

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

—  
**FORM S-8**

REGISTRATION STATEMENT  
UNDER  
THE SECURITIES ACT OF 1933

—  
**FRESH START PRIVATE  
MANAGEMENT, INC.**

(Exact name of registrant as specified in its charter)

**Nevada**  
(State or other jurisdiction  
of incorporation or organization)

**26-1972677**  
(I.R.S. Employer  
Identification No.)

**720 N. Tustin Avenue, Suite 206**  
**Santa Ana, California**  
(Address of Principal Executive Offices)

**92705**  
(Zip Code)

**Consulting Agreements**

**Fresh Start Private Management, Inc. 2012 Stock Option Plan**

(Full title of the plan)

**Jorge Andrade**  
**Chief Executive Officer**  
**720 N. Tustin Avenue, Suite 206**  
**Santa Ana, California 92705**  
(Name and address of agent for service)

**(714) 541-6100**  
(Telephone number, including area code, of agent for service)

---

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of “large accelerated filer,” “accelerated filer” and “smaller reporting company” in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

(Do not check if a smaller reporting company)

**CALCULATION OF REGISTRATION FEE**

<b>Title of Securities to be Registered</b>	<b>Amount to be Registered (1)</b>	<b>Proposed Maximum Offering Price Per Share (2)</b>	<b>Proposed Maximum Aggregate Offering Price (2)</b>	<b>Amount of Registration Fee</b>
Common Stock, par value \$0.001 per share	25,000,000 shares	\$0.011	\$275,000(3)	\$37.51

- (1) Pursuant to Rule 416(a) under the Securities Act of 1933, as amended, the number of shares of common stock registered under this registration statement will automatically be increased to cover any additional shares of the registrant’s common stock that become issuable with respect to the securities registered hereunder by reason of any stock split, stock dividend, extraordinary dividend, combination of shares, mergers, consolidations, recapitalizations or other similar transactions.
- (2) Estimated solely for the purpose of determining the amount of the registration fee in accordance with Rule 457(c) and (h)(1) under the Securities Act of 1933, as amended.
- (3) The proposed maximum offering price and registration fee are based upon the sum obtained by adding (i) the product of 25,000,000 shares of common stock registered hereby under the Consulting Agreements, other contractual arrangements and the 2012 Stock Option Plan multiplied by \$0.011 (the average of the high and low sales prices per share of common stock, as reported on the Over-the-Counter Bulletin Board on December 14, 2012, which is within five days of the filing of this registration statement.

## **INCORPORATION BY REFERENCE OF PRIOR REGISTRATION STATEMENT**

This Registration Statement on Form S-8 is filed by Fresh Start Private Management, Inc., a Nevada corporation (the "Company") relating to 25,000,000 shares of its common stock, par value \$0.001 per share (the "Common Stock"), issuable under those certain Consulting Agreements, other contractual arrangements and the 2012 Stock Option Plan.

### **PART II INFORMATION REQUIRED IN THE REGISTRATION STATEMENT**

#### **Item 3. Incorporation of Documents by Reference**

The following documents previously filed by the Company with the Securities and Exchange Commission (the "SEC") are incorporated herein by reference into this Registration Statement, other than any portions of the respective filings that were furnished rather than filed (pursuant to Item 2.02 or Item 7.01 of the Current Reports on Form 8-K or other applicable SEC rules):

- (a) The Company's Registration Statement on Form S-1 filed with the SEC on September 19, 2008 (SEC File No. 333-153381);
- (b) The Company's Annual Reports on Form 10-K for fiscal year ended December 31, 2010 filed with the SEC on April 15, 2011 and for fiscal year ended December 31, 2011 filed with the SEC on May 18, 2012 (SEC File No. 333-153381).
- (c) Description of the Company's common stock contained or incorporated in the registration statements filed by the Company under the Securities Act of 1933, including any amendments or reports filed for the purpose of updating such description.
- (d) The Company's Quarterly Reports on Form 10-Q for the quarter ended March 31, 2011 filed with the SEC on May 23, 2011, for the quarter ended June 30, 2011 filed with the SEC on August 16, 2011 and amended November 1, 2011 and for the quarter ended September 30, 2011 filed with the SEC on November 11, 2011 and amended February 27, 2012 (SEC File No. 333-153381).

The Company's Quarterly Reports on Form 10-Q for the quarter ended March 31, 2012 filed with the SEC on July 10, 2012 and for the quarter ended June 30, 2012 filed with the SEC on August 14, 2012 and amended September 24, 2012 (SEC File No. 333-153381) and for the quarter ended September 30, 2012 filed with the SEC on November 19, 2012 (SEC File No. 333-153381).

- (e) The Company's Current Report on Form 8-K filed with the SEC on: (i) November 4, 2011, amended February 2, 2012, February 9, 2012 and February 21, 2012; (ii) February 15, 2012 and amended March 9, 2012; and (iii) October 5, 2012; and (iv) November 14, 2012 (SEC File No. 333-153381);

All documents filed by the Company pursuant to Sections 13(a), 13(c), 14 and 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), (excluding any information furnished pursuant to Item 2.02 or Item 7.01 on any Current Report on Form 8-K or other applicable SEC rules) subsequent to the date of this Registration Statement and prior to the filing of a post-effective amendment which indicates that all securities offered have been sold or which deregisters all securities then remaining unsold, shall be deemed to be incorporated by reference in this Registration Statement and to be a part hereof from the date of filing of such documents.

---

#### **Item 4. Description of Securities.**

The class of securities to be offered is registered under Section 12(g) of the Exchange Act; however, references to the Company's currently authorized securities are dispersed among several documents. Moreover, as described below, the Company and the holders of a majority of the outstanding shares of common stock have authorized an amendment to the certificate of incorporation to increase the number of shares of common stock the Company is authorized to issue.

The following description of our capital stock summarizes the material terms and provisions of the indicated securities. For the complete terms of our common stock, please refer to our certificate of incorporation and bylaws that we have filed with the SEC. The terms of these securities may also be affected by the Nevada Revised Statutes.

