



Intelligent Fund Management, LLC

August 10, 2018
Private Placement Memorandum

Intelligent Fund Management, LLC

CONFIDENTIAL

This Private Placement Memorandum contains confidential and proprietary information belonging exclusively to Intelligent Fund Management, LLC.

Copyright © 2018

All Rights Reserved. This Private Placement Memorandum, or parts thereof, may not be reproduced in any form without permission.

This Private Placement Memorandum is provided solely for convenience and does not constitute legal or investment advice. The materials and content provided in this Private Placement Memorandum are provided for information purposes only. The information is provided by Intelligent Fund Management, LLC, and while we endeavor to keep the information up to date and correct, we make no representations or warranties of any kind, express or implied, about the completeness, accuracy, or reliability of the data contained in this prospectus or the suitability of the offering for an investor.

Any graphics or images utilized in this Private Placement Memorandum are for display purposes only and, unless otherwise noted, are not necessarily related to the operations of the Company.

1

SYNOPSIS OF OPERATIONS

Returns Matter	9
Rise of the Robo Advisors	12
Why IFM?	20
The Management Team	22

2

PRIVATE PLACEMENT MEMORANDUM

PPM Summary	27
Offering Summary	32
Certain Notices	36
Disclosures	38
NASAA Legend	39
Preliminary Risk Disclosure	43
History & Plan of Operations	44
Current Members	64
Management Compensation	66
Dilution	69
Investor Suitability Standards	70
Forward Looking Information	74
Certain Risk Factors	76
Use of Proceeds	84
ERISA Considerations	87

TABLE OF CONTENTS



3

EXHIBITS

Exhibit A: Supporting Documentation and Data	90
Exhibit B: Operating Agreement	98
Exhibit C: Financials	128
Exhibit D: Subscription Agreement & Investor Suitability Questionnaire	140

SECTION 1: Synopsis of Operations



RETURNS MATTER

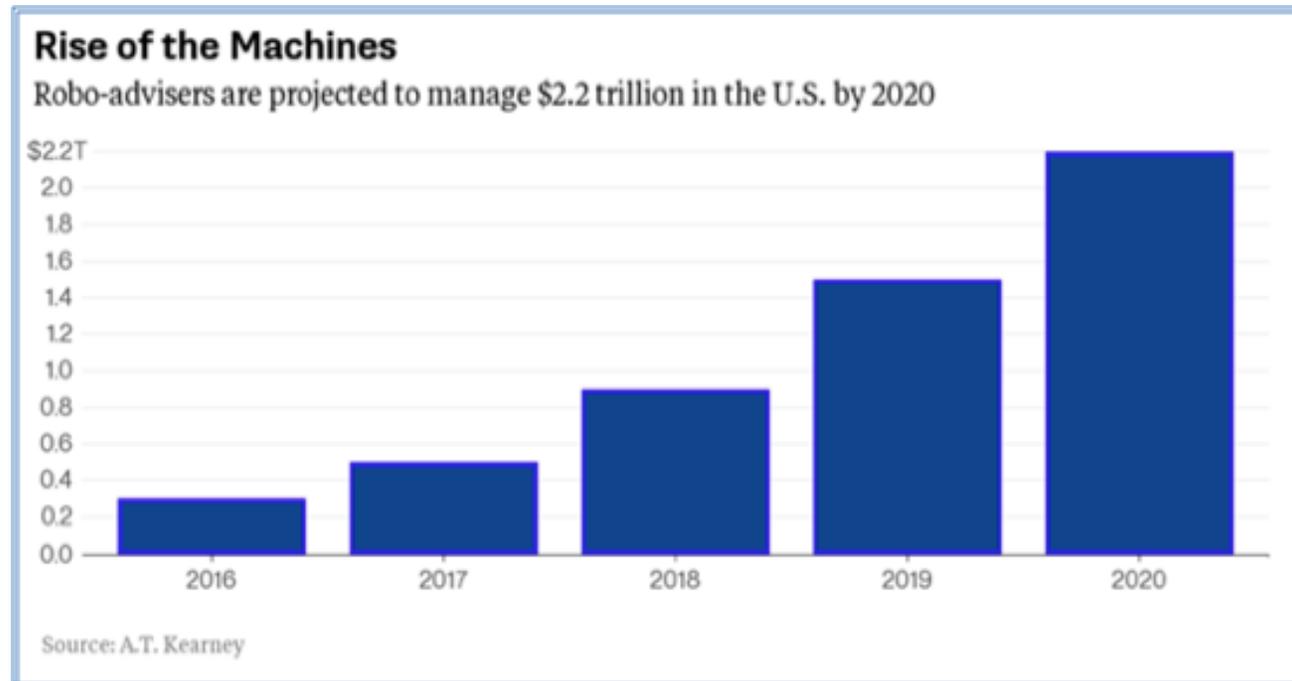
Intelligent Fund Management, LLC (“IFM” or the “Company”) is a Texas Limited Liability Company formed in February of 2016 for the purpose of developing an automated investment platform that would surpass current generation Robo Advisor returns. When investors begin setting aside funds for a home purchase, retirement, or other goal, they generally don’t think in terms of “saving their way to prosperity.” Investors want their money to make money. But this seemingly obvious goal appears to be the last thing promoted by a new class of companies providing automated investment advice – the Robo Advisors.

What is a “Robo Advisor?” A “Robo Advisor” is an on-line (usually) portfolio management service of a company that has automated the asset allocation models using software analytics to allocate funds. They typically use Modern Portfolio Theory (MPT) for their allocation; a financial allocation theory first published in 1952. Investors are asked a few questions intended to identify investment goals, time horizon and risk tolerance, after which the algorithm is used to determine a fixed mix of stocks, bonds, and other assets, (usually in the form of exchange traded funds) that meet the investor’s risk and objectives profile. The sales approach for current Robo Advisors generally offers lower fees, and simplicity of investment decisions.

According to a 2015 report by A.T. Kearney, total assets under management (AUM) with the Robo Advisors are projected to top \$2 Trillion by 2020 – just 2 years away. The enormous level of funding and AUM growth have catapulted Robo Advisors into the spotlight as more investors sign up and transfer funds into these accounts. So how are they doing?

Robo Advisors are consistently underperforming in the market, and market risk hasn’t been reduced enough to justify the shortfall. Enter Nirvana Systems, Inc. (“Nirvana”), a software company founded by Ed Downs in 1987 to pursue the art of automated trading. Active traders and investors have used Nirvana’s products for many years, running automated strategies on PCs and servers to trade their brokerage accounts.

With nearly 30 years of experience in the trading and investing field, the Nirvana team saw the emergence of the Robo Advisors as the first time computers were actively being used to manage the accounts of everyday investors. Automated trading had finally become a mainstream concept. The Nirvana team believed that higher returns could be generated, at less risk, by employing advanced asset switching algorithms, which is the basis for the OmniFunds product.



Massive growth in Robo Advisor AUM predicted over the next 3 years.

In 2015, a prototype was developed to test the OmniFunds concept. Then, in February of 2016, Mr. Downs formed Intelligent Fund Management, LLC and engaged the Nirvana staff to develop the platform. In less than 12 months, IFM had developed and deployed algorithms that already showed the promise of significantly beating Robo Advisor returns. In the two years since IFM was founded, numerous improvements have been made and OmniFunds has demonstrated superior performance in actual brokerage accounts.

IFM is now positioned to register with the SEC and begin marketing to consumers, high net worth investors, and institutions. Intelligent Fund Management, LLC invites interested accredited investors to carefully review the Company's Private Placement Memorandum. Potential investors are encouraged to ask questions of management regarding the Company's forward operational plans and how they can get involved through this Offering by calling (512) 345-2545.



RISE OF THE ROBO ADVISORS

A new generation is using smart phones to manage every aspect of their lives, from department store purchases to social media. Checking one's bank account is also suddenly very easy, thanks to new web sites and mobile apps.

Millennials are comfortable with technology. When it comes to investing to them it makes no sense to hire a human advisor if a computer can do the same job at a fraction of the cost.

In 2010, Jon Stein started Betterment. Other Robo Advisors, including Wealthfront, SigFig and Future Advisor followed. Assets Under Management (AUM) for the independent Robo Advisors have reached \$25 billion in 2018. The total current AUM for Robo Advisors across all the major brokers (Vanguard, Schwab, E*Trade, etc.) is approaching \$150 billion.

Investment capital has been readily available. Betterment has received \$275 million to date, and was recently valued at \$800 million by an independent firm – not based on current revenues, but on future revenues due to projected growth of the industry.

How Important is Cost vs. Returns?

The primary benefit promoted by the Robo Advisors is low fees. Having Betterment manage your account can cost as little as 15 basis points (0.15%) per year. This makes the cost to manage a \$100,000 account just \$12 per month.

The problem is, low fees don't necessarily yield account growth. Real returns can only be achieved through prudent security selection and allocation.

So, the question arises, **"How well have the Robo Advisors performed for their clients?"**

Company	Raised (M)	AUM (B)
Betterment	\$275.0	\$14.0
Wealthfront	\$204.0	\$10.0
Personal Capital	\$215.0	\$7.0
Future Advisor	\$21.5	\$1.0
SigFig	\$117.0	\$.21
Stash	\$78.0	\$.12
	\$910.5 M	\$32.33 B

Robo Advisor Performance: Where's The Beef?

Since Robo Advisors have been managing money since 2010, one would think performance comparisons showing actual returns would be plentiful. But this isn't the case. In fact, it's very difficult to find any comparisons of Robo Advisor performance to the general market.

Intelligent Fund Management, LLC found one article published in 2014, "Assessing the 2014 Robo Advisor Performance"¹ that compared the ACTUAL performance of two companies to the market in that year. Betterment's 12-month return of 3.43% was significantly below the S&P 500 index at 13.46%. And Wealthfront's most aggressive fund returned just 4.83%. That's a 9-10% difference.

Senzu, another monitoring company, measured Wealthfront and Betterment's performance from 2013 through 2016, publishing their findings in "Compare Performance and Portfolios of the Robo Advisors."² Again, their findings show the Robo Advisors under-performing the market.

Which Robo Advisors were recommended for 2017? "Best Robo-Advisors: 2017 Top Picks" by Nerdwallet, declared Betterment and Wealthfront as the clear choices. But again, there is NO MENTION as to how well those services have actually performed.

Digging deeper, IFM finds that FutureAdvisor is one of the few Robo Advisors that does report performance on their site. On the following page is an overlay of their model portfolio superimposed on the S&P 500.

Performance so far in 2018

On July 20, 2018, we compared Robo Advisor performance at www.Senzu.io.² The S&P 500 was up 4.4%. However, the best Robo Advisor fund in this comparison was only up 2.0% - less than half the return of the market.

The key question here is, "**Why do Robo Advisors consistently under-perform the market?**"

Company	Fund	Return YTD
Acorn	90/10	+2.00%
Wise Banyon	90/10	+1.68%
Wealth Simple	80/20	+1.40%
Wealthfront	90/10	+0.38%
Betterment	90/10	-0.41%

Returns of well-known Robo-Advisor Funds YTD through July 20, 2018, were underperforming the stock market (S&P 500) by 50%.

1 <http://www.pragcap.com/assessing-the-2014-robo-advisorperformance>

2 <https://senzu.io/investing/robo-advisors>

nerdwallet Credit Cards Banking Investing Mortgages Loans Insurance

Best Robo-Advisors: 2017 Top Picks

ARIELLE O'SHEA
January 5, 2017 • Advisors, Investing

NerdWallet offers financial tools and objective advice to help people understand their options and make the best possible decisions. The guidance we offer and info we provide are deeply researched, objective and independent.

We spent over 300 hours reviewing the top online robo-advisors before selecting the best for our readers. And to help you find the one that's best for you, we've highlighted their pros, cons and current offers.

The robo-advisor has officially gone mainstream, with a series of automated advisory launches over the past year by incumbent online brokers. E-Trade put out **E-Trade Adaptive Portfolio**, Fidelity now has Fidelity Go, and TD Ameritrade soft launched **TD Ameritrade Essential Portfolios**.



Why Do Robo Advisors Under-Perform?

Articles typically rate Robo Advisors on fees and features with no mention of returns. Future Advisor is one of the few Robo Advisors who publish returns. The graphic on the right shows an overlay of their performance that is 10% below the market since 2013.

The financial allocation model called Modern Portfolio Theory was published by Harry Markowitz in 1952, for which he was awarded the Nobel Prize in economics for his work.

The MPT formulas measure how securities have behaved relative to each other over many years to construct an asset allocation model to either maximize returns or minimize risk at the user's option – assuming these markets behave the same today as they have in the past.

Investment advisors have been using MPT for the last 60 years, but markets have changed. For example the U.S. stock market experienced 40% to 50% declines in 2000 and again in 2008 – events which weren't evident in data that was used to construct the models. As a result, investors lost substantial amounts in their accounts and began looking for new advisors.

We've all seen the statement,

"Past performance is no guarantee of future results."

Just because bonds have tended to cushion market declines over the past does not mean they will do so this year. But this failed belief is the central tenet of the MPT theory – that relationships from the past will continue in the future.

The Nirvana team has been analyzing the market for 30 years and has determined that measuring co-variance and correlation between asset classes over many years of past data to predict future Returns or Risk is unlikely to work consistently, **because different markets (stocks, bonds, commodities, currencies, etc.) are continually changing in their relationships to each other.**



In general:

- Expected return:

$$E(R_p) = \sum_i w_i E(R_i)$$

where R_p is the return on the portfolio, R_i is the return on asset i and w_i is the weighting of asset i in the portfolio.

- Portfolio return variance:

$$\sigma_p^2 = \sum_i w_i^2 \sigma_i^2 + \sum_i \sum_{j \neq i} w_i w_j \sigma_i \sigma_j \rho_{ij}$$

where σ is the (sample) standard deviation of the periodic returns on an asset, and ρ_{ij} is the correlation coefficient between the returns on assets i and j . Alternatively the expression can be written as:

$$\sigma_p^2 = \sum_i \sum_j w_i w_j \sigma_i \sigma_j \rho_{ij}$$

where $\rho_{ij} = 1$ for $i = j$, or

$$\sigma_p^2 = \sum_i \sum_j w_i w_j \sigma_{ij}$$

where $\sigma_{ij} = \sigma_i \sigma_j \rho_{ij}$ is the (sample) covariance of the periodic returns on the two assets, or alternatively denoted as $\sigma(i, j)$, cov_{ij} or $cov(i, j)$.

