for lenders, acquisition of apartment complexes, and buying and selling businesses.

Mr. Holden's expertise extends to International law and contract management. His handling of Mr. Buehler's affairs have been of exceptional quality and with dedication beyond the norm. Bruce has served as corporate council to ACTS and R. Michael Buehler for the past 20 years and understands fully the mission and business aspirations of the Company in breadth and depth. Bruce has guided Mr. Buehler through numerous business objectives and growth programs over the years and is considered a close friend and business mentor as well. Mr. Holden serves as a director of the Orange County Chapter of the Risk Management Association and serves on the advisory board of California United Bank. J.D., Pepperdine University, M.S., University of Michigan, B.S., University of Michigan Honors: AV® Preeminent™, Martindale-Hubbell

### ***Dan Riedel, Senior Manufacturing Development Executive***

Mr. Riedel has a diverse background in manufacturing, building, real estate development, marketing, financing, and management. Mr. Riedel's family began in the timber and lumber business in 1905, and is a 3rd generation builder. He is veteran of 50 years in the Industrialized Housing business in the Midwest and Southeast. Benchmark Industries and its affiliates began operations in 1969 and were the first factory-built housing company to be approved under rules set forth in the Ohio Industrialized Housing Act of 1969. Mr. Riedel has worked in every position in the family company from production, purchasing, engineering and sales to managerial positions of General Manager, Chief Operating Officer, and CEO. He has personally directed the planning, development, building, financing, and management of over 25 multi-family and single-family residential communities.

Serving as Senior Manufacturing Development Executive for ACTS CerarMix™ Solutions, Dan will assist in identifying and establishing strategies for the company's global manufacturing, operations and delivery activities. His expertise in executing large-scale projects, creating highly efficient processes and procedures, and streamlining operations that result in improved productivity, multi-million dollar profitability, and sizeable cost-savings will have a major strategic impact on the long-term success of the company. Dan's access to numerous experienced and successful industry leaders delivers an unlimited supply of talent as needed to insure smooth and profitable growth over the many years to come.

### ***DR Rawson, Senior Business Development Director***

Mr. DR Rawson has held senior leadership positions in the computer, health care, insurance, Internet, manufacturing and oil sectors of our economy. He is credited with many new business ventures and has traveled the world in pursuit of business and opportunity. As a leader and builder, Mr. Rawson aggressively pursues the challenges associated with startups and/or those companies that want to quickly move to the next level of growth and increase their profits. He has gained an International reputation as a leader and market visionary.

His accomplishments and firsts include marketing the very first automobile anti-theft device in America. In addition, he co-developed the steering mechanism for the Lunar- Rover used in the Apollo mission to the Moon. DR developed the helical screw down hole oil pump for shallow oil wells and while President of an international oil company he negotiated the oil rights for a country in Africa.

DR will serve as Senior Business Development Executive for ACTS CerarMix™ Solutions. As a successful entrepreneur with over twenty enterprises to his credit, DR is poised to develop and direct his domestic and International sales management expertise to drive sales, create strategies and tactics to promote sales and business growth for the company's manufacturing and distribution efforts.

### ***Jim Girardi, Senior Sales Executive***

Mr. Girardi brings extensive construction, fabrication, and marketing experience to ACTS CerarMix™ Solutions International. Jim has been involved in the construction industry since the early age of 14. Over the last 40+ years has been a residential builder and a commercial builder. Jim has built high end, custom homes and supervised the building of commercial buildings in the greater Philadelphia area. Early in his career Jim received many awards for his work, most recognized in the area of estimating and construction software. He was the first person known to integrate estimating and accounting software on the PC platform. He also worked within the Weyerhaeuser Corporation to develop the first CAD/Estimating package for the PC. Jim has successfully established several national dealer and distribution networks for companies such as CMS, Construction Data Control, Timberline, and iConnect. Jim resides in the Washington DC area and manages the political interface on ACTS behalf.