##### **General**

We are authorized to issue 200,000,000 shares of common stock, \$0.001 par value per share ("Common Stock") of which 100,761,938 shares have been issued. The Company has no class of capital stock designated as preferred stock

##### **Common Stock**

Holders of our common stock are entitled to one vote for each share in the election of directors and on all matters submitted to a vote of stockholders. There is no cumulative voting in the election of directors. The holders of the common stock are entitled to receive dividends, when an

d as declared, from time to time, by our board of directors, in its discretion, out of any assets of the Company legally available. Upon the liquidation, dissolution or winding up of the Company, the remaining assets of the Company available for distribution to stockholders will be distributed among the holders of common stock, pro rata based on the number of shares of common stock held by each. Holders of common stock generally have no preemptive, subscription, redemption or conversion rights. The outstanding shares of common stock are, when issued, fully paid and non-assessable.

##### **Preemptive Right**

No holder of any shares of the Company's common stock has preemptive or preferential rights to acquire or subscribe for any unissued shares of any class of stock or any unauthorized securities convertible into or carrying any right, option or warrant to subscribe for or acquire shares of any class of stock not disclosed herein.

##### **Non-Cumulative Voting**

Holders of the Company's shares of common stock do not have cumulative voting rights, which means that the holders of more than 50% of the outstanding shares, voting for the election of directors, can elect all of the directors to be elected, if they so choose, and, in such event, the holders of the remaining shares will not be able to elect any of the Company's directors.

##### **Anti-Takeover Provisions**

Stockholders' rights and related matters are governed by Nevada corporate law, our articles of incorporation and our bylaws. Certain provisions of the Nevada Private Corporations Law may discourage or have the effect of delaying or deferring potential changes in control of the Company. The cumulative effect of these terms may be to make it more difficult to acquire and exercise control of the Company and to make changes in management. Furthermore, these provisions may make it more difficult for stockholders to participate in a tender or exchange offer for common stock and in so doing may diminish the market value of the common stock.

One of the effects of the existence of authorized but unissued shares of our common stock may be to enable our board of directors to render it more difficult or to discourage an attempt to obtain control of the Company and thereby protect the continuity of or entrench our management, which may adversely effect the market price of the Company's common stock. If in the due exercise of its fiduciary obligations, for example, the Company's board of directors were to determine that a takeover proposal were not in the best interests of the Company, such shares could be issued by the board of directors without stockholder approval in one or more private placements or other transactions that might prevent or render more difficult or make more costly the completion of any attempted takeover transaction by diluting voting or other rights of the proposed acquirer or insurgent stockholder group, by creating a substantial voting block in institutional or other hands that might support the position of the incumbent board of directors, by effecting an acquisition that might complicate or preclude the takeover, or otherwise.

---

The Company's bylaws provide that special meetings of stockholders may be called only by the Company's board of directors, the chairman of the board, or our president, or as otherwise provided under Nevada law.

#### **Dividend Policy**

The payment by us of dividends, if any, in the future rests within the discretion of the Company's Board of Directors and will depend, among other things, upon our earnings, capital requirements and financial condition, as well as other relevant factors. The Company has not paid any dividends since its inception and the Company does not intend to pay any cash dividends in the foreseeable future, but intends to retain all earnings, if any, for use in its business.

#### **Item 5. Interests of Named Experts and Counsel**

Inapplicable.

#### **Item 6. Indemnification of Directors and Officers**

The Company's Articles of Incorporation and Bylaws provide for the indemnification of any present or former director or officer. The Company indemnifies any director, officer, employee or agent who is successful on the merits or otherwise in defense on any action or suit. Such indemnification shall include, but not necessarily be limited to, expenses, including attorney's fees actually or reasonably incurred by him. Nevada law also provides for discretionary indemnification for each person who serves as or at our request as an officer or director. We may indemnify such individual against all costs, expenses and liabilities incurred in a threatened, pending or completed action, suit or proceeding brought because such individual is a director or officer. Such individual must have conducted himself in good faith and reasonably believed that his conduct was in, or not opposed to, our best interests. In a criminal action, he must not have had a reasonable cause to believe his conduct was unlawful.

Under the Company's Articles of Incorporation and Bylaws of the corporation, the Company may indemnify an officer or director who is made a party to any proceeding, including a lawsuit, because of his or her position, if he or she acted in good faith and in a manner he or she reasonably believed to be in the Company's best interest. The Company may advance expenses incurred in defending a proceeding. To the extent that the officer or director is successful on the merits in a proceeding as to which he or she is to be indemnified, the Company must indemnify the officer or director against all expenses incurred, including attorney's fees. With respect to a derivative action, indemnity may be made only for expenses actually and reasonably incurred in defending the proceeding, and if the officer or director is judged liable, then only by a court order. The indemnification coverage is intended to be to the fullest extent permitted by applicable laws.

Regarding indemnification for liabilities arising under the Securities Act of 1933, which may be permitted to officers or directors under applicable state law, the Company is informed that, in the opinion of the Securities and Exchange Commission, indemnification is against public policy, as expressed in the Act and is, therefore, unenforceable.

#### **Item 7. Exemption From Registration Claimed**

Inapplicable.

---

## Item 8. Exhibit List

- 3.1 Certificate of Incorporation, as amended (incorporated by reference as Exhibit 3.1 of the Company's Registration Statement on Form S-1 filed on September 19, 2008).
- 3.3 Bylaws of the Company (incorporated by reference as Exhibit 3.3 of the Company's Registration Statement on Form S-1 filed on September 19, 2008).
- 5 Legal Opinion of Diane D. Dalmy, Attorney at Law
- 23.1 Consent of Counsel (included in Exhibit 5)
- 23.2 Consent of Independent Registered Public Accounting Firm
- 24 Power of Attorney (included in signature pages to this registration statement)
- 99.1 Fresh Start Private Management, Inc. 2012 Stock Option Plan

## Item 9. Undertakings

The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement;

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

provided, however, that paragraphs (a)(1)(i) and (a)(1)(ii) do not apply if the registration statement is on Form S-3 or Form S-8, and the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed by the registrant pursuant to Section 13 or Section 15(d) of the Exchange Act that are incorporated by reference in the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act, each filing of the registrant's annual report pursuant to Section 13(a) or Section 15(d) of the Exchange Act (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Exchange Act) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

---

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

#### SIGNATURE

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-8 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Santa Ana, California on December 18, 2012.