- Portfolio return volatility (standard deviation):

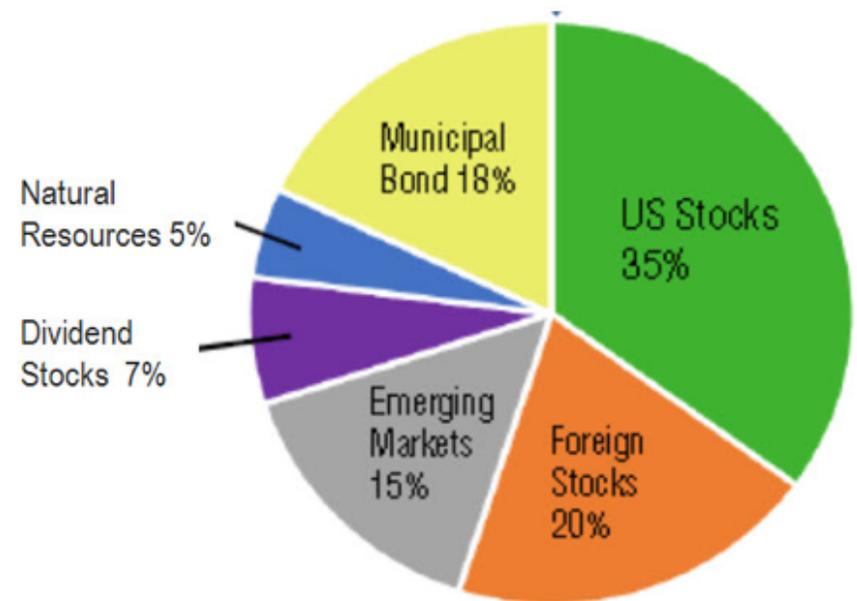
$$\sigma_p = \sqrt{\sigma_p^2}$$

For a two asset portfolio:

- Portfolio return: $E(R_p) = w_A E(R_A) + w_B E(R_B) = w_A E(R_A) + (1 - w_A) E(R_B)$.
- Portfolio variance: $\sigma_p^2 = w_A^2 \sigma_A^2 + w_B^2 \sigma_B^2 + 2w_A w_B \sigma_A \sigma_B \rho_{AB}$

For a three asset portfolio:

- Portfolio return: $E(R_p) = w_A E(R_A) + w_B E(R_B) + w_C E(R_C)$
- Portfolio variance: $\sigma_p^2 = w_A^2 \sigma_A^2 + w_B^2 \sigma_B^2 + w_C^2 \sigma_C^2 + 2w_A w_B \sigma_A \sigma_B \rho_{AB} + 2w_A w_C \sigma_A \sigma_C \rho_{AC} + 2w_B w_C \sigma_B \sigma_C \rho_{BC}$



The goal of MPT: To determine an asset mix that maximizes return or minimizes risk as a result of years of analysis.

Formulas for Modern Portfolio Theory by Harry Markowitz

The Real Problem With Modern Portfolio Theory (MPT)

The real problem with MPT is that virtually all asset classes become correlated in market corrections. The graphic below is one of the portfolios promoted by Wealthfront – their “Taxable” Portfolio. The mix of exchange traded funds (ETF) was determined by MPT, and remained constant through all of 2015.

As the market dropped in 2015, virtually all of these ETFs became “correlated” and dropped with it. The result was the significant draw-down seen in the graph on the following page.

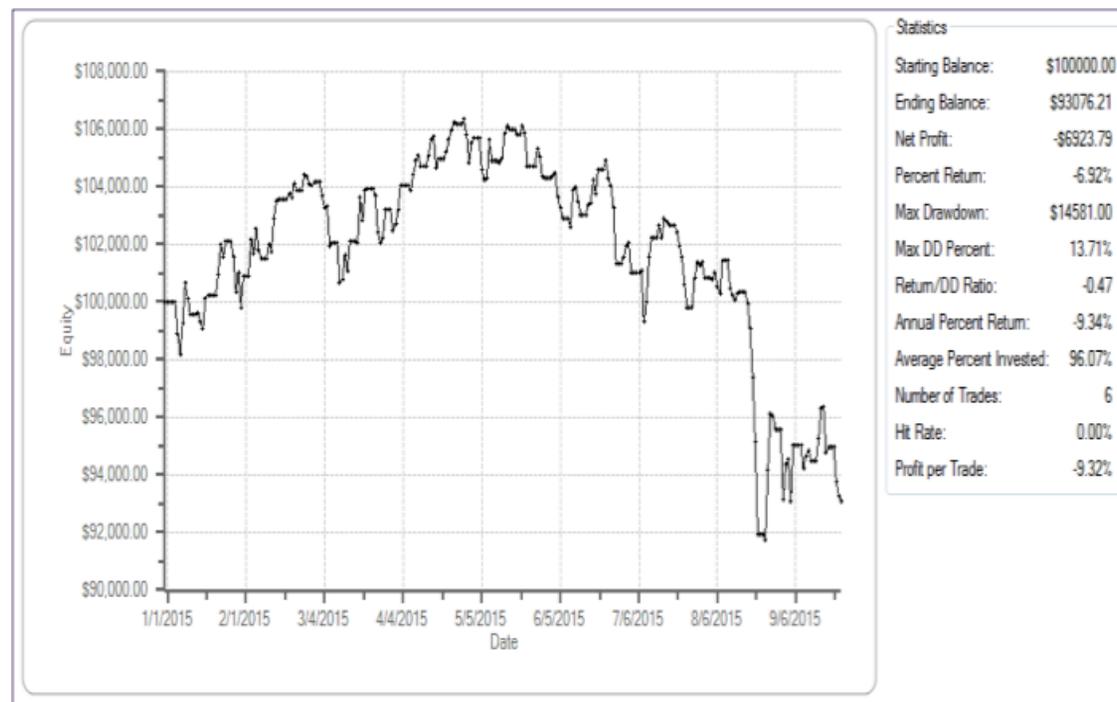
It is quite clear that simply spreading assets between Stocks, Bonds, Foreign Markets and Commodities does not do an adequate job of protecting the investor from risk.

In the 2008 correction, virtually all Robo Advisor models show high drawdowns that are very similar in magnitude to the market.

Proponents of MPT say that when the market corrects like it did in 2015, the effect on investor accounts shouldn’t matter because it’s the best anyone can do in a down market. IFM has considerable evidence that this simply is not true.



Wealthfront taxable portfolio investment mix in 2015



Simulated performance of the Wealthfront Taxable portfolio, 1/1/2015 – 10/1/2015

Another Example Of MPT (Non) Performance

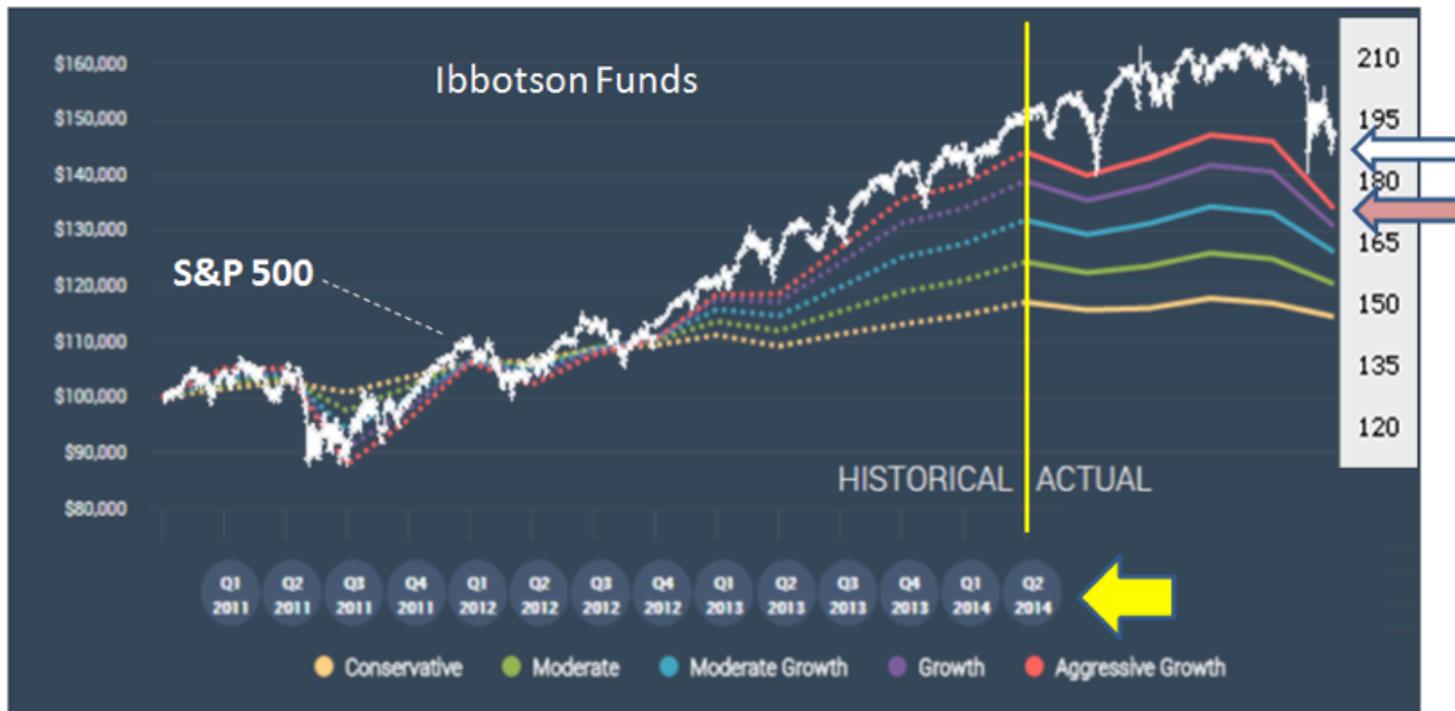
Ibbotson is a software company that builds and sells the MPT software used by many Robo Advisors, including TradeKing Advisors.

On the following page is a graph of 5 Ibbotson funds as shown on the TradeKing Advisors web site. The dashed lines represent the development or “Back Test” period prior to release in the second quarter of 2014. A curve of the S&P 500 has been overlaid to the proper scale.

During the Development Period (dashed lines), the performance of the most aggressive Ibbotson fund was similar to that of the stock market. However, after release, the performance significantly lagged the market.

If an investor would have simply invested in the general market through an index ETF, they would have made about 10% more than the most aggressive portfolio. Why does this occur? MPT does a good job of modeling past market behavior but a poor job of predicting future market behavior.

Given all this evidence, the question we have to ask is, "Why would someone invest using MPT?" Proponents of the theory say that it reduces risk. But IFM doesn't see evidence that risk is actually reduced in MPT-driven portfolios without also sacrificing a similar amount of return. The same degree of risk reduction can be generated by simply keeping a significant portion of an account in cash.



Graph of 5 Ibbotson funds provided by Ibbotson and featured on the TradeKing Advisors web site, showing prior to release (dotted line) and post-release (solid line). An overlay of the S&P 500 has been added for reference, using the same return scale as the funds. One can quickly see that an investment in the general market (for example, the ETF "SPY") would have outperformed ALL the Ibbotson funds.

WHY INTELLIGENT FUND MANAGEMENT?

Nirvana Systems, Inc. was established in 1987 by Ed Downs with the mission of building trading and investing strategies for the individual investor and trader. For over 30 years, Nirvana Systems has been dedicated to giving their clients everything they need to help them succeed in their financial lives.

Nirvana Systems, Inc. has won over 100 TASC Readers Choice Awards since 1999.

- Standalone Analytical Software \$1000 or More
- Standalone Analytical Software \$500 - \$1000
- Standalone Analytical Software \$500 or Less
- Artificial Intelligence Software
- Futures Trading Systems
- Stock Trading Systems
- End of Day Data



TECHNICAL ANALYSIS OF **STOCKS & COMMODITIES**
Award Winning Software & Data

Watching the growth of the Robo Advisors in 2014 and 2015, Mr. Downs recognized that the technology Nirvana had developed over 30 years, including Artificial Intelligence, could be applied in the digital advisor space. In February 2016, Mr. Downs launched Intelligent Fund Management, LLC ("IFM") to leverage this technology in a new investment platform called OmniFunds.

Eight years have elapsed since the first Robo Advisors appeared. Today, most of them remain focused on passive investment strategies and nearly all promote low fees. Market history has proven that passive strategies do a poor job of providing downside market protection, and generally under-perform the stock market. Intelligent Fund Management, LLC is dedicated to providing technology that yields both higher performance and better protection for its clients.



THE MANAGEMENT TEAM

The Company is currently managed by a seasoned business and sector professional dedicated to the success of the Company and efficient execution of its planned operations. The Company is currently managed under the Professional Services and License Agreement by the Management Team of Nirvana Systems, Inc. (Nirvana). See page 62 for more information.



H. Edward Downs II - CEO and Founder

Ed has more than 29 years of experience in trading and software development. Ed received a Bachelor of Science degree in mechanical engineering from the University of Texas at El Paso, and a Master of Science Degree in Electrical Engineering from the University of Texas at Austin. Prior to founding Nirvana Systems, Inc., Ed worked on design automation software for Tektronix.

Since 1987, Nirvana has focused on creating and marketing advanced automation platforms, including such products as OmniTrader and VisualTrader. In addition to inventing the original concepts for OmniTrader and VisualTrader, Ed has published several books and trading seminars, including *The 7 Chart Patterns that Consistently Make Money*. Ed currently serves as President and CEO of Nirvana.



SECTION 2: Private Placement Memorandum



Intelligent Fund Management, LLC

\$5,000,100

Class B Limited Liability Company Membership Units
August 10, 2018

Intelligent Fund Management, LLC (the "Company" or "IFM"), a Texas Company, is offering a maximum of 350 Class B Membership Units for \$14,286 per Unit. The offering price per unit has been arbitrarily determined by the Company. **See Risk Factors: Offering Price.**

THESE ARE SPECULATIVE SECURITIES, WHICH INVOLVE A HIGH DEGREE OF RISK. ONLY THOSE INVESTORS WHO CAN BEAR THE LOSS OF THEIR ENTIRE INVESTMENT SHOULD INVEST IN THESE UNITS.

THE SECURITIES OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), THE SECURITIES LAWS OF THE STATE OF TEXAS, OR UNDER THE SECURITIES LAWS OF ANY OTHER STATE OR JURISDICTION IN RELIANCE UPON THE EXEMPTIONS FROM REGISTRATION PROVIDED BY THE ACT AND REGULATION D RULE 506(c) PROMULGATED THEREUNDER, AND THE COMPARABLE EXEMPTIONS FROM REGISTRATION PROVIDED BY OTHER APPLICABLE SECURITIES LAWS.

	Sales Price	Est. Offering Expenses ⁽¹⁾	Est. Proceeds to Company
Unit Price	\$14,286.00	\$714.30	\$13,571.70
Maximum	\$5,000,100.00	\$250,005.00	\$4,750,095.00

The Company reserves the right to waive the one (1) Unit minimum subscription for any investor. The Offering is not underwritten. The Units are offered on a “best efforts” basis by the Company through its management. The Company has not set a minimum offering amount for this Offering. All proceeds from the sale of Units will be deposited in the Company’s operating bank account and made available for immediate use by the Company at its discretion. Certain States may impose rules allowing an investor to rescind investment within a certain period post-subscription.

(1) Units may also be sold by FINRA member brokers or dealers who enter into a Participating Dealer Agreement with the Company, who will receive commissions of up to 10% of the price of the Units sold. The Company reserves the right to pay expenses related to this Offering from the proceeds of the Offering. See “PLAN OF PLACEMENT and USE OF PROCEEDS” section.