**ACTS CerarMix Solutions International LLC "Structure Division" Pro Forma Financial**  
 Prepared May 5, 2014

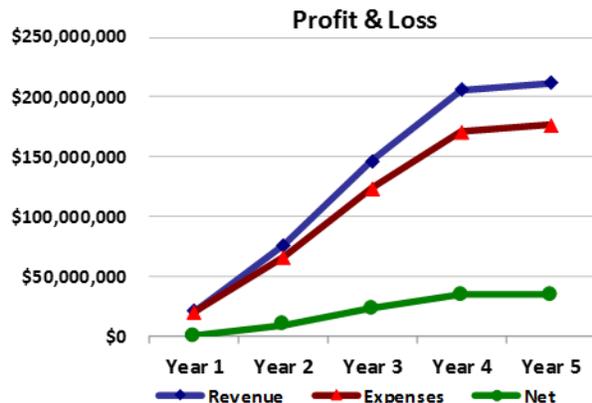
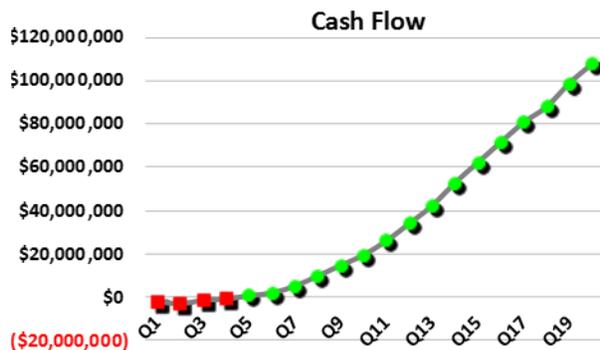
<b>Profit &amp; Loss</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
<b>Net Sales</b>	<b>\$21,517,920</b>	<b>\$76,377,600</b>	<b>\$146,880,000</b>	<b>\$205,632,000</b>	<b>\$211,507,200</b>
COGS	\$8,790,000	\$31,200,000	\$60,000,000	\$84,000,000	\$86,400,000
<b>Gross Profit</b>	<b>\$12,727,920</b>	<b>\$45,177,600</b>	<b>\$86,880,000</b>	<b>\$121,632,000</b>	<b>\$125,107,200</b>
Expenses	\$11,413,249	\$27,725,749	\$46,899,990	\$62,208,742	\$65,417,941
<b>EBITDA</b>	<b>\$1,314,671</b>	<b>\$17,451,851</b>	<b>\$39,980,010</b>	<b>\$59,423,258</b>	<b>\$59,689,259</b>
Amort., Dep., & Int.	\$262,095	\$768,648	\$1,259,967	\$1,493,111	\$1,268,198
Taxes	\$410,504	\$6,669,921	\$15,502,918	\$23,172,059	\$23,368,425
<b>Net Income</b>	<b>\$642,071</b>	<b>\$10,013,282</b>	<b>\$23,217,124</b>	<b>\$34,758,088</b>	<b>\$35,052,637</b>

<b>Cash Flow</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
<b>Net Income</b>	<b>\$642,071</b>	<b>\$10,013,282</b>	<b>\$23,217,124</b>	<b>\$34,758,088</b>	<b>\$35,052,637</b>
Changes from:					
Operating	\$1,742,961	\$13,382,376	\$26,905,024	\$37,525,765	\$36,190,073
Investing	(\$2,740,880)	(\$2,740,880)	(\$2,740,880)	\$0	\$0
Financing	\$0	\$0	\$0	\$0	\$0
<b>Cash Inc. / (Dec.)</b>	<b>(\$997,919)</b>	<b>\$10,641,496</b>	<b>\$24,164,144</b>	<b>\$37,525,765</b>	<b>\$36,190,073</b>
Beginning of Period	\$0	(\$997,919)	\$9,643,577	\$33,807,721	\$71,333,486
<b>End of Period</b>	<b>(\$997,919)</b>	<b>\$9,643,577</b>	<b>\$33,807,721</b>	<b>\$71,333,486</b>	<b>\$107,523,559</b>

<b>Balance Sheet</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
<b>Assets</b>					
Current	(\$997,919)	\$9,643,577	\$33,807,721	\$71,333,486	\$107,523,559
Non-Current	\$2,478,785	\$4,451,017	\$5,931,930	\$4,438,818	\$3,170,621
<b>Total Assets</b>	<b>\$1,480,866</b>	<b>\$14,094,594</b>	<b>\$39,739,651</b>	<b>\$75,772,304</b>	<b>\$110,694,179</b>
<b>Liabilities</b>					
Current	\$838,795	\$3,439,241	\$5,867,173	\$7,141,739	\$7,010,977
Non-Current	\$0	\$0	\$0	\$0	\$0
<b>Total Liabilities</b>	<b>\$838,795</b>	<b>\$3,439,241</b>	<b>\$5,867,173</b>	<b>\$7,141,739</b>	<b>\$7,010,977</b>
Equity	\$642,071	\$10,655,353	\$33,872,478	\$68,630,566	\$103,683,202
<b>Total Liab. &amp; Equity</b>	<b>\$1,480,866</b>	<b>\$14,094,594</b>	<b>\$39,739,651</b>	<b>\$75,772,304</b>	<b>\$110,694,179</b>

<b>Valuation</b>	\$21,517,920	\$76,377,600	\$146,880,000	\$205,632,000	\$211,507,200
Revenue (1x multiple)					