#### FRESH START PRIVATE MANAGEMENT, INC.

By: /s/ Jorge Andrade  
Jorge Andrade  
Chief Executive Officer

#### POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Jorge Andrade, as his attorney-in-fact, with full power of substitution, for him in any and all capacities, to sign any amendments to this Registration Statement on Form S-8 and to file the same, with exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that the said attorney-in-fact, or his substitute or substitutes, may do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

Signature:

Capacity:

Date:

*/s/ Jorge Andrade*  
Jorge Andrade

CEO and Director  
(Chief Executive Officer)

December 18, 2012

---

## EXHIBIT INDEX

- 3.1 Certificate of Incorporation, as amended (incorporated by reference as Exhibit 3.1 of the Company's Registration Statement on Form S-1 filed on September 19, 2008).
- 3.3 Bylaws of the Company (incorporated by reference as Exhibit 3.3 of the Company's Registration Statement on Form S-1 filed on September 19, 2008).
- [5](#) Legal Opinion of Diane D. Dalmy, Attorney at Law.
- 23.1 Consent of Counsel (included in Exhibit 5)
- [23.2](#) Consent of Independent Registered Public Accounting Firm
- 24 Power of Attorney (included in signature pages to this registration statement)
- [99.1](#) Fresh Start Private Management, Inc. 2012 Stock Option Plan.
-



**DIANE D. DALMY**  
**ATTORNEY AT LAW**  
**8965 W. CORNELL PLACE**  
**LAKEWOOD, COLORADO 80227**  
**303.985.9324 (telephone)**  
**303.988.6954 (facsimile)**  
**email: [ddalmy@earthlink.net](mailto:ddalmy@earthlink.net)**

December 18, 2012

Fresh Start Private Management, Inc.  
720 N. Tustin Avenue  
Suite 206  
Santa Ana, California 92705

Gentlemen:

I have acted as legal counsel for Fresh Start Private Management, Inc., a Nevada corporation (the "Company"), in connection with a Registration Statement on Form S-8 (the "Registration Statement") under the Securities Act of 1933, as amended (the "Securities Act"), for the registration of 25,000,000 shares of Common Stock, \$0.001 par value, of the Company (the "Shares"), which may be issued pursuant to that certain 2012 Stock Option Plan (the "Stock Option Plan"), those certain consulting agreements by and between the Company and certain consultants and other contractual arrangements between the Company and third parties (collectively, the "Agreements").

I have examined all instruments, documents and records which I deemed relevant and necessary for the basis of my opinion hereinafter expressed. In such examination, I have assumed the genuineness of all signatures and the authenticity of all documents submitted to me as originals and the conformity to the originals of all documents submitted to me as copies. I express no opinion concerning any law other than the corporation laws of the State of Nevada and the federal law of the United States. As to matters of Nevada corporation law, I have based our opinion solely upon my examination of such laws and the rules and regulations of the authorities administering such laws, all as reported in standard, unofficial compilations.

Based on such examination, I am of the opinion that the Shares issued pursuant to the Stock Option Plan and Agreements are duly authorized and, when issued against receipt of the consideration therefor in accordance with the provisions of the Stock Option Plan and Agreements, will be validly issued, fully paid and nonassessable. I am further of the opinion that the issuance of the Shares will not be a violation of any prohibitions of the rules and regulations pertaining to S-8.

---

Fresh Start Private Management Inc.  
Page Two  
December 18, 2012

I hereby consent to the filing of this opinion as an exhibit to the Registration Statement referred to above and the use of my name wherever it appears in said Registration Statement. In giving this consent, I do not admit that I am within the category of persons whose consent is required under Section 7 of the Securities Act, the rules and regulations of the Securities and Exchange Commission promulgated thereunder or Item 509 of Regulation S-K.

This opinion letter is given to you solely for use in connection with the issuance of the Shares in accordance with the Registration Statement and is not to be relied on for any other purpose. My opinion is expressly limited to the matters set forth above, and I render no opinion, whether by implication or otherwise, as to any other matters relating to the Company, the Shares or the Registration Statement.

Sincerely,

*/s/ Diane D Dalmy*

Diane D. Dalmy

---



**CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

We hereby consent to the incorporation by reference in the S-8 Registration Statement pertaining to those shares issuable under certain Consulting Agreements, other contractual agreements, and the 2012 Stock Option Plan of Fresh Start Private Management, Inc. of our report dated May 17, 2012, relating to the consolidated financial statements of Fresh Start Private Management, Inc. appearing in the entity's Annual Report on Form 10-K for the year ended December 31, 2011.

**Wilson Morgan LLP**

*Wilson Morgan LLP*

A handwritten signature in black ink, written in a cursive style, that reads "Wilson Morgan LLP".

Irvine, California  
December 13, 2012

1920 Main Street • Suite 950 • Irvine, California 92614 • 949.428.7400 • Fax 949.428.7401  
[www.wilsonmorgancpas.com](http://www.wilsonmorgancpas.com)

**2012 STOCK OPTION PLAN**

**For:**

**FRESH START PRIVATE MANAGEMENT INC.**

**Fresh Start Private Management Inc.**

720 N. Tustin Avenue  
Suite 206  
Santa Ana, California 92705

---

**FRESH START PRIVATE MANAGEMENT INC.**

**2012 STOCK OPTION PLAN**

**ARTICLE 1. THE PLAN**

**1.1            Title**

This plan is entitled the “2012 Stock Option Plan” (the “*Plan*”) of Fresh Start Private Management Inc., a Nevada corporation (the “*Company*”).

**1.2            Purpose**

The purpose of the Plan is to enhance the long-term stockholder value of the Company by offering opportunities to directors, officers, employees and eligible consultants of the Company and any Related Company, as defined below, to acquire and maintain stock ownership in the Company in order to give these persons the opportunity to participate in the Company’s growth and success, and to encourage them to remain in the service of the Company or a Related Company.