The Offering will terminate on the earliest of: (a) the date the Company, in its discretion, elects to terminate, or (b) the date upon which all Units have been sold, or (c) August 10, 2019 (the “Offering Period”).

THIS OFFERING IS NOT UNDERWRITTEN. THE OFFERING PRICE HAS BEEN ARBITRARILY SET BY THE MANAGEMENT OF THE COMPANY. THERE CAN BE NO ASSURANCE THAT ANY OF THE SECURITIES WILL BE SOLD.

THE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES AGENCY, NOR HAS ANY SUCH REGULATORY BODY REVIEWED THIS PRIVATE OFFERING MEMORANDUM FOR ACCURACY OR COMPLETENESS. BECAUSE THESE SECURITIES HAVE NOT BEEN SO REGISTERED, THERE MAY BE RESTRICTIONS ON THEIR TRANSFERABILITY OR RESALE BY AN INVESTOR.

EACH PROSPECTIVE INVESTOR SHOULD PROCEED ON THE ASSUMPTION THAT HE MUST BEAR THE ECONOMIC RISKS OF THE INVESTMENT FOR AN INDEFINITE PERIOD, SINCE THE SECURITIES MAY NOT BE SOLD UNLESS, AMONG OTHER THINGS, THEY ARE SUBSEQUENTLY REGISTERED UNDER THE APPLICABLE SECURITIES ACTS OR AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE.

THERE IS NO TRADING MARKET FOR THE COMPANY'S MEMBERSHIP UNITS AND THERE CAN BE NO ASSURANCE THAT ANY MARKET WILL DEVELOP IN THE FUTURE OR THAT THE UNITS WILL BE ACCEPTED FOR INCLUSION ON NASDAQ OR ANY OTHER TRADING EXCHANGE AT ANY TIME IN THE FUTURE.

THE COMPANY IS NOT OBLIGATED TO REGISTER FOR SALE UNDER EITHER FEDERAL OR STATE SECURITIES LAWS THE UNITS PURCHASED PURSUANT HERETO, AND THE ISSUANCE OF THE UNITS IS BEING UNDERTAKEN PURSUANT TO RULE 506(c) OF REGULATION D UNDER THE SECURITIES ACT.

ACCORDINGLY, THE SALE, TRANSFER, OR OTHER DISPOSITION OF ANY OF THE UNITS, WHICH ARE PURCHASED PURSUANT HERETO, MAY BE RESTRICTED BY APPLICABLE FEDERAL OR STATE SECURITIES LAWS (DEPENDING ON THE RESIDENCY OF THE INVESTOR) AND BY THE PROVISIONS OF THE SUBSCRIPTION AGREEMENT REFERRED TO HEREIN. THE OFFERING PRICE OF THE SECURITIES HAS BEEN ARBITRARILY ESTABLISHED BY THE COMPANY AND DOES NOT NECESSARILY BEAR ANY SPECIFIC RELATION TO THE ASSETS, BOOK VALUE OR POTENTIAL EARNINGS OF THE COMPANY OR ANY OTHER RECOGNIZED CRITERIA OF VALUE.

No person is authorized to give any information or make any representation not contained in the Memorandum and any information or representation not contained herein must not be relied upon. Nothing in this Memorandum should be construed as legal or tax advice.

The Company's Management has provided all of the information stated herein. The Company makes no express or implied representation or warranty as to the completeness of this information or, in the case of projections, estimates, future plans, or forward looking assumptions or statements, as to their attainability or the accuracy and completeness of the assumptions from which they are derived, and it is expected that each prospective investor will pursue his, her, or its own independent investigation. It must be recognized that estimates of the Company's performance are necessarily subject to a high degree of uncertainty and may vary materially from actual results.

Other than the Company's Management, no one has been authorized to give any information or to make any representation with respect to the Company or the Units that is not contained in this Memorandum. Prospective investors should not rely on any information not contained in this Memorandum.

This Memorandum does not constitute an offer to sell or a solicitation of an offer to buy to anyone in any jurisdiction in which such offer or solicitation would be unlawful or is not authorized or in which the person making such offer or solicitation is not qualified to do so. This offering is only available to suitable "accredited" investors as defined by Rule 501 of Regulation D and all subscriptions for purchase of securities will be subject to verification by the Company of the investors status as an accredited investor.

This Memorandum does not constitute an offer if the prospective investor is not qualified under applicable securities laws.

This offering is made subject to withdrawal, cancellation, or modification by the Company without notice and solely at the Company's discretion. The Company reserves the right to reject any subscription or to allot to any prospective investor less than the number of units subscribed for by such prospective investor.

This Memorandum has been prepared solely for the information of the person to whom it has been delivered by or on behalf of the Company. Distribution of this Memorandum to any person other than the prospective investor to whom this Memorandum is delivered by the Company and those persons retained to advise them with respect thereto is unauthorized. Any reproduction of this Memorandum, in whole or in part, or the divulgence of any of the contents without the prior written consent of the Company is strictly prohibited. Each prospective investor, by accepting delivery of this Memorandum, agrees to return it and all other documents received by them to the Company if the prospective investor's subscription is not accepted or if the Offering is terminated.

By acceptance of this Memorandum, prospective investors recognize and accept the need to conduct their own thorough investigation and due diligence before considering a purchase of the Units. The contents of this Memorandum should not be considered to be investment, tax, or legal advice and each prospective investor should consult with their own counsel and advisors as to all matters concerning an investment in this Offering.

Intelligent Fund Management, LLC

The date of this Private Placement Memorandum is August 10, 2018.

The logo consists of two overlapping circles. The left circle is dark blue and the right circle is light blue. The text "Intelligent Fund Management" is written in white, with "Intelligent" and "Fund" on the top line and "Management" on the bottom line, centered across both circles.

Intelligent Fund
Management

OFFERING SUMMARY

The following material is intended to summarize information contained elsewhere in this Private Offering Memorandum (the "Memorandum"). This summary is qualified in its entirety by express reference to this Memorandum and the materials referred to and contained herein.

Each prospective subscriber should carefully review the entire Memorandum and all materials referred to herein and conduct his or her own due diligence before subscribing for Membership Units.

THE COMPANY

Intelligent Fund Management, LLC (“IFM”, or the “Company”), began operations on March 1, 2016 with the purpose of operating a self-directed platform for managing client funds through a security-switching process called OmniFunds. The platform is designed to compete in the “Robo Advisor” space offering higher returns with reduced risk. The Company’s legal structure was formed as a limited liability company (LLC) under the laws of the State of Texas on February 26, 2016.

Its principal offices are presently located at 9111 Jollyville Rd. Ste 275, Austin, Texas 78759. The Company’s telephone number is (512) 345-2545. The Managing Member of the Company is H. Edward Downs II.

BENEFITS OF LLC MEMBERSHIP

The limited liability company (LLC) is a relatively new form of doing business in the United States (in 1988 all 50 states enacted LLC laws). The best way to describe an LLC is to explain what it is not. An LLC is not a corporation, a partnership nor is it a sole proprietorship

The LLC is a hybrid that combines the characteristics of a corporate structure and a partnership structure. It is a separate legal entity like a corporation but it has entitlement to be treated as a partnership for tax purposes and therefore carries with it certain tax benefits for the investors.

The owners and investors are called members and can be virtually any entity including individuals (domestic or foreign), corporations, other LLCs, trusts, pension plans etc. Unlike corporate stocks and shares, members purchase Membership Units. Typically, Members who hold the majority of the voting class membership units maintain controlling management of the LLC as specified in the LLC operating agreement.

The primary advantage of an LLC is limiting the liability of its members. Unless personally guaranteed, members are not personally liable for the debts and obligations of the LLC. Additionally, “pass-through” or “flow-through” taxation is available, meaning that (generally speaking) the earnings of an LLC are not subject to double taxation unlike that of a “standard” corporation. However, they are treated like the earnings from partnerships, sole proprietorships and S corporations with an added benefit for all of its members. There is greater flexibility in structuring the LLC than is ordinarily the case with a corporation, including the ability to divide ownership and voting rights in unconventional ways while still enjoying the benefits of “pass-through” taxation.

BUSINESS PLAN

Portions of the Intelligent Fund Management, LLC business plan were prepared by the Company using certain assumptions including several forward looking statements. Each prospective investor should carefully review this Memorandum and all related Exhibits before purchasing Units. Management makes no representations as to the accuracy or achievability of the underlying assumptions and projected results contained herein.

THE OFFERING

The Company is offering a maximum of 350 Class B Membership Units at a price of \$14,286 per Unit. Upon completion of the Offering 230 existing Class B Units will be issued and between 0 and 350 new Class B Membership Units will be issued.

The Class B Membership Units shall participate in a pro-rata percentage of any net income approved for distribution to Members. Assuming maximum proceeds are raised through this Offering, the new Class B Unitholders who invest through this Offering would participate in twenty five percent (25%) of any net income generated by the Company and approved for distribution to the Members whether derived from net operating profit or from capital gains from the sale of assets. See "Exhibit B - Operating Agreement".

Each purchaser must execute a Subscription Agreement making certain representations and warranties to the Company, including such purchaser's qualifications as an Accredited Investor as defined by the Securities and Exchange Commission in Rule 501(a) of Regulation D promulgated. See "REQUIREMENTS FOR PURCHASERS" section.

PROCEEDS

Proceeds from the sale of Units will be used for funding the services agreement with Nirvana Systems to complete development, deployment, marketing, and management of the platform and related operational expenses. See "USE OF PROCEEDS" section.

NO MINIMUM OFFERING PROCEEDS; NO ESCROW OF SUBSCRIPTION FUNDS

The Company has not set a minimum offering proceeds figure (the “minimum offering proceeds”) for this Offering. All subscribed funds shall be made available to the Company for immediate use without the requirement that a minimum aggregate amount of capital be raised prior to use by the Company. See “Risks Factors - Inadequacy of Funds”. Investors from certain States, such as Florida, may have rights to a rescission of investment within a certain time after investment subscription.

REGISTRAR

The Company will serve as its own registrar and transfer agent with respect to its Membership Units.

MEMBERSHIP UNITS

Upon the sale of the maximum number of Units from this Offering, the number of issued Membership Units of the Company will be held as follows:

Present Members (Class A Voting)	59%
Present Members (Class B Non-Voting)	16%
New Members (Class B Non-Voting)	25%

SUBSCRIPTION PERIOD

The Offering will terminate on the earliest of: (a) the date the Company, in its discretion, elects to terminate, or (b) the date upon which all Units have been sold, or (c) August 10, 2019 (the “Offering Period”).

CERTAIN NOTICES

FOR RESIDENTS OF ALL STATES:

THE SECURITIES OFFERED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED ("SECURITIES ACT"), OR THE SECURITIES LAWS OF CERTAIN STATES ARE BEING OFFERED AND SOLD IN RELIANCE ON EXEMPTIONS OF SAID ACT AND SUCH LAWS. THE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR OTHER REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THIS OFFERING OR THE ACCURACY OR ADEQUACY OF THIS PRIVATE PLACEMENT MEMORANDUM. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

THIS OFFERING IS SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT, AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. INVESTORS SHOULD BE AWARE THAT THEY MIGHT BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME. AN INVESTOR MUST REPRESENT THAT THE SECURITIES ARE BEING ACQUIRED FOR INVESTMENT PURPOSES ONLY, AND NOT WITH A VIEW TO OR PRESENT INTENTION OF DISTRIBUTION.

THIS PRIVATE PLACEMENT MEMORANDUM DOES NOT CONSTITUTE AN OFFER OR SOLICITATION IN ANY STATE OR OTHER JURISDICTION IN WHICH SUCH AN OFFER OR SOLICITATION IS NOT AUTHORIZED OR IN WHICH THE PERSON MAKING SUCH OFFER OR SOLICITATION IS NOT QUALIFIED TO DO SO. IN ADDITION, THIS CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM CONSTITUTES AN OFFER ONLY TO THE OFFEREE NAMED.

EXCEPT AS OTHERWISE INDICATED, THIS MEMORANDUM SPEAKS AS OF THE DATE OF THE MEMORANDUM AND NEITHER THE DELIVERY HEREOF NOR ANY SALE MADE HEREUNDER SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE CONDITION OF THE COMPANY SINCE THE DATE HEREOF.

NO PERSON HAS BEEN AUTHORIZED TO MAKE REPRESENTATIONS OR PROVIDE ANY INFORMATION OTHER THAN THAT CONTAINED IN THIS PRIVATE PLACEMENT MEMORANDUM AND ACTUAL DOCUMENTS (SUMMARIZED HEREIN), WHICH ARE FURNISHED UPON REQUEST TO AN OFFEREE, OR HIS REPRESENTATIVE MAY BE RELIED UPON IN CONNECTION WITH THIS OFFERING. PROSPECTIVE PURCHASERS OF THE SECURITIES ARE NOT TO CONSTRUE THE CONTENTS OF THIS PRIVATE PLACEMENT MEMORANDUM AS LEGAL OR TAX ADVICE. EACH PROSPECTIVE PURCHASER SHOULD CONSULT HIS OWN PROFESSIONAL ADVISORS AS TO LEGAL, TAX, AND RELATED MATTERS CONCERNING HIS INVESTMENT.

THIS PRIVATE PLACEMENT MEMORANDUM HAS BEEN PREPARED FROM DATA SUPPLIED BY SOURCES DEEMED RELIABLE AND DOES NOT KNOWINGLY OMIT ANY MATERIAL FACT OR KNOWINGLY CONTAIN ANY UNTRUE STATEMENT OF ANY MATERIAL FACT. IT CONTAINS A SUMMARY OF THE MATERIAL PROVISIONS OF DOCUMENTS REFERRED TO HEREIN. STATEMENTS MADE WITH RESPECT TO THE PROVISIONS OF SUCH DOCUMENTS ARE NOT NECESSARILY COMPLETE AND REFERENCE IS MADE TO THE ACTUAL DOCUMENTS FOR COMPLETE INFORMATION AS TO THE RIGHTS AND OBLIGATIONS THERETO.

FOR FLORIDA RESIDENTS: ALL OFFEREES WHO ARE FLORIDA RESIDENTS SHOULD BE AWARE THAT SECTION 517.061(11)(a)(5) OF THE ACT PROVIDES, IN RELEVANT PART, AS FOLLOWS: "WHEN SALES ARE MADE TO FIVE OR MORE PERSONS IN [FLORIDA], ANY SALE IN [FLORIDA] MADE PURSUANT TO [THIS SECTION] IS VOIDABLE BY THE PURCHASER IN SUCH SALE EITHER WITHIN 3 DAYS AFTER THE FIRST TENDER OF CONSIDERATION IS MADE BY THE PURCHASER TO THE ISSUER, AN AGENT OF THE ISSUER OR AN ESCROW AGENT OR WITHIN 3 DAYS AFTER THE AVAILABILITY OF THAT PRIVILEGE IS COMMUNICATED TO SUCH PURCHASER, WHICHEVER OCCURS LATER."

