

Arzoti, Inc.

Restrictions to the Gifted Shares of Callable Common Stock

- Each share is a gift and issued at no cost to the shareholder. Thus, it has a no or zero basis to the individual.
- Each share is 'callable' for \$2,300,000 US dollars. In essence, the corporation (Arzoti, Inc.) will buy back the stock when sales exceed \$8 billion.
- When the share is 'called back' by the corporation, the individual must sell the share at that time. Failure to do so will render the share with a value of \$0.
- When the corporation buys back the stock, all applicable USA federal, state, local and international taxes will be paid at the time of funding. No one will be set up for failure by not doing this.
- An individual that owns one share must keep at least \$1 million dollars. The maximum amount that can be donated over the \$1 million is \$2.3 million less the applicable taxes.
- Of the \$1 million that must be kept by an individual, \$250,000 will be put into a separate bank account. This account will be in the individuals name and the founders name and will be used exclusively for travel. Once a year, there will be a get together/party for all of the gifted shareholders. The money in the special account will be used for travel to the annual party. Therefore, no gifted shareholders can use the lack of money not to show up. The first annual party will be determined by the founder. Ideas for the subsequent year's party will be submitted by gifted shareholders. A majority vote of the gifted shareholders will determine the event.
- If an individual dies or chooses not to travel to the annual parties, the unused funds in the travel account reverts back to the company. These funds will be available for multi owners of a share of gifted common stock.
- Up to 10 individuals can own a share of gifted common stock. The aforementioned dollar restrictions will be prorated according to how many people own the share of common stock. The voting rights and other restrictions will also be prorated accordingly.
- The share is nontransferable and cannot be sold to any other entity other than Arzoti, Inc.
- Each share has voting rights and there will be an annual meeting. It is imperative, that the corporation focus on executing its business plan for success. It will not go through the time and expense of sending individual proxy statements to gifted shareholders. Notice of the annual meeting and issues to vote on will be sent via email or text. All gifted shares of common stock will vote as a group. Arzoti, Inc. will designate one gifted shareholder to vote for all of the gifted shareholders.

- The gifted stock is only for the person in question. Not the estate, spouse, partner or other family members. If the person in question cannot be located or declines the stock the offer is rescinded. Thus, the stock reverts back to the corporation to gift to another individual or individuals.
- There will be a period in time where the corporation and its gifted shareholders (or anyone for that matter) will actively search to locate people. Once that period has ended, a list of individuals will be posted on the website (also perhaps Facebook). Anyone can help locate a person. Someone who finds an individual will be awarded 1/3 value of the stock. The exact dates will be posted on the website.
- There will be a cutoff date for the stock giveaway. After the cutoff date the stock giveaway ends and all unclaimed stock will revert back to the corporation. The cutoff date will be posted on the website.
- The individual or individuals that own a share of the common stock only have to provide an email and a phone number at the time this document is signed and dated. Our preferred method of communication is email. If you prefer the phone, we will communicate via texts. It must be noted, that all personal information (address, social security number, etc.) must be provided in a timely fashion for Internal Revenue Service purposes or any governmental entity. The IRS will not allow funding of the stock without personal information. Period. Failure to comply will result in loss of the share of common stock. If the USA federal or a state government or a foreign government requires the personal information for any reason, the failure to comply will result in the forfeiture of the share of common stock.
- Please prepare a will.
- All information on the voting system and business model must be kept confidential until receiving written notice via an email or a text.

Shareholder Number _____

Shareholder (E Signature)	Shareholder (Printed Name)	Date
_____	_____	_____

Email Address	Phone Number
_____	_____

*IF A MINOR

Shareholder (E Signature)	Shareholder (Printed Name)	Date
_____	_____	_____

*Guardian

Shareholder (E Signature)

Shareholder (Printed Name)

Date

Email Address or Phone Number

Founder (E Signature)

Founder (Printed Name)

Date

CONFIDENTIAL