**ARTICLE 2. DEFINITIONS**

The following terms will have the following meanings in the Plan:

- (a)        “*Board*” means the Board of Directors of the Company;
- (b)        “*Cause*”, unless otherwise defined in the instrument evidencing the award or in an employment or services agreement between the Company or a Related Company and a Participant, means a material breach of the employment or services agreement, dishonesty, fraud, misconduct, unauthorized use or disclosure of confidential information or trade secrets, or conviction or confession of a crime punishable by law (except minor violations), in each case as determined by the Plan Administrator, and its determination shall be conclusive and binding;
- (c)        “*Code*” means the United States *Internal Revenue Code of 1986*, as amended from time to time;
- (d)        “*Common Shares*” means the common shares, \$0.001 par value, of the Company;
- (e)        “*Consultant Participant*” means a Participant who is defined as a Consultant Participant in Article 5 hereinbelow;
- (f)        “*Corporate Transaction*”, unless otherwise defined in the instrument evidencing the Option or in a written employment or services agreement between the Company or a Related Company and a Participant, means consummation of either.

- (i) a merger or consolidation of the Company with or into any other corporation, entity or person; or
  - (ii) a sale, lease, exchange or other transfer in one transaction or a series of related transactions of all or substantially all the Company's outstanding securities or all or substantially all the Company's assets; provided, however, that a Corporate Transaction shall not include a Related Party Transaction;
- (g) "*Disability*", unless otherwise defined by the Plan Administrator, means a mental or physical impairment of the Participant that is expected to result in death or that has lasted or is expected to last for a continuous period of 12 months or more and that causes the Participant to be unable, in the opinion of the Company, to perform his or her duties for the Company or a Related Company and to be engaged in any substantial gainful activity;
- (h) "*Employment Termination Date*" means, with respect to a Participant, the first day upon which the Participant no longer has an employment or service relationship with the Company or any Related Company;
- (i) "*Exchange Act*" means the United States *Securities Exchange Act of 1934*, as amended;
- (j) "*Fair Market Value*" means the per share value of the Common Shares determined as follows:
- (i) if the Common Shares are listed on an established stock exchange or exchanges or the NASDAQ National Market, the closing price per share on the last trading day immediately preceding such date on the principal exchange on which it is traded or as reported by NASDAQ; or
  - (ii) if the Common Shares are not then listed on an exchange or the NASDAQ National Market, but is quoted on the NASDAQ Small Cap Market, the NASDAQ electronic bulletin board or the National Quotation Bureau pink sheets, the average of the closing bid and asked prices per share for the Common Shares as quoted by NASDAQ or the National Quotation Bureau, as the case may be, on the last trading day immediately preceding such date; or
  - (iii) if there is no such reported market for the Common Shares for the date in question, then an amount determined in good faith by the Plan Administrator;
- (k) "*Grant Date*" means the date on which the Plan Administrator completes the corporate action relating to the grant of an Option or such later date specified by the Plan Administrator, and on which all conditions precedent to the grant have been satisfied, provided that conditions to the exercisability or vesting of Options shall not defer the Grant Date;

- (l) “*Incentive Stock Option*” means an Option granted with the intention, as reflected in the instrument evidencing the Option, that it qualify as an “incentive stock option” as that term is defined in Section 422 of the Code;
- (m) “*Nonqualified Stock Option*” means an Option other than an Incentive Stock Option;
- (n) “*Option*” means the right to purchase Common Shares granted under Article 7 hereinbelow;
- (o) “*Option Expiration Date*” has the meaning set forth in Article 7.6 hereinbelow;
- (p) “*Option Term*” has the meaning set forth in Article 7.3 hereinbelow;
- (q) “*Participant*” means the person to whom an Option is granted and who meets the eligibility requirements imposed by Article 5 hereinbelow, including Consultant Participants as defined in Article 5;
- (r) “*Participant*” means the person to whom an Option is granted and who meets the eligibility requirements imposed by Article 5 hereinbelow, including Consultant Participants as defined in Article 5;
- (s) “*Plan Administrator*” has the meaning set forth in Article 3.1 hereinbelow;
- (t) “*Related Company*” means any entity that, directly or indirectly, is in control of or is controlled by the Company;
- (u) “*Related Party Transaction*” means:
  - (i) a merger or consolidation of the Company in which the holders of Common Shares immediately prior to the merger hold at least a majority of the Common Shares in the Successor Corporation immediately after the merger;
  - (ii) a sale, lease, exchange or other transaction in one transaction or a series of related transactions of all or substantially all the Company’s assets to a wholly-owned subsidiary corporation;
  - (iii) a mere reincorporation of the Company; or
  - (iv) a transaction undertaken for the sole purpose of creating a holding company that will be owned in substantially the same proportion by the persons who held the Company’s securities immediately before such transaction;
- (v) “*Retirement*”, unless otherwise defined by the Plan Administrator from time to time for purposes of the Plan, means retirement on or after the individual’s normal retirement date under the Company’s 401(k) plan or other similar successor plan applicable to salaried employees;

- (w) “*Securities Act*” means the United States *Securities Act of 1933*, as amended;
- (x) “*Successor Corporation*” has the meaning set forth in Article 11.3.1 hereinbelow; and
- (y) “*Vesting Commencement Date*” means the Grant Date or such other date selected by the Plan Administrator as the date from which the Option begins to vest for purposes of Article 7.4 hereinbelow.

### **ARTICLE 3. ADMINISTRATION**

#### **3.1 Plan Administrator**

The Plan shall be administered by the Board or a committee appointed by, and consisting of one or more members of, the Board (the “*Plan Administrator*”). If and so long as the Common Shares are registered under Section 12(b) or 12(g) of the Exchange Act, the Board shall consider in selecting the members of any committee acting as Plan Administrator, with respect to any persons subject or likely to become subject to Section 16 of the Exchange Act, the provisions regarding: (a) “*outside directors*”, as contemplated by Section 162(m) of the Code and (b) “*nonemployee directors*”, as contemplated by Rule 16b-3 under the Exchange Act. Committee members shall serve for such term as the Board may determine, subject to removal by the Board at any time. At any time when no committee has been appointed to administer the Plan, then the Board will be the Plan Administrator.