DISCLOSURES

THERE IS NO TRADING MARKET FOR THE COMPANY'S SECURITIES AND THERE CAN BE NO ASSURANCE THAT ANY MARKET WILL DEVELOP IN THE FUTURE OR THAT THE UNITS WILL BE ACCEPTED FOR INCLUSION ON NASDAQ OR ANY OTHER TRADING EXCHANGE AT ANY TIME IN THE FUTURE. THE COMPANY IS NOT OBLIGATED TO REGISTER FOR SALE UNDER EITHER FEDERAL OR STATE SECURITIES LAWS THE SECURITIES PURCHASED PURSUANT HERETO, AND THE ISSUANCE OF THE UNITS IS BEING UNDERTAKEN PURSUANT TO RULE 506(c) OF REGULATION D UNDER THE SECURITIES ACT.

ACCORDINGLY, THE SALE, TRANSFER, OR OTHER DISPOSITION OF ANY OF THE UNITS, WHICH ARE PURCHASED PURSUANT HERETO, MAY BE RESTRICTED BY APPLICABLE FEDERAL OR STATE SECURITIES LAWS (DEPENDING ON THE RESIDENCY OF THE INVESTOR) AND BY THE PROVISIONS OF THE SUBSCRIPTION AGREEMENT REFERRED TO HEREIN.

THIS MEMORANDUM HAS BEEN PREPARED SOLELY FOR THE INFORMATION OF THE PERSON TO WHOM IT HAS BEEN DELIVERED BY OR ON BEHALF OF THE COMPANY. DISTRIBUTION OF THIS MEMORANDUM TO ANY PERSON OTHER THAN THE PROSPECTIVE INVESTOR TO WHOM THIS MEMORANDUM IS DELIVERED BY THE COMPANY AND THOSE PERSONS RETAINED TO ADVISE THEM WITH RESPECT THERETO IS UNAUTHORIZED.

ANY REPRODUCTION OF THIS MEMORANDUM, IN WHOLE OR IN PART, OR THE DIVULGENCE OF ANY OF THE CONTENTS WITHOUT THE PRIOR WRITTEN CONSENT OF THE COMPANY IS STRICTLY PROHIBITED. EACH PROSPECTIVE INVESTOR, BY ACCEPTING DELIVERY OF THIS MEMORANDUM, AGREES TO RETURN IT AND ALL OTHER DOCUMENTS RECEIVED BY THEM TO THE COMPANY IF THE PROSPECTIVE INVESTOR'S SUBSCRIPTION IS NOT ACCEPTED OR IF THE OFFERING IS TERMINATED.

NASAA LEGEND

NASAA LEGEND

IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THESE SECURITIES MAY BE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER FEDERAL AND STATE SECURITIES LAWS. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

NOTICE TO NON-UNITED STATES RESIDENTS

IT IS THE RESPONSIBILITY OF ANY ENTITIES WISHING TO PURCHASE THE UNITS TO SATISFY THEMSELVES AS TO FULL OBSERVANCE OF THE LAWS OF ANY RELEVANT TERRITORY OUTSIDE THE UNITED STATES IN CONNECTION WITH ANY SUCH PURCHASE, INCLUDING OBTAINING ANY REQUIRED GOVERNMENTAL OR OTHER CONSENTS OR OBSERVING ANY OTHER APPLICABLE FORMALITIES.

BY ACCEPTANCE OF THIS MEMORANDUM, PROSPECTIVE INVESTORS RECOGNIZE AND ACCEPT THE NEED TO CONDUCT THEIR OWN THOROUGH INVESTIGATION AND DUE DILIGENCE BEFORE CONSIDERING A PURCHASE OF THE UNITS. THE CONTENTS OF THIS MEMORANDUM SHOULD NOT BE CONSIDERED TO BE INVESTMENT, TAX, OR LEGAL ADVICE AND EACH PROSPECTIVE INVESTOR SHOULD CONSULT WITH THEIR OWN COUNSEL AND ADVISORS AS TO ALL MATTERS CONCERNING AN INVESTMENT IN THIS OFFERING.

PATRIOT ACT RIDER

THE INVESTOR HEREBY REPRESENTS AND WARRANTS THAT THE INVESTOR IS NOT, NOR IS IT ACTING AS AN AGENT, REPRESENTATIVE, INTERMEDIARY OR NOMINEE FOR, A PERSON IDENTIFIED ON THE LIST OF BLOCKED PERSONS MAINTAINED BY THE OFFICE OF FOREIGN ASSETS CONTROL, U.S. DEPARTMENT OF TREASURY. IN ADDITION, THE INVESTOR HAS COMPLIED WITH ALL APPLICABLE U.S. LAWS, REGULATIONS, DIRECTIVES, AND EXECUTIVE ORDERS RELATING TO ANTI-MONEY LAUNDERING, INCLUDING BUT NOT LIMITED TO THE FOLLOWING LAWS:

(1) THE UNITING AND STRENGTHENING AMERICA BY PROVIDING APPROPRIATE TOOLS REQUIRED TO INTERCEPT AND OBSTRUCT TERRORISM ACT OF 2001, PUBLIC LAW 107-56, AND (2) EXECUTIVE ORDER 13224 (BLOCKING PROPERTY AND PROHIBITING TRANSACTIONS WITH PERSONS WHO COMMIT, THREATEN TO COMMIT, OR SUPPORT TERRORISM) OF SEPTEMBER 11, 2001.

EACH PROSPECTIVE INVESTOR WILL BE GIVEN AN OPPORTUNITY TO ASK QUESTIONS OF, AND RECEIVE ANSWERS FROM, MANAGEMENT OF THE COMPANY CONCERNING THE TERMS AND CONDITIONS OF THIS OFFERING AND TO OBTAIN ANY ADDITIONAL INFORMATION, TO THE EXTENT THE COMPANY POSSESSES SUCH INFORMATION OR CAN ACQUIRE IT WITHOUT UNREASONABLE EFFORTS OR EXPENSE, NECESSARY TO VERIFY THE ACCURACY OF THE INFORMATION CONTAINED IN THIS MEMORANDUM.

IF YOU HAVE ANY QUESTIONS WHATSOEVER REGARDING THIS OFFERING, OR DESIRE ANY ADDITIONAL INFORMATION OR DOCUMENTS TO VERIFY OR SUPPLEMENT THE INFORMATION CONTAINED IN THIS MEMORANDUM, PLEASE WRITE OR CALL THE COMPANY AT THE ADDRESS AND NUMBER LISTED IN THIS PRIVATE OFFERING MEMORANDUM.

THE MANAGEMENT OF THE COMPANY HAS PROVIDED ALL OF THE INFORMATION STATED HEREIN.

THE COMPANY MAKES NO EXPRESS OR IMPLIED REPRESENTATION OR WARRANTY AS TO THE COMPLETENESS OF THIS INFORMATION OR, IN THE CASE OF PROJECTIONS, ESTIMATES, FUTURE PLANS, OR FORWARD LOOKING ASSUMPTIONS OR STATEMENTS, AS TO THEIR ATTAINABILITY OR THE ACCURACY AND COMPLETENESS OF THE ASSUMPTIONS FROM WHICH THEY ARE DERIVED, AND IT IS EXPECTED THAT EACH PROSPECTIVE INVESTOR WILL PURSUE HIS, HER, OR ITS OWN INDEPENDENT INVESTIGATION.

IT MUST BE RECOGNIZED THAT ESTIMATES OF THE COMPANY'S PERFORMANCE ARE NECESSARILY SUBJECT TO A HIGH DEGREE OF UNCERTAINTY AND MAY VARY MATERIALLY FROM ACTUAL RESULTS.



PRELIMINARY RISK DISCLOSURE STATEMENT

YOU SHOULD CAREFULLY CONSIDER WHETHER YOUR FINANCIAL CONDITION PERMITS YOU TO PARTICIPATE IN THIS INVESTMENT.

IN DOING SO, YOU SHOULD BE AWARE THAT AN INVESTMENT WITH OUR COMPANY MAY BE VOLATILE AND LOSSES FROM ITS BUSINESS ACTIVITIES MAY REDUCE THE NET ASSET VALUE OF THE COMPANY AND CONSEQUENTLY THE COMPANY'S ABILITY TO REPAY PRINCIPAL CAPITAL INVESTMENT.

INVESTORS MAY LOSE ALL OR PART OF THEIR INVESTMENT. IN ADDITION, RESTRICTIONS ON REDEMPTIONS MAY AFFECT THE COMPANY'S ABILITY TO REDEEM YOUR UNITS.

THIS BRIEF STATEMENT CANNOT DISCLOSE ALL THE RISKS AND OTHER FACTORS NECESSARY TO EVALUATE YOUR PARTICIPATION IN THIS COMPANY. THEREFORE, BEFORE YOU DECIDE TO PARTICIPATE IN AN INVESTMENT IN THIS COMPANY, YOU SHOULD CAREFULLY STUDY THIS DISCLOSURE DOCUMENT, INCLUDING A DISCUSSION OF POTENTIAL RISKS RELATED TO THIS INVESTMENT.

HISTORY & PLAN OF OPERATIONS



The IFM story begins with Nirvana Systems, Inc., (“Nirvana”) – a software company founded by Ed Downs in 1987 to pursue the art of automated trading. Nirvana’s products have been used by active traders and investors for many years, running automated strategies on PCs and servers to trade their brokerage accounts.

With nearly 30 years of experience in the trading and investing field, the Nirvana team saw the emergence of the Robo Advisors as the first time computers were being used to manage the accounts of everyday investors. The Nirvana team believed that higher returns could be generated, at less risk, by employing advanced asset switching algorithms.

In May 2015, Nirvana built an early prototype of a fund switching application on one of its desktop platforms. In March 2016, Mr. Downs formed Intelligent Fund Management, LLC to develop a web-based version, and engaged Nirvana Systems to perform the development work and manage the LLC.

Significant research and development was spent on evaluating Modern Portfolio Theory as a potential means of allocation on the platform. When the research showed MPT to be completely ineffective, Advanced Portfolio Theory or APT was developed by the team instead. The first working version of OmniFunds was released in November 2016.

In early 2017, IFM developed and released the OmniFunds Lab, where users could experiment with switching concepts and build their own funds. As a result of the availability of this tool, some OmniFunds were created that show superior returns to the mainstream Robo Advisors.

IFM is now positioned to register as an RIA with the SEC as a digital advisor and begin marketing the platform to general consumers, high net worth investors and fund management companies.

The Nirvana-IFM Relationship

Mr. Downs created Intelligent Fund Management, LLC as a separate LLC to build and own both the OmniFunds product as well as the Intellectual Property. IFM is not a subsidiary of Nirvana, but rather is its own company that is contracting with Nirvana for specific services.

A Services Agreement between IFM and Nirvana specifies that Nirvana will design and build the product, as well as handle all management and marketing functions, for which IFM pays Nirvana a fixed monthly fee. IFM currently has no staff or overhead other than any direct costs it may incur for services provided by other entities (such as legal and marketing costs, web site design, etc.)

Once the OmniFunds product has been completed, IFM will continue to pay Nirvana a monthly services fee for ongoing development and maintenance management services. Nirvana also retains a small profit-sharing right that becomes active once a specified level of profitability is reached in IFM (designed to cover additional costs incurred as a result of client growth on the platform.)

OMNIFUNDS: BECAUSE RETURNS MATTER

Higher Returns With Less Risk

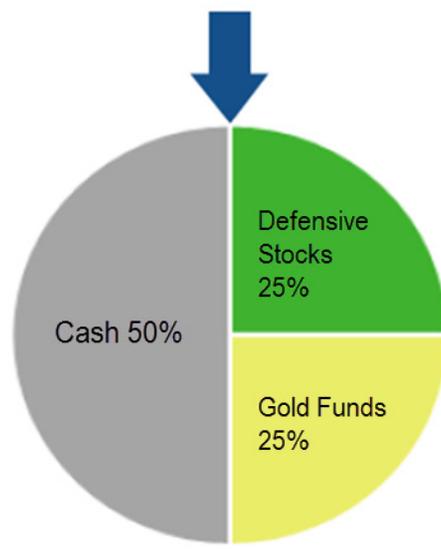
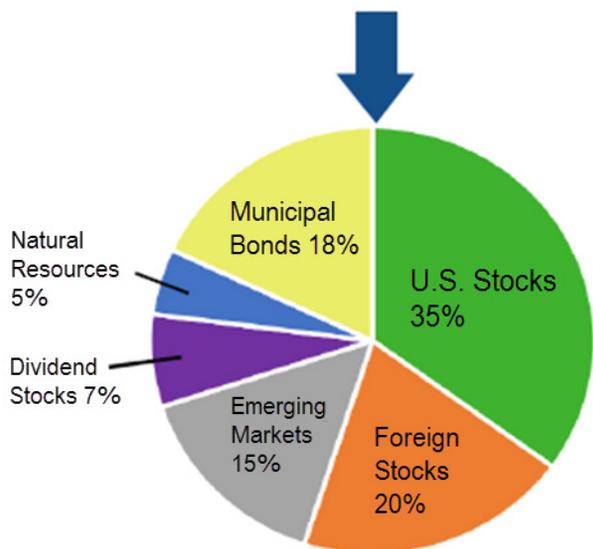
OmniFunds is a new concept for fund management that is being developed by Intelligent Fund management, LLC. OmniFunds is based on concepts not found in the Robo Advisor Offerings:

- Personality of Markets
 - Switching based on Artificial Intelligence
 - Adjusting Allocation to the User's Risk Tolerance
-



Steady Up-Trend

Volatile Market



Personality Of Markets

Modern Portfolio Theory makes the assumption that all markets are the same, and all approaches have equivalent merit without regard to market behavior.

Intelligent Fund Management, LLC knows that markets have personalities. A Non-Volatile Trending Market has very different behavior from a Volatile Range Market. The question is, “Why trade the same equities or Exchange-Traded Funds (ETFs) in both of these situations?” Wouldn’t it be better to select securities that are conducive to the type of Market we currently see?

On the previous page you will find a chart of the market showing two specific personalities or “market states” – an Up-Trending Market and a Volatile Market. OmniFunds can examine various aspects of the market to determine which personality is in force.

By selecting different mixes of equities or ETFs based on this observation, more defensive positions can be taken when the market becomes more uncertain. IFM feels this is greatly advantaged over maintaining a continuous, fixed allocation of assets, regardless of what the market is doing. IFM has already seen that changing asset mix based on an evaluation of Market Personality has the potential to reduce risk.

Artificial Intelligence For Asset Selection

The term “Artificial Intelligence” (A.I.) has received a lot of press lately in financial circles. Among other applications, A.I. can be used to determine the probability of an outcome based on the observation of repeatable patterns or behaviors.

IFM believes the best way to create wealth for a client is to “switch” into securities with the highest probability for appreciation, such that the portfolio adjusts with the behavior of the market. This selection process is performed using several approaches, including Artificial Intelligence.

The team at Nirvana Systems, Inc. has been building and refining financial A.I. models for over 20 years. While no one can absolutely predict what the market is going to do, these A.I. tools have been shown to predict chart movement with accuracies in the 60% to 70% range (see chart on page 48). This provides a significant edge.