<b>Investment</b>		<b>Loans</b>		<b>Cash</b>	
Founder	\$0	Total	\$0	Breakeven	Mon 10
Preferred	\$0	Interest Paid	\$0	Least Cash	-\$3,145,756
Member	\$0	Principal Repaid	\$0	Most Cash	\$107,523,559
<b>Total</b>	<b>\$0</b>	End Balance	\$0		



## ACTS CerarMix Solutions International LLC "Gas & Oil Division" Pro Forma Financial Prepared May 5, 2014

<b>Profit &amp; Loss</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
<b>Net Sales</b>	<b>\$10,020,000</b>	<b>\$51,120,000</b>	<b>\$102,960,000</b>	<b>\$154,800,000</b>	<b>\$206,640,000</b>
COGS	\$4,350,000	\$10,350,000	\$10,800,000	\$10,800,000	\$10,800,000
<b>Gross Profit</b>	<b>\$5,670,000</b>	<b>\$40,770,000</b>	<b>\$92,160,000</b>	<b>\$144,000,000</b>	<b>\$195,840,000</b>
Expenses	\$6,183,532	\$20,582,896	\$36,537,611	\$52,500,427	\$68,511,619
<b>EBITDA</b>	<b>(\$513,532)</b>	<b>\$20,187,104</b>	<b>\$55,622,389</b>	<b>\$91,499,573</b>	<b>\$127,328,381</b>
Amort., Dep., & Int.	\$110,033	\$233,825	\$216,988	\$159,721	\$114,143
Taxes	\$0	\$7,725,938	\$22,094,917	\$36,535,941	\$50,885,695
<b>Net Income</b>	<b>(\$623,565)</b>	<b>\$12,227,341</b>	<b>\$33,310,484</b>	<b>\$54,803,911</b>	<b>\$76,328,543</b>

<b>Cash Flow</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
<b>Net Income</b>	<b>(\$623,565)</b>	<b>\$12,227,341</b>	<b>\$33,310,484</b>	<b>\$54,803,911</b>	<b>\$76,328,543</b>
Changes from:					
Operating	\$233,656	\$17,164,314	\$38,360,961	\$59,875,709	\$81,351,637
Investing	(\$920,000)	(\$200,000)	\$0	\$0	\$0
Financing	\$0	\$0	\$0	\$0	\$0
<b>Cash Inc. / (Dec.)</b>	<b>(\$686,344)</b>	<b>\$16,964,314</b>	<b>\$38,360,961</b>	<b>\$59,875,709</b>	<b>\$81,351,637</b>
Beginning of Period	\$0	(\$686,344)	\$16,277,970	\$54,638,932	\$114,514,641
<b>End of Period</b>	<b>(\$686,344)</b>	<b>\$16,277,970</b>	<b>\$54,638,932</b>	<b>\$114,514,641</b>	<b>\$195,866,278</b>

<b>Balance Sheet</b>	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>
<b>Assets</b>					
Current	(\$686,344)	\$16,277,970	\$54,638,932	\$114,514,641	\$195,866,278
Non-Current	\$809,967	\$776,142	\$559,154	\$399,433	\$285,290
<b>Total Assets</b>	<b>\$123,623</b>	<b>\$17,054,113</b>	<b>\$55,198,086</b>	<b>\$114,914,074</b>	<b>\$196,151,569</b>
<b>Liabilities</b>					
Current	\$747,188	\$5,450,337	\$10,283,826	\$15,195,903	\$20,104,855
Non-Current	\$0	\$0	\$0	\$0	\$0
<b>Total Liabilities</b>	<b>\$747,188</b>	<b>\$5,450,337</b>	<b>\$10,283,826</b>	<b>\$15,195,903</b>	<b>\$20,104,855</b>
Equity	(\$623,565)	\$11,603,776	\$44,914,260	\$99,718,171	\$176,046,714
<b>Total Liab. &amp; Equity</b>	<b>\$123,623</b>	<b>\$17,054,113</b>	<b>\$55,198,086</b>	<b>\$114,914,074</b>	<b>\$196,151,569</b>

<b>Valuation</b>	\$10,020,000	\$51,120,000	\$102,960,000	\$154,800,000	\$206,640,000
Revenue (1x multiple)					

<b>Investment</b>		<b>Loans</b>		<b>Cash</b>	
Founder	\$0	Total	\$0	Breakeven	Mon 14
Preferred	\$0	Interest Paid	\$0	Least Cash	-\$1,892,324
Common	\$0	Principal Repaid	\$0	Most Cash	\$195,866,278
<b>Total</b>	<b>\$0</b>	End Balance	\$0		