#### **3.2 Administration and Interpretation by Plan Administrator**

Except for the terms and conditions explicitly set forth in the Plan, the Plan Administrator shall have exclusive authority, in its discretion, to determine all matters relating to Options under the Plan, including the selection of individuals to be granted Options, the type of Options, the number of Common Shares subject to an Option, all terms, conditions, restrictions and limitations, if any, of an Option and the terms of any instrument that evidences the Option. The Plan Administrator shall also have exclusive authority to interpret the Plan and the terms of any instrument evidencing the Option and may from time to time adopt and change rules and regulations of general application for the Plan’s administration. The Plan Administrator’s interpretation of the Plan and its rules and regulations, and all actions taken and determinations made by the Plan Administrator pursuant to the Plan, shall be conclusive and binding on all parties involved or affected. The Plan Administrator may delegate administrative duties to such of the Company’s officers as it so determines.

### **ARTICLE 4. STOCK SUBJECT TO THE PLAN**

#### **4.1 Authorized Number of Shares**

Subject to adjustment from time to time as provided in Article 11.1 hereinbelow, the number of Common Shares available for issuance under the Plan shall be 25,000,000 shares.



#### **4.2 Reuse of Shares**

Any Common Shares that have been made subject to an Option that cease to be subject to the Option (other than by reason of exercise or settlement of the Option to the extent it is exercised for or settled in shares) shall again be available for issuance in connection with future grants of Options under the Plan. In the event shares issued under the Plan are reacquired by the Company pursuant to any forfeiture provision or right of repurchase, such shares shall again be available for the purposes of the Plan; provided, however, that the maximum number of shares that may be issued upon the exercise of Incentive Stock Options shall equal the share number stated in Article 4.1 hereinabove, subject to adjustment from time to time as provided in Article 11.1 hereinbelow; and provided, further, that for purposes of Article 4.3 hereinbelow, any such shares shall be counted in accordance with the requirements of Section 162(m) of the Code.

#### **4.3 Limitations**

Subject to adjustment from time to time as provided in Article 11.1 hereinbelow, not more than an aggregate of 25,000,000 shares shall be available for issuance pursuant to grants of Stock Options under the Plan.

### **ARTICLE 5. ELIGIBILITY**

An Option may be granted to any officer, director or employee of the Company or a Related Company that the Plan Administrator from time to time selects. An Option may also be granted to any consultant, agent, advisor or independent contractor who provides services to the Company or any Related Company (a "*Consultant Participant*"), so long as such Consultant Participant: (a) is a natural person or an alter ego entity of the natural person providing the services; (b) renders *bona fide* services that are not in connection with the offer and sale of the Company's securities in a capital-raising transaction; and (c) does not directly or indirectly promote or maintain a market for the Company's securities.

### **ARTICLE 6. OPTIONS**

#### **6.1 Form and Grant of Options**

The Plan Administrator shall have the authority, in its sole discretion, to determine the type or types of Options to be granted under the Plan. Options may be granted singly or in combination.

## **6.2 Settlement of Options**

The Company may settle Options through the delivery of Common Shares, the granting of replacement Options or any combination thereof as the Plan Administrator shall determine. Any Option settlement, including payment deferrals or payments deemed made by way of the settlement of pre-existing indebtedness from the Company, may be subject to such conditions, restrictions and contingencies as the Plan Administrator shall determine. The Plan Administrator may permit or require the deferral of any Option payment, subject to such rules and procedures as it may establish, which may include provisions for the payment or crediting of interest, or dividend equivalents, including converting such credits into deferred stock equivalents.

## **ARTICLE 7. GRANTS OF OPTIONS**

### **7.1 Grant of Options**

The Plan Administrator shall have the authority, in its sole discretion, to grant Options as Incentive Stock Options or as Nonqualified Stock Options, which shall be appropriately designated.

### **7.2 Option Exercise Price**

The exercise price for shares purchased under an Option shall be as determined by the Plan Administrator.

### **7.3 Term of Options**

Subject to earlier termination in accordance with the terms of the Plan and the instrument evidencing the Option, the maximum term of an Option (the “*Option Term*”) shall be as established for that Option by the Plan Administrator or, if not so established, shall be **ten years** from the Grant Date.

### **7.4 Exercise of Options**

The Plan Administrator shall establish and set forth in each instrument that evidences an Option the time at which, or the installments in which, the Option shall vest and become exercisable, any of which provisions may be waived or modified by the Plan Administrator at any time.

The Plan Administrator, in its sole discretion, may adjust the vesting schedule of an Option held by a Participant who works less than “*full-time*” as that term is defined by the Plan Administrator or who takes a Company-approved leave of absence.

To the extent an Option has vested and become exercisable, the Option may be exercised in whole or from time to time in part by delivery to the Company of a written stock option exercise agreement or notice, in a form and in accordance with procedures established by the Plan Administrator, setting forth the number of shares with respect to which the Option is being exercised, the restrictions imposed on the shares purchased under such exercise agreement, if any, and such representations and agreements as may be required by the Plan Administrator, accompanied by payment in full as described in Article 7.5 hereinbelow. An Option may be exercised only for whole shares and may not be exercised for less than a reasonable number of shares at any one time, as determined by the Plan Administrator.

**7.5 Payment of Exercise Price**

The exercise price for shares purchased under an Option shall be paid in full to the Company by delivery of consideration equal to the product of the Option exercise price and the number of shares purchased. Such consideration must be in accordance with the requirements of the Chapter 78 of the *Nevada Revised Statutes* and the Articles of Incorporation and Bylaws of the Company, must be paid before the Company will issue the shares being purchased and must be in a form or a combination of forms acceptable to the Plan Administrator for that purchase. As set forth in Article 6.2 hereinabove, any Option settlement, including payment deferrals or payments deemed made by way of the settlement of pre-existing indebtedness from the Company, may be subject to such conditions, restrictions and contingencies as the Plan Administrator shall determine.