The Signals in this chart were generated by an Artificial Intelligence algorithm that examined recent trends and other factors on VXUS, a Vanguard ETF. These predictions are across all data in the chart over the four years shown, and were highly accurate.

We use Artificial Intelligence in three ways on the platform:

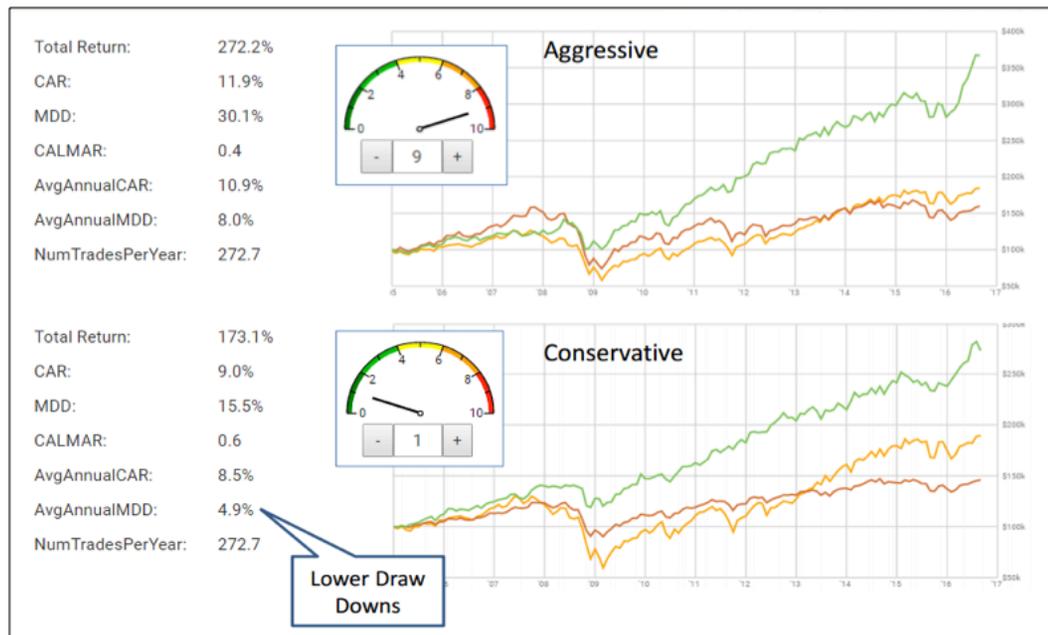
1. Market State: Assessing probable market direction and volatility. Using long histories of price action and relationships between markets, A.I. can be used to predict market behavior in the next interval.
2. Symbol Filters: Using individual security behaviors, including accumulation/distribution and volume patterns, securities that are the least likely to appreciate in the next interval can be filtered out.
3. Symbol Ranking: Applying a formula to all securities under consideration to identify those that have the highest probability of appreciation. Trades are then taken from highest to lowest on the scale.

Risk Adjustment

Once specific securities have been selected, an internal risk algorithm allocates more funds to the higher or lower volatility instruments based on the investors risk profile.

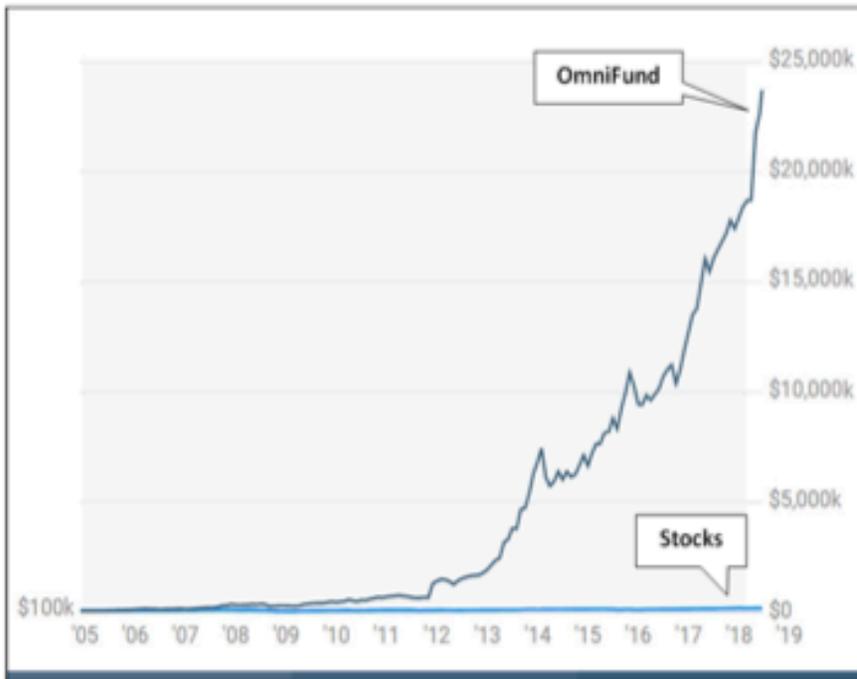
Intelligent Fund Management, LLC defines risk as observed historical draw downs in the test data, which is shown in the historical return graph. This is different from Modern Portfolio Theory (MPT), which attempts to predict risk by looking at historical interactions between asset classes.

Interactions between security classes, (stocks, bonds, etc.) are continually changing and cannot be modeled accurately by an approach that averages movement over many years of historical data. IFM believes an examination of security performance in different markets is a more accurate indicator of risk than the method MPT uses.

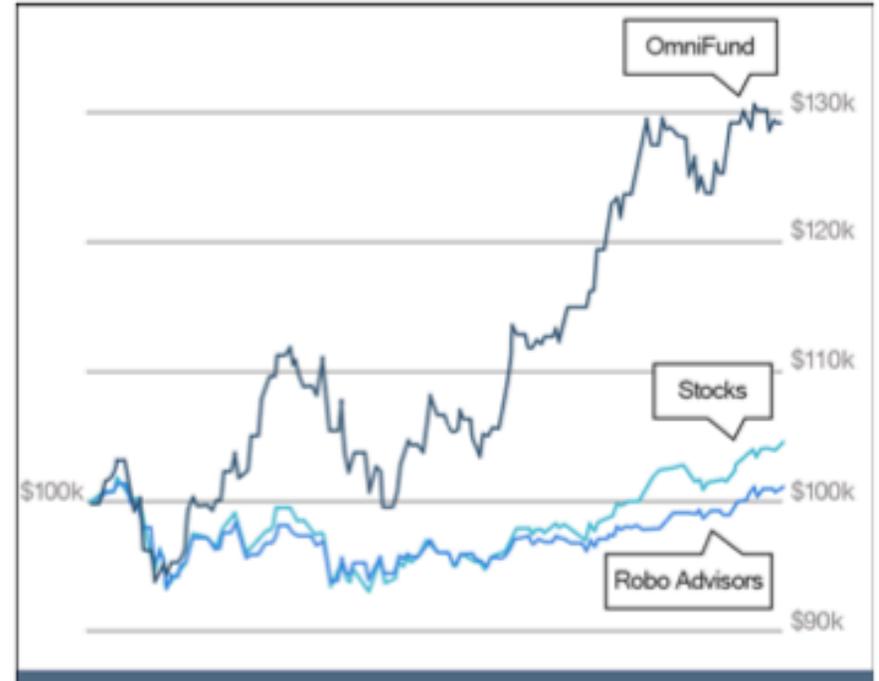


Aggressive vs. Conservative. OmniFunds are based on 2 Portfolios – an Aggressive and a Conservative model. OmniFunds adjusts the allocation between the two portfolios based on the user’s risk tolerance, as determined by a questionnaire.

OmniFund Example: "High Growth"



Historical Simulation: Average Annual Growth +58.12%



Actual Performance: Jan 1 '18 to Jul 20 '18, +28.81%

Nearly all Robo Advisors allocate to ETFs. IFM has found that, for those investors wanting higher returns, individual equities must be used. IFM has both types of portfolios – those that utilize ETFs, those that trade stocks and others that trade both.

The graph on the left shows a simulated history of the High Growth OmniFund (which allocates to stock positions), going back to 2005.¹ The graph on the right shows actual performance in a live brokerage account, from January 1, 2018 through July 20, 2018. High Growth posted a 28.81% gain in this time. The S&P 500 was up about 4% on that date, whereas the Robo Advisor returns were generally flat.

¹ -See page 80, "Simulation Disclosure"

LEVERAGING 30 YEARS OF EXPERIENCE

In June 1987, Nirvana Systems was founded by Ed Downs to develop and market fully-automated investment and trade management systems.

For 30 years, the team at Nirvana has pursued the development of automated systems capable of trading markets in unattended operation at a profit.

Over the years, numerous Trading Strategies have been developed and released to the public. With the emergence of the Robo Advisors, Mr. Downs saw the opportunity to apply this technology to the “passive investor” marketplace, and founded Intelligent Fund Management, LLC (IFM) in February 2016.

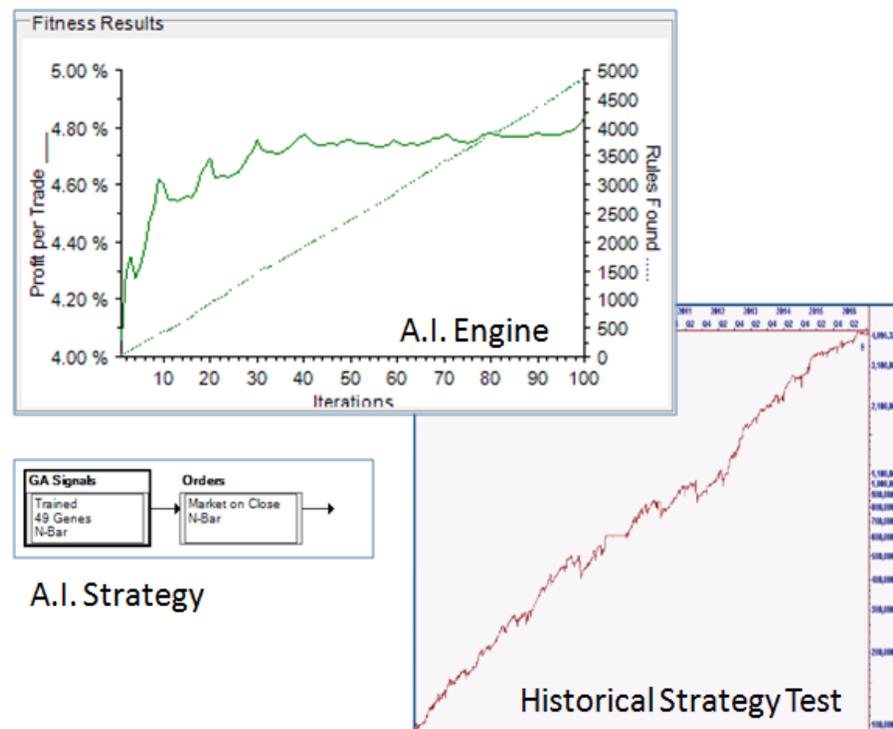
The Nirvana team has applied its expertise in market analysis and Artificial Intelligence to create the advanced fund management system known as OmniFunds.

ADVANCED A.I. TECHNOLOGY

In 1996, Nirvana launched a new development effort to develop trading technology based on Artificial Intelligence.

For over 20 years, this technology has continued to advance. Today’s Nirvana’s A.I. Engine is capable of predicting directional movement in charts with a higher degree of accuracy than other methods. Several components of the technology are shown to the right.

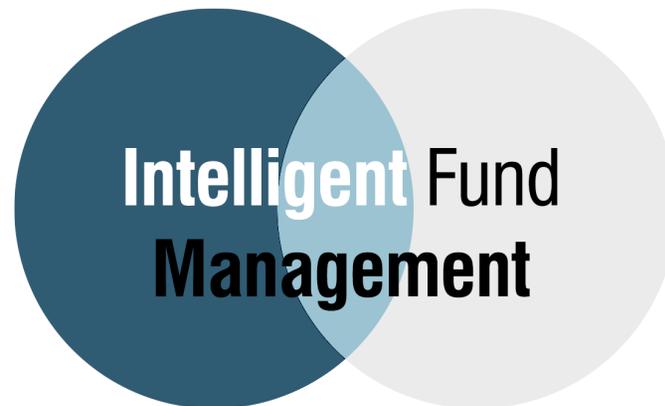
For OmniFunds, a specific application of the A.I. Engine has been developed to score and select securities that have a higher likelihood of appreciating in the next time interval.



DIRECT BROKER CONNECTION

One of the technologies developed by Nirvana Systems that is available to OmniFunds is direct broker technology through the FIX communication protocol standard. This technology has facilitated a direct connection to Interactive Brokers, one of the deepest discount brokers in the United States.

Interactive Brokers provides clearing services for many RIA firms, and will be the first broker to which IFM has a direct connection. This relationship enables OmniFunds to manage advanced fund switching approaches at a lower cost than would be incurred at other mainstream brokers.