**7.6 Post-Termination Exercises**

The Plan Administrator shall establish and set forth in each instrument that evidences an Option whether the Option shall continue to be exercisable, and the terms and conditions of such exercise, if the Participant ceases to be employed by, or to provide services to, the Company or a Related Company, which provisions may be waived or modified by the Plan Administrator at any time. If not so established in the instrument evidencing the Option, the Option shall be exercisable according to the following terms and conditions, which may be waived or modified by the Plan Administrator at any time:

- (a) Except as otherwise set forth in this Article 7.6 hereinbelow, any portion of an Option that is not vested and exercisable on the Employment Termination Date shall expire on such date.
- (b) Any portion of an Option that is vested and exercisable on the Employment Termination Date shall expire on the earliest to occur of:
  - (i) if the Participant's Employment Termination Date occurs for reasons other than Cause, Retirement, Disability or death, the day which is three months after such Employment Termination Date;

(ii) if the Participant's Employment Termination Date occurs by reason of Retirement, Disability or death, the one-year anniversary of such Employment Termination Date; and

(iii) the last day of the Option Term (the "*Option Expiration Date*").

Notwithstanding the foregoing, if the Participant dies after his or her Employment Termination Date but while an Option is otherwise exercisable, the portion of the Option that is vested and exercisable on such Employment Termination Date shall expire upon the earlier to occur of (c) the Option Expiration Date and (d) the one-year anniversary of the date of death, unless the Plan Administrator determines otherwise.

Also notwithstanding the foregoing, in case of termination of the Participant's employment or service relationship for Cause, all Options granted to that Participant shall automatically expire upon first notification to the Participant of such termination, unless the Plan Administrator determines otherwise. If a Participant's employment or service relationship with the Company is suspended pending an investigation of whether the Participant shall be terminated for Cause, all the Participant's rights under any Option shall likewise be suspended during the period of investigation. If any facts that would constitute termination for Cause are discovered after the Participant's relationship with the Company or a Related Company has ended, any Option then held by the Participant may be immediately terminated by the Plan Administrator, in its sole discretion.

- (c) A Participant's transfer of employment or service relationship between or among the Company and any Related Company, or a change in status from an employee to a consultant, agent, advisor or independent contractor or a change in status from a consultant, agent, advisor or independent contractor to an employee, shall not be considered a termination of employment or service relationship for purposes of this Article 7. Unless the Plan Administrator determines otherwise, a termination of employment or service relationship shall be deemed to occur if a Participant's employment or service relationship is with an entity that has ceased to be a Related Company.
- (d) The effect of a Company-approved leave of absence on the application of this Article 7 shall be determined by the Plan Administrator, in its sole discretion.
- (e) If a Participant's employment or service relationship with the Company or a Related Company terminates by reason of Disability or death, the Option shall become fully vested and exercisable for all the shares subject to the Option. Such Option shall remain exercisable for the time period set forth in this Article 7.6.

## ARTICLE 8. INCENTIVE STOCK OPTION LIMITATIONS

Notwithstanding any other provisions of the Plan, and to the extent required by Section 422 of the Code, Incentive Stock Options shall be subject to the following additional terms and conditions:

### **8.1 Dollar Limitation**

To the extent the aggregate Fair Market Value (determined as of the Grant Date) of Common Shares with respect to which Incentive Stock Options are exercisable for the first time during any calendar year (under the Plan and all other Stock Option Plans of the Company) exceeds \$100,000, such portion in excess of \$100,000 shall be treated as a Nonqualified Stock Option. In the event the Participant holds two or more such Options that become exercisable for the first time in the same calendar year, such limitation shall be applied on the basis of the order in which such Options are granted.

### **8.2 Eligible Employees**

Individuals who are not employees of the Company or one of its parent corporations or subsidiary corporations may not be granted Incentive Stock Options.

### **8.3 Exercise Price**

The exercise price of an Incentive Stock Option shall be at least 100% of the Fair Market Value of the Common Shares on the Grant Date, and in the case of an Incentive Stock Option granted to a Participant who owns more than 10% of the total combined voting power of all classes of the stock of the Company or of its parent or subsidiary corporations (a "*Ten Percent Stockholder*"), shall not be less than 100% of the Fair Market Value of the Common Shares on the Grant Date. The determination of more than 10% ownership shall be made in accordance with Section 422 of the Code.

### **8.4 Exercisability**

An Option designated as an Incentive Stock Option shall cease to qualify for favorable tax treatment as an Incentive Stock Option to the extent it is exercised (if permitted by the terms of the Option):

- (a) more than three months after the Employment Termination Date if termination was for reasons other than death or disability;
- (b) more than one year after the Employment Termination Date if termination was by reason of disability; or
- (c) after the Participant has been on leave of absence for more than three months, unless the Participant's reemployment rights are guaranteed by statute or contract.

## **8.5            Taxation of Incentive Stock Options**

In order to obtain certain tax benefits afforded to Incentive Stock Options under Section 422 of the Code, the Participant must hold the shares acquired upon the exercise of an Incentive Stock Option for two years after the Grant Date and one year after the date of exercise.

A Participant may be subject to the alternative minimum tax at the time of exercise of an Incentive Stock Option. The Participant shall give the Company prompt notice of any disposition of shares acquired on the exercise of an Incentive Stock Option prior to the expiration of such holding periods.

## **8.6            Code Definitions**

For the purposes of this Article 8, “*parent corporation*”, “*subsidiary corporation*” and “*disability*” shall have the meanings attributed to those terms for purposes of Section 422 of the Code.

# **ARTICLE 9. WITHHOLDING**

## **9.1            General**

The Company may require the Participant to pay to the Company the amount of any taxes that the Company is required by applicable federal, state, local or foreign law to withhold with respect to the grant, vesting or exercise of an Option. The Company shall not be required to issue any shares Common Shares under the Plan until such obligations are satisfied.

## **9.2            Payment of Withholding Obligations in Cash or Shares**

The Plan Administrator may permit or require a Participant to satisfy all or part of his or her tax withholding obligations by:

- (a)        paying cash to the Company;
- (b)        having the Company withhold from any cash amounts otherwise due or to become due from the Company to the Participant;
- (c)        having the Company withhold a portion of any Common Shares that would otherwise be issued to the Participant having a value equal to the tax withholding obligations (up to the employer’s minimum required tax withholding rate); or
- (d)        surrendering any Common Shares that the Participant previously acquired having a value equal to the tax withholding obligations (up to the employer’s minimum required tax withholding rate to the extent the Participant has held the surrendered shares for less than six months).

**ARTICLE 10. ASSIGNABILITY**

Neither an Option nor any interest therein may be assigned, pledged or transferred by the Participant or made subject to attachment or similar proceedings other than by will or by the applicable laws of descent and distribution, and, during the Participant's lifetime, such Options may be exercised only by the Participant. Notwithstanding the foregoing, and to the extent permitted by Section 422 of the Code, the Plan Administrator, in its sole discretion, may permit a Participant to assign or transfer an Option or may permit a Participant to designate a beneficiary who may exercise the Option or receive payment under the Option after the Participant's death; provided, however, that any Option so assigned or transferred shall be subject to all the terms and conditions of the Plan and those contained in the instrument evidencing the Option.

**ARTICLE 11. ADJUSTMENTS**

**11.1            Adjustment of Shares**

In the event, at any time or from time to time, a stock dividend, stock split, spin-off, combination or exchange of shares, recapitalization, merger, consolidation, distribution to stockholders other than a normal cash dividend, or other change in the Company's corporate or capital structure, including, without limitation, a Related Party Transaction, results in (a) the outstanding Common Shares, or any securities exchanged therefor or received in their place, being exchanged for a different number or kind of securities of the Company or of any other corporation or (b) new, different or additional securities of the Company or of any other corporation being received by the holders of Common Shares of the Company, then the Plan Administrator shall make proportional adjustments in (i) the maximum number and kind of securities subject to the Plan and issuable as Incentive Stock Options as set forth in Article 4 hereinabove and the maximum number and kind of securities that may be made subject to Options and to Options to any individual as set forth in Article 4.3 hereinbelow, and (ii) the number and kind of securities that are subject to any outstanding award and the per share price of such securities, without any change in the aggregate price to be paid therefor. The determination by the Plan Administrator as to the terms of any of the foregoing adjustments shall be conclusive and binding. Notwithstanding the foregoing, a dissolution or liquidation of the Company or a Corporate Transaction shall not be governed by this Article 11.1 but shall be governed by Articles 11.2 and 11.3, respectively, hereinbelow.

**11.2            Dissolution or Liquidation**

To the extent not previously exercised or settled, and unless otherwise determined by the Plan Administrator in its sole discretion, Options shall terminate immediately prior to the dissolution or liquidation of the Company. To the extent a forfeiture provision or repurchase right applicable to an Option has not been waived by the Plan Administrator, the Option shall be forfeited immediately prior to the consummation of the dissolution or liquidation.

### 11.3

#### **Corporate Transaction**

- (a) In the event of a Corporate Transaction, except as otherwise provided in the instrument evidencing an Option (or in a written employment or services agreement between a Participant and the Company or Related Company) and except as provided in subsection (b) hereinbelow, each outstanding Option shall be assumed or an equivalent option or right substituted by the surviving corporation, the successor corporation or its parent corporation, as applicable (the “*Successor Corporation*”).
- (b) If, in connection with a Corporate Transaction, the Successor Corporation refuses to assume or substitute for an Option, then each such outstanding Option shall become fully vested and exercisable with respect to 100% of the unvested portion of the Option. In such case, the Plan Administrator shall notify the Participant in writing or electronically that the unvested portion of the Option specified above shall be fully vested and exercisable for a specified time period. At the expiration of the time period, the Option shall terminate, provided that the Corporate Transaction has occurred.
- (c) For the purposes of this Article 11.3, the Option shall be considered assumed or substituted for if following the Corporate Transaction the option or right confers the right to purchase or receive, for each share of Common Shares subject to the Option immediately prior to the Corporate Transaction, the consideration (whether stock, cash, or other securities or property) received in the Corporate Transaction by holders of Common Shares for each share held on the effective date of the transaction (and if holders were offered a choice of consideration, the type of consideration chosen by the holders of a majority of the outstanding shares); provided, however, that if such consideration received in the Corporate Transaction is not solely Common Shares of the Successor Corporation, the Plan Administrator may, with the consent of the Successor Corporation, provide for the consideration to be received upon the exercise of the Option, for each share of Common Shares subject thereto, to be solely Common Shares of the Successor Corporation substantially equal in fair market value to the per share consideration received by holders of Common Shares in the Corporate Transaction. The determination of such substantial equality of value of consideration shall be made by the Plan Administrator and its determination shall be conclusive and binding.
- (d) All Options shall terminate and cease to remain outstanding immediately following the Corporate Transaction, except to the extent assumed by the Successor Corporation.



#### **11.4**            **Further Adjustment of Options**

Subject to Articles 11.2 and 11.3 hereinabove, the Plan Administrator shall have the discretion, exercisable at any time before a sale, merger, consolidation, reorganization, liquidation or change of control of the Company, as defined by the Plan Administrator, to take such further action as it determines to be necessary or advisable, and fair and equitable to the Participants, with respect to Options. Such authorized action may include (but shall not be limited to) establishing, amending or waiving the type, terms, conditions or duration of, or restrictions on, Options so as to provide for earlier, later, extended or additional time for exercise, lifting restrictions and other modifications, and the Plan Administrator may take such actions with respect to all Participants, to certain categories of Participants or only to individual Participants. The Plan Administrator may take such action before or after granting Options to which the action relates and before or after any public announcement with respect to such sale, merger, consolidation, reorganization, liquidation or change of control that is the reason for such action.

#### **11.5**            **Limitations**

The grant of Options shall in no way affect the Company's right to adjust, reclassify, reorganize or otherwise change its capital or business structure or to merge, consolidate, dissolve, liquidate or sell or transfer all or any part of its business or assets.

#### **11.6**            **Fractional Shares**

In the event of any adjustment in the number of shares covered by any Option, each such Option shall cover only the number of full shares resulting from such adjustment.