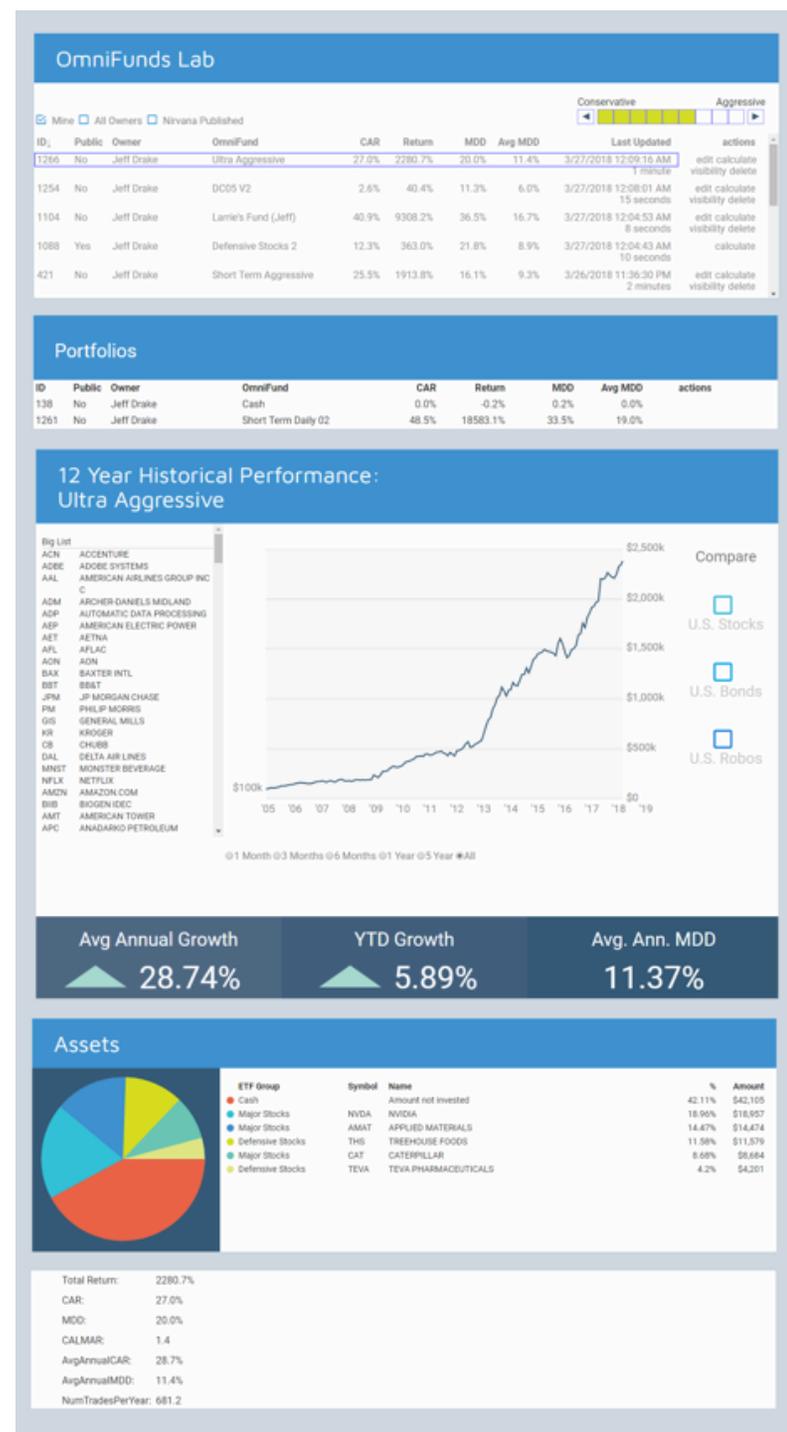


IMPORTANT MILESTONES

- August 2015 - OmniFunds software prototype built to test ETF Switching principles - a success.
- February 2016 - The Intelligent Fund Management, LLC launched and web site development started.
- November 2016 – First version of platform completed, including direct integration to Interactive Brokers.
- June 2017 – OmniFunds Lab enables investors to build their own OmniFunds. IFM's advanced allocation method, called Advanced Portfolio Theory (or APT), was released with the Lab.
- March 2018 – Additional "Professional" OmniFunds (created in the Lab) are released on the Platform.
- June 2018 - IFM acquired an OmniFund developed by an investor/client, and recruited this individual and others to assist with the development of additional OmniFunds and features for the platform.

THE IMPORTANCE OF THE LAB

Prior to Q3 of 2017, OmniFunds development had to be performed by uploading fund definitions using spreadsheets. This made it somewhat difficult and time-consuming to run experiments and create new OmniFunds.



To facilitate rapid development of OmniFunds, the IFM team designed the OmniFunds Lab, which was released in June 2017. Using this resource, users on the platform could experiment with different sectors, lists and algorithms. The availability of The Lab enabled our researchers to develop a host of new and advanced fund switching methods.

Recent Performance

IFM's goal in OmniFunds is to produce and provide a variety of approaches to cater to differing Return/Risk profiles of investors. OmniFunds developed in 2017 are showing higher performance than any Robo Advisor for which we can secure data.

The High Growth OmniFund is leading the way, with an actual 28.81% return documented in live brokerage accounts from January 1, 2018 through July 20, 2018. Other OmniFunds that have been tracked on the platform also show strong performance.

Company	Fund	Return YTD
IFM	High Growth	+28.81%
IFM	Weekly Aggressive	+11.40%
IFM	Ultra Aggressive	+6.98%

** High Growth's 28.81% return is based on actual brokerage records for an account trading this fund in OmniFunds. Weekly Aggressive and Ultra Aggressive performance were tracked using Market on Open prices.²

Company	Fund	Return YTD
Acorn	90/10	+2.00%
Wise Banyon	90/10	+1.68%
Wealth Simple	80/20	+1.40%
Wealthfront	90/10	+0.38%
Betterment	90/10	-0.41%

Returns of certain Robo-Advisor Funds through July 20, 2018.

These returns compare very favorably to the Robo Advisor fund returns year to date, the best of which was just +2%. The S&P 500 itself had gained 4.4% in this time.

2-Tracked fund returns are based on opening market prices, and do not take into account potential liquidity issues or execution problems which may have occurred.

VALUE DRIVERS

In a 2016 report by convetit, "Top 11 Trends in the Robo-Advisor Industry", Dr. Kenneth Gustin made some comments about the future of the industry...



Dr. Kenneth Gustin, Ph.D.

Advisory Board Member, Chartis Research Ltd.

"The experts expect that, **in the future**, you'll find a variety of investing styles available from the **Robo Advisor**, not just a passive, index-fund investment approach. Greater sophistication in the technology for trade analysis, plus **back-testing of strategies**, will drive these styles forward."

OmniFunds is all about applying sophisticated analysis to the fund management problem.

Intelligent Fund Management, LLC believes that a better way to achieve consistent performance is to periodically switch to higher probability investments, aligned with market, sector, and group direction through the use of Artificial Intelligence.

In IFM's opinion, allocation by itself, as is currently practiced by almost all Robo Advisors, is not adequate to achieve this result.

The image shows the cover of a report titled "Top 11 Trends in the Robo-Advisor Industry" by convetit. The cover features a blue and white color scheme. At the top right is the convetit logo. Below it, the text "CONVETIT FORESIGHTS" is visible. The main title "Top 11 Trends in the Robo-Advisor Industry" is prominently displayed. A paragraph of text describes the report's content: "The robo-advisor (RA) industry is changing at lightning speed. Find out what's in store for this emerging technology from leading investment experts. There's plenty more to come, from greater artificial intelligence to a new suite of robo investment products. Convetit has brought together six experts in the field of robo-advisory to delve into the trends and drivers that are defining the space." Below the text is an image of a human hand shaking a robotic hand. At the bottom, it says "Here are 11 Robo-Advisory trends that our experts have identified as driving the industry:"

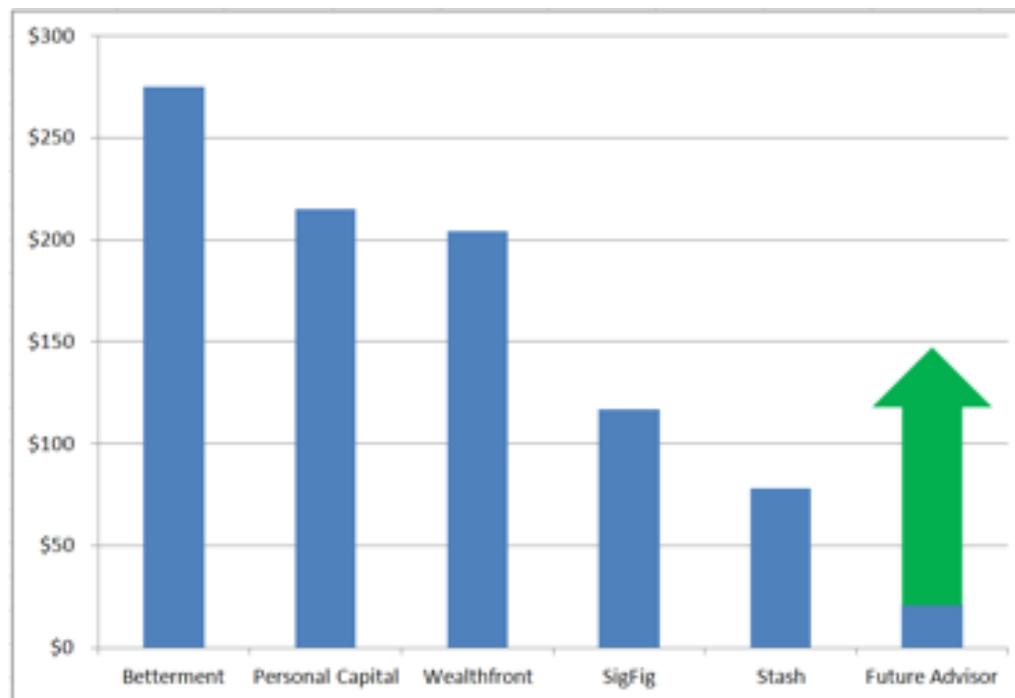
Robo Advisor article published in 2016 at www.RoboAdvisorPros.com

ROBO ADVISOR INVESTMENT & VALUATION

Below you will find a bar graph showing investments made in Robo Advisor companies as of Q2 2018.

As significant as these investments are, they pale in comparison to valuations these firms are getting. IFM recently learned that Betterment has been valued at over \$800m.¹ These high valuations are on track with projections shown early in this Memorandum by A.E. Kearney, in which Assets under Management (AUM) is expected to crest \$2 Trillion in 2020, just two years from now.

A number of acquisitions are taking place in the space, including the acquisition of FutureAdvisor, which was founded on a \$21 million investment and ultimately sold to BlackRock Securities for \$153 million.



Capital raised by the mainstream Robo Advisors as of July 2018.

1- <https://www.businessinsider.com/betterment-valuation-now-800-million-2017-7>

A "HEDGE FUND" FOR EVERYONE

The Robo Advisor phenomenon grew out of the desire to disrupt the financial advisor market, making inexpensive financial advice and fund management available to millennials on their smart phones. They mirrored the way Registered Investment Advisors had traditionally operated, using allocation methods like Modern Portfolio Theory to maintain a "balance" of assets in the classic categories, primarily Equities and Bonds.

However, as we have demonstrated, these approaches continue to under-perform the market. Indeed, Robo Advisors seem completely uninterested in providing products that have the potential to maximize risk-adjusted returns. The prevailing message seems to be "We think low fees are what investors want, and that's where we compete."

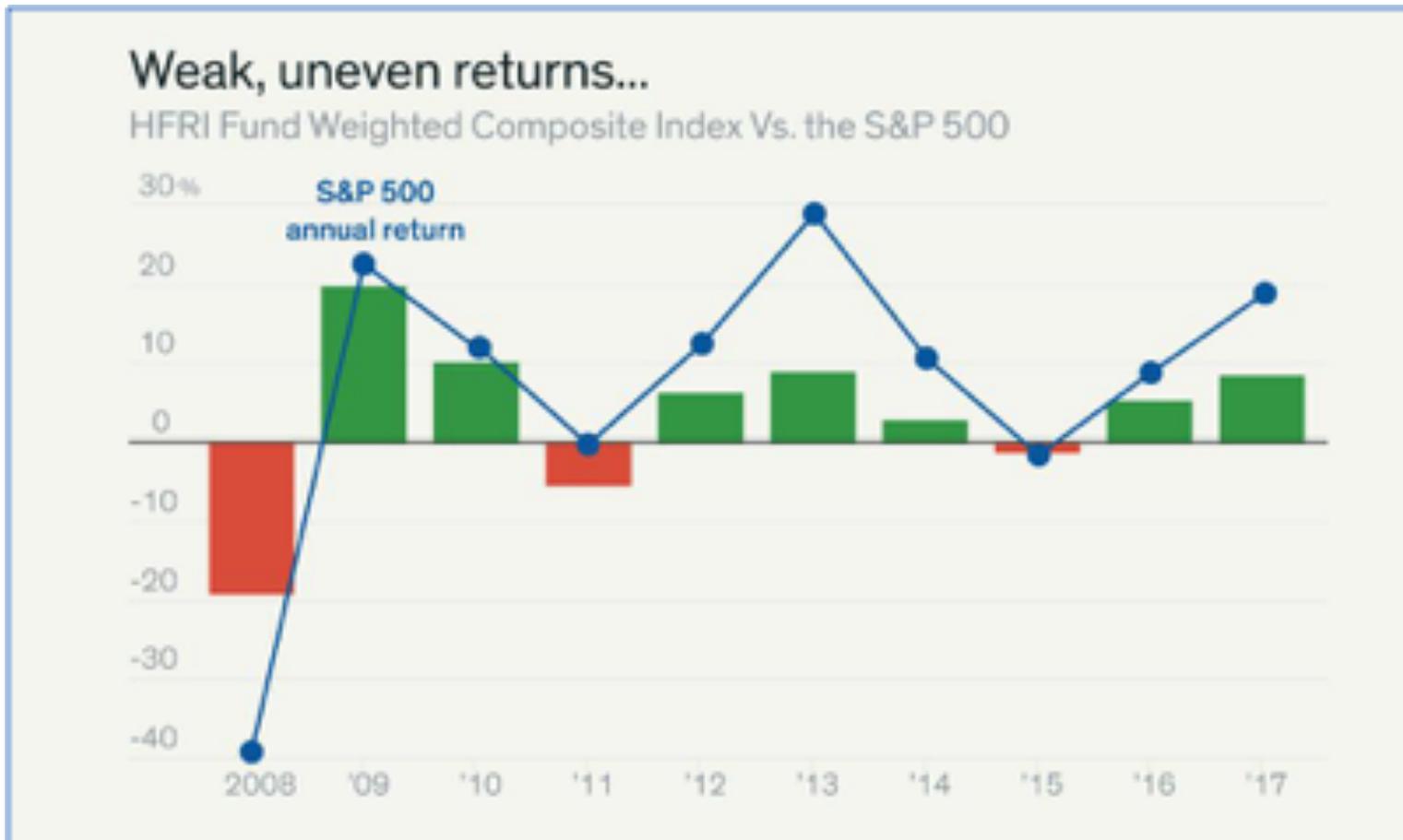
An alternative to the current generation of Robo Advisors is a class of asset managers that markets itself as able to maximize returns while at the same time limiting market risk whether the market is rising, falling or remaining within a trading range. Of course, these are the hedge funds. The active management methods employed by hedge funds can reduce risk more than passive methods, and often their returns are better than those the Robo Advisors have been providing.

However, like the Robo Advisors, over the past ten years a large majority of Hedge Funds accessible by the general public have been unable to provide returns approaching a nominal 60/40 passive portfolio of indexed equities and bonds; and have provided returns substantially below those of the equity market.^{3,4,5} Considerations of "risk adjusted reward" do not adequately justify the lack of performance experienced by investors depending upon this class of advisors to manage their wealth.

3-Federal Reserve Data Base in St. Louis

4-Lazard Investment Management "Annual Returns of Key Fixed Income Indices – (1998-2017)

5-Barclay's Hedge Fund Index (2Aug2018)



Hedge Fund Return Index vs. the S&P 500

The largest hedge funds dwarf the Robo Advisors in terms of Assets under Management yet have demonstrated the inability to provide more than minor performance improvement.

Here is a comparison of AUM for the largest 10 Hedge Funds vs. the largest 10 Robo Advisors.

Top 10 Hedge Funds by AUM (billions)

- Bridgewater Associates - \$125
- AQR Capital Management - \$90
- Renaissance Technologies - \$57
- JPMorgan Asset Management - \$48
- Two Sigma Investments - \$37
- Elliott Management Corporation - \$35
- Millennium Management - \$35
- Adage Capital Management - \$32
- Kempner Capital Management - \$31
- Baupost Group - \$30

Total \$520 billion

Source: www.RoboAdvisorpros.com

Top 10 Robo Advisors by AUM (billions)

- Vanguard - \$101
- Schwab - \$27
- T.D. Ameritrade - \$17
- Betterment - \$14
- Wealthfront - \$10
- E*Trade - \$4
- Wealthsimple - \$1.5
- Future Advisor – \$1.1
- Acorns – \$0.5
- Rebalance – \$0.5

Total \$177 billion

Source: www.tiprank.com

Building an RIA with Better Performance

IFM's goal is to provide the highest possible returns within the investor's risk tolerance. As discussed previously, IFM believes the passive investing approach used by most Robo Advisors falls short of this goal. There is already strong evidence that the active management developed by IFM may be able to provide higher risk-adjusted returns.