**ARTICLE 12. AMENDMENT AND TERMINATION**

**12.1 Amendment or Termination of Plan**

The Board may suspend, amend or terminate the Plan or any portion of the Plan at any time and in such respects as it shall deem advisable; provided, however, and only if applicable, that to the extent required for compliance with Section 422 of the Code or any applicable law or regulation only, stockholder approval shall be required for any amendment that would:

- (a) increase the total number of shares available for issuance under the Plan;
- (b) modify the class of employees eligible to receive Options; or
- (c) otherwise require stockholder approval under any applicable law or regulation.

Any amendment made to the Plan that would constitute a “*modification*” to Incentive Stock Options outstanding on the date of such amendment shall not, without the consent of the Participant, be applicable to such outstanding Incentive Stock Options but shall have prospective effect only.

**12.2 Term of Plan**

Unless sooner terminated as provided herein, the Plan shall terminate **ten years** after the earlier of the Plan’s adoption by the Board and approval by the stockholders.

**12.3 Consent of Participant**

The suspension, amendment or termination of the Plan or a portion thereof or the amendment of an outstanding Option shall not, without the Participant’s consent, materially adversely affect any rights under any Option theretofore granted to the Participant under the Plan. Any change or adjustment to an outstanding Incentive Stock Option shall not, without the consent of the Participant, be made in a manner so as to constitute a “*modification*” that would cause such Incentive Stock Option to fail to continue to qualify as an Incentive Stock Option. Notwithstanding the foregoing, any adjustments made pursuant to this Article 12 shall not be subject to these restrictions.

**ARTICLE 13. GENERAL**

**13.1 Evidence of Options**

Options granted under the Plan shall be evidenced by a written instrument that shall contain such terms, conditions, limitations and restrictions as the Plan Administrator shall deem advisable and that are not inconsistent with the Plan.

### **13.2 No Individual Rights**

Nothing in the Plan or any Option granted under the Plan shall be deemed to constitute an employment contract or confer or be deemed to confer on any Participant any right to continue in the employ of, or to continue any other relationship with, the Company or any Related Company or limit in any way the right of the Company or any Related Company to terminate a Participant's employment or other relationship at any time, with or without Cause.

### **13.3 Issuance of Shares**

Notwithstanding any other provision of the Plan, the Company shall have no obligation to issue or deliver any Common Shares under the Plan or make any other distribution of benefits under the Plan unless, in the opinion of the Company's counsel, such issuance, delivery or distribution would comply with all applicable laws (including, without limitation, the requirements of the Securities Act), and the applicable requirements of any securities exchange or similar entity.

The Company shall be under no obligation to any Participant to register for offering or resale or to qualify for exemption under the Securities Act, or to register or qualify under state securities laws, any Common Shares, security or interest in a security paid or issued under, or created by, the Plan, or to continue in effect any such registrations or qualifications if made. The Company may issue certificates for shares with such legends and subject to such restrictions on transfer and stop-transfer instructions as counsel for the Company deems necessary or desirable for compliance by the Company with federal and state securities laws.

To the extent the Plan or any instrument evidencing an Option provides for issuance of stock certificates to reflect the issuance of Common Shares, the issuance may be effected on a noncertificated basis, to the extent not prohibited by applicable law or the applicable rules of any stock exchange.

### **13.4 No Rights as a Stockholder**

No Option or Stock Option denominated in units shall entitle the Participant to any cash dividend, voting or other right of a stockholder unless and until the date of issuance under the Plan of the shares that are the subject of such Option.

### **13.5 Compliance With Laws and Regulations**

Notwithstanding anything in the Plan to the contrary, the Plan Administrator, in its sole discretion, may bifurcate the Plan so as to restrict, limit or condition the use of any provision of the Plan to Participants who are officers or directors subject to Section 16 of the Exchange Act without so restricting, limiting or conditioning the Plan with respect to other Participants. Additionally, in interpreting and applying the provisions of the Plan, any Option granted as an Incentive Stock Option pursuant to the Plan shall, to the extent permitted by law, be construed as an "*incentive stock option*" within the meaning of Section 422 of the Code.

**13.6**            **Participants in Other Countries**

The Plan Administrator shall have the authority to adopt such modifications, procedures and subplans as may be necessary or desirable to comply with provisions of the laws of other countries in which the Company or any Related Company may operate to assure the viability of the benefits from Options granted to Participants employed in such countries and to meet the objectives of the Plan.

**13.7**            **No Trust or Fund**

The Plan is intended to constitute an “*unfunded*” plan. Nothing contained herein shall require the Company to segregate any monies or other property, or Common Shares, or to create any trusts, or to make any special deposits for any immediate or deferred amounts payable to any Participant, and no Participant shall have any rights that are greater than those of a general unsecured creditor of the Company.

**13.8**            **Severability**

If any provision of the Plan or any Option is determined to be invalid, illegal or unenforceable in any jurisdiction, or as to any person, or would disqualify the Plan or any Option under any law deemed applicable by the Plan Administrator, such provision shall be construed or deemed amended to conform to applicable laws, or, if it cannot be so construed or deemed amended without, in the Plan Administrator’s determination, materially altering the intent of the Plan or the Option, such provision shall be stricken as to such jurisdiction, person or Option, and the remainder of the Plan and any such Option shall remain in full force and effect.

**13.9**            **Choice of Law**

The Plan and all determinations made and actions taken pursuant hereto shall be governed by the laws of the State of Nevada, U.S.A., without giving effect to principles of conflicts of law.

**ARTICLE 14. EFFECTIVE DATE**

The effective date is December 14, 2012, being the date on which the Plan was adopted by the Board. If the stockholders of the Company do not approve the Plan within 12 months after the Board’s adoption of the Plan, any Incentive Stock Options granted under the Plan will be treated as Nonqualified Stock Options.

**BY ORDER OF THE BOARD OF DIRECTORS OF  
FRESH START PRIVATE MANAGEMENT INC.**

Per:

Jorge Andrade

Chief Executive Officer and a director

Neil Muller

President and a director

---