The rapidly escalating Robo War is all about low fees and now, the addition of human advisors. IFM does not seek to compete against them on this basis. OmniFunds will compete for the AUM and performance fees through focus on the message that "**Returns Matter**" with the goal of delivering risk-adjusted returns exceeding that currently experienced by independent investors who have been so underserved by the existing Robo and Hedge Fund managers.

IFM has created an alternative to these wealth management approaches. OmniFunds is a hybrid within the Financial Technology industry providing the simplicity and ease of access of Robo Advisors and risk management techniques used by Hedge Funds. IFM's goal is to deliver account performance that exceeds that of current industry participants.

2 Tiers of Service

IFM will offer 2 tiers of service – Non-Qualified and Qualified.

1. Non-Qualified “AUM” Model – Any investor can engage the OmniFunds by paying 2% of Assets under Management annually.
2. Qualified “Performance” Model – Investors who are Qualified may elect to pay a performance fee rather than the fixed fee (20% of gains annually) with a high water mark. Investors will save versus the classic 2% + 20% fee structure that most hedge funds charge.

IFM will be licensed as an RIA, not a Hedge Fund. However, because of the active management approach that IFM uses, and the evidence of superior returns that have already been generated, IFM believes it can produce higher returns or lowered risk, making IFM an attractive alternative to both Robo Advisors and Hedge Funds.

MARKETING PLAN

Before IFM was formed, Nirvana built a prototype using one of its software platforms, which was sold to about 600 of its customers. More OmniFunds are being added, as well as certain enhancements identified in recent research. The OmniFunds platform is being promoted in three phases.

Phase 1: Software (Platform) Launch

When the platform was launched in 2016, it was free to use under a software license model. Customers would establish an Interactive Brokers account through Gar Wood Securities, essentially targeting their accounts with the OmniFunds system. Optionally, they could purchase the OmniFunds Lab or an OmniFunds Professional License to build their own OmniFunds or use those developed by IFM, with no management fees charged.

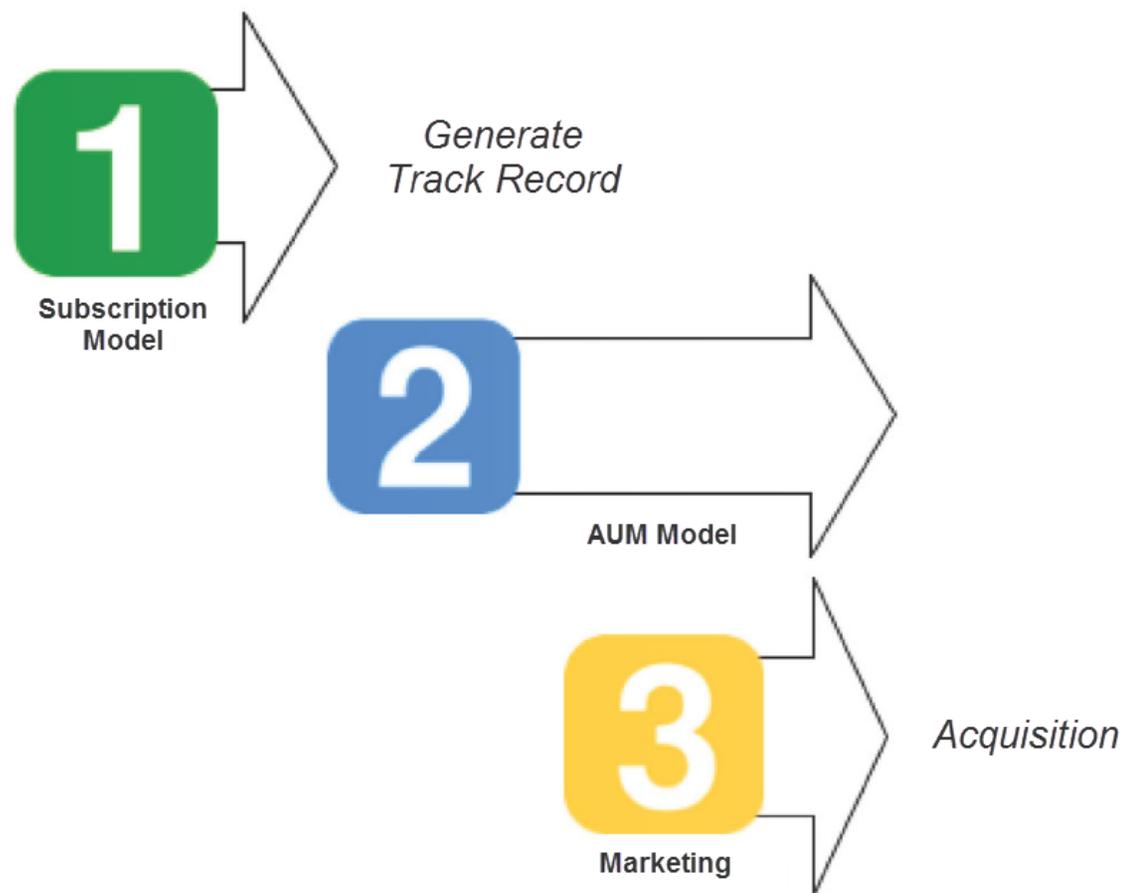
Phase 2: RIA Launch

IFM is currently taking steps to become an SEC Registered Investment Advisor. This will enable IFM to capture fees based on a percent of Assets under Management, as well as charge Performance fees to Qualified High Net Worth Investors and institutions

(assets over \$2.1m or \$1.0 in the fund). Once the AUM model is launched, IFM will use lower cost direct marketing methods to acquire clients while a track record is generated.

Phase 3: Mass Marketing

IFM has calculated that the funding sought in this Regulation “D” 506c offering will be sufficient to reach most markets via standard media. This will be initiated after an additional 6-month track record on returns is produced on the platform, comparing OmniFunds returns to the return records of the Robo Advisors, explaining the active management approach and how it can produce alpha.



COMPANY DIRECTORS OF NIRVANA SYSTEMS

Ed Downs, CEO and Founder

Ed has more than 29 years experience in trading and software development. Ed received a Bachelor of Science degree in mechanical engineering from the University of Texas at El Paso, and a Master of Science Degree in Electrical Engineering from the University of Texas at Austin. Prior to founding Nirvana, Ed worked on design automation software for Tektronix.

In addition to inventing the original concepts for OmniTrader and VisualTrader, Ed has published books and trading seminars. Ed currently serves as President and CEO of Nirvana Systems, Inc.

Steve Belknap, Chief Operating Officer

Steve joined Nirvana Systems in 1999. Steve's business focus includes marketing, personnel, and financial. His trading experience exceeds 20 years and he is an expert in the area of Industry Group Rotation.

Prior to joining Nirvana, Steve served for 10 years as General Manager at one of Austin's largest Country Clubs. Steve holds a Bachelor of Business Administration from the University of Texas at El Paso.

Hans van der Wal, Chief Technology Officer

Hans worked as an automation software engineer prior to joining Nirvana in 1998. Hans holds a Master of Science degree in electrical engineering from the University of Twente, Netherlands, and has extensive software development experience, specializing in Microsoft's .COM architecture and .Net development.

Hans has overseen the development and QA of all Nirvana's core products in his role of Director of Development.

Jeff Drake, Director of Trading Technology

Jeff joined the Nirvana team in 1998 and quickly rose to the role as Director of Education. He has created and presented numerous seminars, publications, and tutorials on trading with Nirvana software.

Jeff currently leads a team of scientists in his role as Director of Trading Technology. Jeff and his team have developed several profitable Trading Strategies, modules and plug-ins including the highly successful Nirvana Systems Proprietary (NSP) trading product line.



CURRENT MEMBERS

The following table contains certain information as of August 10, 2018 as to the number of units beneficially owned by (i) each person known by the Company to own beneficially more than 5% of the Company's units, (ii) each person who is a Managing Member of the Company, (iii) all persons as a group who are Managing Members and/or Officers of the Company, and as to the percentage of the outstanding units held by them on such dates and as adjusted to give effect to this Offering.

Name	Position	Current %	Units Held	Post Offering Max %
H. Edward Downs II	Managing Member	39.5%	415 Class A	29.64%
Vista Azul Holdings LLC	Member	27.6%	250 Class A, 40 Class B	20.71%
Jeffrey W. Drake	Member	5.7%	60 Class B	4.29%
Denise C. Ramirez	Member	5.7%	60 Class B	4.29%
Johan van der Wal	Member	5.7%	60 Class B	4.29%
All Others Combined (30)	Member	15.7%	10 Class B	11.79%

MEMBERSHIP UNIT OPTION AGREEMENTS

The Company has not entered into any Membership Unit option agreements as of the date of this Offering.

The Company has made available to certain individuals warrants to purchase up to 105 Membership Units (total) at an exercise price of \$11,429 per Unit. These warrants expire October 15, 2018. Execution of the warrants, if any, would reduce the number of Membership Units available in this Offering.

LITIGATION

The Company is not presently a party to any material litigation, nor to the knowledge of Management is any litigation threatened against the Company, which may materially affect the business of the Company or its assets.

DESCRIPTION OF UNITS

The Company is offering a maximum of 350 Class B Membership Units at a price of \$14,286 per Unit. Upon completion of the Offering between 0 and 350 new Class B Membership Units will be issued and added to the existing 230 Class B Membership Units.

The Class B Membership Units shall participate in a pro-rata percentage of any net income approved for distribution to Members. Assuming maximum proceeds are raised through this Offering, the new Class B Unitholders who invest through this Offering would participate in twenty five percent (25%) of any net income generated by the Company and approved for distribution to the Members whether derived from net operating profit or from capital gains from the sale of assets. See "Exhibit B - Operating Agreement".

Each Class A Member is entitled to one vote for each unit held on each matter submitted to a vote of the members. Class B Members do not have voting rights. Units are not redeemable and do not have conversion rights. In the event of the dissolution, liquidation or winding up of the Company, the assets then legally available for distribution to the Members will be distributed ratably amongst the Members of the LLC in proportion to their units. Members are only entitled to profit distributions when and if declared by the Managing Member out of funds legally available therefore. The Company to date has not given any such profit distributions. Future profit distribution policies are subject to the discretion of the Managing Member and will depend upon a number of factors, including among other things, the capital requirements and the financial condition of the Company.

MANAGEMENT COMPENSATION

The Management Team of Nirvana Systems manages the Company under the Professional Services and License Agreement (found on pages 95-97), which specifies a consulting payment to be made to Nirvana monthly to provide these and other services. The Company does not have any staff members, and therefore does not pay salaries or bonuses. Nor does it reimburse the expenses of Nirvana employees. All of these costs are handled within Nirvana as a consultant to The Company.

According to the Professional Services and License Agreement, the Company pays Nirvana a monthly amount in a consulting arrangement. Nirvana makes a nominal profit on these activities as indicated in the Professional Services and License Agreement.

Consulting Fees are established for 2018 and projected for later years at \$150,000 per month.





DILUTION

The purchasers of the Membership Units offered by this Memorandum will experience an immediate and substantial dilution of their investments. There are 1,050 units currently issued and outstanding. The net tangible book value per unit of the Company's ownership was approximately \$36.44 at June 30, 2018.

Net tangible book value per unit of ownership is equal to the Company's total tangible assets less its total liabilities, divided by the total number of outstanding units of ownership. Intangible assets that are excluded in determining the net tangible book value are the company's intellectual property and software development costs. Upon completion of this Offering, the net tangible book value for the Units, which are now outstanding, will be increased with A corresponding dilution for the Units sold to investors.

The following reflects the dilution to be incurred by the investors. "Dilution" is determined by subtracting the net tangible book value per Membership Unit after the Offering from the Offering price. If the expected maximum number of Units offered hereby is sold, of which there can be no assurance, there will be 1,400 Units of ownership outstanding with net tangible book approximately \$3,598.83 per Unit. This represents an immediate increase in net tangible book value from \$36.44 to \$3,598.83 per Unit to existing members and an immediate dilution of from \$14,286 to \$3,598.83 per Unit to purchasers of Units in this Offering.

INVESTOR SUITABILITY STANDARDS

Prospective purchasers of the Units offered by this Memorandum should give careful consideration to certain risk factors described under “RISK FACTORS” section and especially to the speculative nature of this investment and the limitations described under that caption with respect to the lack of a readily available market for the Units and the resulting long term nature of any investment in the Company. This Offering is available only to suitable Accredited Investors having adequate means to assume such risks and of otherwise providing for their current needs and contingencies.

GENERAL

The Units will not be sold to any person unless such prospective purchaser or his or her duly authorized representative shall have represented in writing to the Company in a Subscription Agreement that:

- The prospective purchaser has adequate means of providing for his or her current needs and personal contingencies and has no need for liquidity in the investment of the Units;
- The prospective purchaser’s overall commitment to investments which are not readily marketable is not disproportionate to his, her, or its net worth and the investment in the Units will not cause such overall commitment to become excessive; and
- The prospective purchaser is an “Accredited Investor” (as defined on the next page) suitable for purchase in the Units.

Each person acquiring Units will be required to represent that he, she, or it is purchasing the Units for his, her, or its own account for investment purposes and not with a view to resale or distribution.

ACCREDITED INVESTORS

The Company will conduct the Offering in such a manner that Units may be sold only to “Accredited Investors” as that term is defined in Rule 501(a) of Regulation D promulgated under the Securities Act of 1933 (the “Securities Act”). In summary, a prospective investor will qualify as an “Accredited Investor” if he, she, or it meets any one of the following criteria:

- Any natural person whose individual net worth, or joint net worth with that person’s spouse, at the time of his purchase, exceeds \$1,000,000.

Except as provided in paragraph (2) of this section, for purposes of calculating net worth under this paragraph:

- (i) The person’s primary residence shall not be included as an asset;
 - (ii) Indebtedness that is secured by the person’s primary residence, up to the estimated fair market value of the primary residence at the time of the sale of securities, shall not be included as a liability (except that if the amount of such indebtedness outstanding at the time of the sale of securities exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of the primary residence, the amount of such excess shall be included as a liability); and
 - (iii) Indebtedness that is secured by the person’s primary residence in excess of the estimated fair market value of the primary residence at the time of the sale of securities shall be included as a liability.
- Any natural person who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with that person’s spouse in excess of \$300,000 in each of those years and who has a reasonable expectation of reaching the same income level in the current year;

Any bank as defined in Section 3(a)(2) of the Act, or any savings and loan association or other institution as defined in Section 3(a)(5) (A) of the Securities Act, whether acting in its individual or fiduciary capacity; any broker or dealer registered pursuant to Section 15 of the Securities and Exchange Act of 1934 (the "Exchange Act"); any insurance company as defined in Section 2(13) of the Exchange Act; any investment company registered under the Investment Company Act of 1940 or a business development company as defined in Section 2(a)(48) of that Act; any Small Business Investment Company (SBIC) licensed by the U.S. Small Business Administration under Section 301(c) or (d) of the Small Business Investment Act of 1958; any plan established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of \$5,000,000; any employee benefit plan within the meaning of the Employee Retirement Income Security Act of 1974, if the investment decision is made by a plan fiduciary, as defined in Section 3(21) of such Act, which is either a bank, savings and loan association, insurance company, or registered investment advisor, or if the employee benefit plan has total assets in excess of \$5,000,000 or, if a self directed plan, with investment decisions made solely by persons who are Accredited Investors;

- Any private business development company as defined in Section 202(a)(22) of the Investment Advisors Act of 1940;
- Any organization described in Section 501(c)(3)(d) of the Internal Revenue Code, corporation, business trust, or partnership, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of \$5,000,000;
- Any director or executive officer, or general partner of the issuer of the securities being sold, or any director, executive officer, or general partner of a general partner of that issuer;
- Any trust, with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Section 501(b)(2)(ii) of Regulation D adopted under the Act; and
- Any entity in which all the equity owners are Accredited Investors.



OTHER REQUIREMENTS

No subscription for the Units will be accepted from any investor unless he is acquiring the Units for his own account (or accounts as to which he has sole investment discretion), for investment and without any view to sale, distribution or disposition thereof.

Each prospective purchaser of Units may be required to furnish such information as the Company may require to determine whether any person or entity purchasing Units is an Accredited Investor.

FORWARD LOOKING INFORMATION

Some of the statements contained in this Memorandum, including information incorporated by reference, discuss future expectations, or state other forward looking information. Those statements are subject to known and unknown risks, uncertainties and other factors, several of which are beyond the Company's control, which could cause the actual results to differ materially from those contemplated by the statements.

The forward looking information is based on various factors and was derived using numerous assumptions. In light of the risks, assumptions, and uncertainties involved, there can be no assurance that the forward looking information contained in this Memorandum will in fact transpire or prove to be accurate.

Important factors that may cause the actual results to differ from those expressed within may include, but are not limited to:

- The success or failure of the Company's efforts to successfully execute its investment platform as scheduled;
- The Company's ability to attract a customer base for the platform;
- The Company's ability to attract and retain quality employees;
- The effect of changing economic conditions including the market in the area of operation for the Company;
- The reliance of the Company on certain key members of management

These along with other risks, which are described under "RISK FACTORS" may be described in future communications to members. The Company makes no representation and undertakes no obligation to update the forward looking information to reflect actual results or changes in assumptions or other factors that could affect those statements.



CERTAIN RISK FACTORS

Intelligent Fund Management, LLC commenced preliminary business development operations on March 1, 2016 and is organized as a Limited Liability Company under the laws of the State of Texas. Accordingly, the Company has only a limited history upon which an evaluation of its prospects and future performance can be made. The Company's proposed operations are subject to all operational risks associated with business enterprises. The likelihood of the Company's success must be considered in light of the problems, expenses, difficulties, complications, and delays frequently encountered in connection with development, operation in a competitive industry, and the continued development of advertising, promotions and a corresponding customer base. There is a possibility that the Company could sustain losses in the future.

There can be no assurances that Intelligent Fund Management, LLC will operate profitably. An investment in the Units involves a number of risks. You should carefully consider the following risks and other information in this Memorandum before purchasing our Units. Without limiting the generality of the foregoing, Investors should consider, among other things, the following risk factors:

Inadequacy Of Funds:

Total gross offering proceeds of a maximum of \$5,000,100 may be realized. Management believes that such proceeds will capitalize and sustain IFM sufficiently to allow for the implementation of the Company's Business Plans. If only a fraction of this Offering is sold, or if certain assumptions contained in Management's business plans prove to be incorrect, the Company may have inadequate funds to fully develop its business and may need debt financing or other capital investment to fully implement the Company's business plans.

Dependence On Management:

In the early stages of development the Company's business will be significantly dependent on the Company's management. The Company's success will be particularly dependent upon H. Edward Downs II. The loss of this individual could have a material adverse effect on the Company. See "MANAGEMENT" section.

Risks Associated With Expansion:

The Company plans on expanding its business through the development and marketing of the Company's investment

platform. Any expansion of operations the Company may undertake will entail risks, such actions may involve specific operational activities which may negatively impact the profitability of the Company. Consequently, the Members must assume the risk that (i) such expansion may ultimately involve expenditures of funds beyond the resources available to the Company at that time, and (ii) management of such expanded operations may divert Management's attention and resources away from its existing operations, all of which factors may have a material adverse effect on the Company's present and prospective business activities.

General Economic Conditions:

The financial success of the Company may be sensitive to adverse changes in general economic conditions in the United States, such as recession, inflation, unemployment, and interest rates. Such changing conditions, or resulting market volatility, could reduce demand in the marketplace for the Company's investment platform. Intelligent Fund Management, LLC has no control over these changes.

Possible Fluctuations In Operating Results:

The Company's operating results may fluctuate significantly from period to period as a result of a variety of factors, including purchasing patterns of customers, competitive pricing, debt service and principal reduction payments, and general economic conditions. Consequently, the Company's revenues may vary by quarter, and the Company's operating results may experience fluctuations.

Risks Of Borrowing:

If the Company incurs indebtedness, a portion of its cash flow will

have to be dedicated to the payment of principal and interest on such indebtedness. Typical loan agreements also might contain restrictive covenants which may impair the Company's operating flexibility. Such loan agreements would also provide for default under certain circumstances, such as failure to meet certain financial covenants. A default under a loan agreement could result in the loan becoming immediately due and payable and, if unpaid, a judgment in favor of such lender which would be senior to the rights of owners of Membership Units of the Company. A judgment creditor would have the right to foreclose on any of the Company's assets resulting in a material adverse effect on the Company's business, operating results or financial condition.

Unanticipated Obstacles To Execution Of The Business Plan:

The Company's business plans may change. Some of the Company's potential business endeavors are capital intensive and may be subject to statutory or regulatory requirements. Management believes that the Company's chosen activities and strategies are achievable in light of current economic and legal conditions with the skills, background, and knowledge of the Company's principals and advisors. Management reserves the right to make significant modifications to the Company's stated strategies depending on future events.

Management Discretion As To Use Of Proceeds:

The net proceeds from this Offering will be used for the purposes described under "Use of Proceeds." The Company reserves the right to use the funds obtained from this Offering for other similar purposes not presently contemplated which it deems to be in the best interests of the Company and its Members

in order to address changed circumstances or opportunities. As a result of the foregoing, the success of the Company will be substantially dependent upon the discretion and judgment of Management with respect to application and allocation of the net proceeds of this Offering. Investors for the Membership Units offered hereby will be entrusting their funds to the Company's Management, upon whose judgment and discretion the investors must depend.

Control By Existing Members and Managers:

As of August 10, 2018, the Company's Manager and certain existing members owned a majority of the Company's issued Class A Voting Units. Upon completion of this Offering, the Company's Manager and certain existing members will continue to own a majority of then issued and outstanding voting Class A Units, and will be able to continue to control IFM.

Limited Transferability & Liquidity:

To satisfy the requirements of certain exemptions from registration under the Securities Act, and to conform with applicable state securities laws, each investor must acquire his Units for investment purposes only and not with a view towards distribution. Consequently, certain conditions of the Securities Act may need to be satisfied prior to any sale, transfer, or other disposition of the Units. Some of these conditions may include a minimum holding period, availability of certain reports, including financial statements from Intelligent Fund Management, LLC, limitations on the percentage of Units sold and the manner in which they are sold. Intelligent Fund Management, LLC can prohibit any sale, transfer or disposition unless it receives an opinion of counsel provided at the holder's expense, in a form satisfactory to Intelligent Fund Management, LLC, stating that

the proposed sale, transfer or other disposition will not result in a violation of applicable federal or state securities laws and regulations. No public market exists for the Units and no market is expected to develop. Consequently, owners of the Units may have to hold their investment indefinitely and may not be able to liquidate their investments in Intelligent Fund Management, LLC or pledge them as collateral for a loan in the event of an emergency.

Broker - Dealer Sales Of Units:

The Company's Membership Units are not presently included for trading on any exchange, and there can be no assurances that the Company will ultimately be registered on any exchange. No assurance can be given that the Membership Units of the Company will ever qualify for inclusion on the NASDAQ System or any other trading market. As a result, the Company's Membership Units are covered by a Securities and Exchange Commission rule that opposes additional sales practice requirements on broker-dealers who sell such securities to persons other than established customers and accredited investors. For transactions covered by the rule, the broker-dealer must make a special suitability determination for the purchaser and receive the purchaser's written agreement to the transaction prior to the sale. Consequently, the rule may affect the ability of broker-dealers to sell the Company's securities and may also affect the ability of shareholders to sell their Units in the secondary market.

Long Term Nature Of Investment:

An investment in the Units may be long term and illiquid. As discussed above, the offer and sale of the Units will not be registered under the Securities Act or any foreign or state securities laws by reason of exemptions from such registration

which depends in part on the investment intent of the investors. Prospective investors will be required to represent in writing that they are purchasing the Units for their own account for long-term investment and not with a view towards resale or distribution. Accordingly, purchasers of Units must be willing and able to bear the economic risk of their investment for an indefinite period of time. It is likely that investors will not be able to liquidate their investment in the event of an emergency.

No Current Market For Units:

There is no current market for the Units offered in this private Offering and no market is expected to develop in the near future.

Offering Price:

The price of the Units offered has been arbitrarily established by Intelligent Fund Management, LLC, considering such matters as the state of the Company's business development and the competitive company valuations and funds raised by other firms in the space. The Offering price bears little relationship to the assets, net worth, or any other objective criteria of value applicable to Intelligent Fund Management, LLC.

Compliance With Securities Laws:

The Units are being offered for sale in reliance upon certain exemptions from the registration requirements of the Securities Act, applicable Texas Securities Laws, and other applicable state securities laws. If the sale of Units were to fail to qualify for these exemptions, purchasers may seek rescission of their purchases of Units. If a number of purchasers were to obtain rescission, Intelligent Fund Management, LLC would face significant financial demands which could adversely affect Intelligent Fund

Management, LLC as a whole, as well as any non-rescinding purchasers.

Lack Of Firm Underwriter:

The Units are offered on a "best efforts" basis by the management of Intelligent Fund Management, LLC without compensation and on a "best efforts" basis through certain FINRA registered broker-dealers which enter into Participating Broker-Dealer Agreements with the Company. Accordingly, there is no assurance that the Company, or any FINRA broker-dealer, will sell the maximum Units offered or any lesser amount.

Projections: Forward Looking Information:

Management has prepared projections regarding Intelligent Fund Management, LLC's anticipated financial performance. The Company's projections are hypothetical and based upon factors influencing the business of Intelligent Fund Management, LLC. The projections are based on Management's best estimate of the probable results of operations of the Company, based on present circumstances, and have not been reviewed by IFM's independent accountants. These projections are based on several assumptions, set forth therein, which Management believes are reasonable. Some assumptions upon which the projections are based, however, invariably may not materialize due the inevitable occurrence of unanticipated events and circumstances beyond Management's control. Therefore, actual results of operations will vary from the projections, and such variances may be material. Assumptions regarding future changes in sales and revenues are necessarily speculative in nature. In addition, projections do not and cannot take into account such factors as general economic conditions, unforeseen regulatory changes,

the entry into the Company's market of additional competitors, the terms and conditions of future capitalization, and other risks inherent to the Company's business. While Management believes that the projections accurately reflect possible future results of Intelligent Fund Management, LLC's operations, those results cannot be guaranteed.

Competition May Increase Costs:

The Company will experience competition from other robo-advisor companies. Competition may have the effect of increasing customer acquisition costs for the Company and decreasing the sales price of developed assets.

Terrorist Attacks Or Other Acts Of Violence Or War May Affect The Industry In Which The Company Operates, Its Operations & Its Profitability:

Terrorist attacks may harm the Company's results of operations and an Investor Member's investment. There can be no assurance that there will not be more terrorist attacks against the United States or U.S. businesses. These attacks or armed conflicts may directly or indirectly impact the value of the property the Company owns or that secure its loans. Losses resulting from these types of events may be uninsurable or not insurable to the full extent of the loss suffered.

Moreover, any of these events could cause consumer confidence and spending to decrease or result in increased volatility in the United States and worldwide financial markets and economy. They could also result in economic uncertainty in the United States or abroad. Adverse economic conditions resulting from terrorist activities could negatively impact the Company's operations.

Federal Regulations:

The Company's robo-advisor platform will operate under certain government regulations that apply to such businesses. Should the Company fail to become a Registered Investment Advisor or fail to comply with certain regulations, the resulting impact could negatively affect Company's financial results or the Company's brand and image.

Investment Platform Performance may Impact Results:

The investment performance of the Company's robo-advisor platform is expected to have an impact on the performance of the Company in acquiring and maintaining customer accounts. Negative or sub-par platform performance and investment returns realized by customers could negatively impact the Company's brand and standing in relation to competitors.

Consistent under-performance of the Company's platform in delivering expected investment returns could damage the Company's ability to retain accounts and remain an ongoing and operational business entity.

Simulation Disclosure:

Simulated performance is the result of historical back-testing of a selected group of successful strategies over a selected period of time, as opposed to an actual trading record. With historical back-testing and for that matter, actual trade records, past performance is no guarantee of future results with any strategy. The results shown are based on simulated or hypothetical performance results. Hypothetical results have certain inherent limitations. Unlike the results shown in an actual performance record, these results do not represent actual trading. Also, because these trades have not actually been executed, these

results may have under- or over-compensated for the impact, if any, of certain market factors, such as lack of liquidity. Simulated or hypothetical trading programs in general are also subject to the fact that they are designed with the benefit of hindsight. No representation is being made that any account will or is likely to achieve profits or losses similar to those being shown. Past performance, whether actual or indicated by historical tests of strategies, is no guarantee of future performance or success. There is a possibility that a user of this or any other strategy or software product may sustain a loss equal to or greater than that investor's entire investment regardless of which asset class it trades.

Changes in Regulations and Compliance:

Any changes in regulations that pertain to the Company's platform could potentially hinder the Company's ability to provide services as originally intended. Further, increases in compliance and regulations may increase the costs associated with the operation of the business which could negatively impact financial results.

Execution Problems, Delays, and Service Outages related to Technology:

While the Company intends to deploy safeguards to ensure consistent performance of the platform and technology, any service outages or other technology related problems related to the operation of the platform could irreparably damage the Company's brand and/or result in financial losses or legal liability.

Hacking Events or Loss of Security Related to Accounts and Client Information:

While the Company will deploy industry standard protocols for protecting the private information of clients, any successful hacking event wherein customer information is breached could have negative impacts on the Company's brand and financial results.

Related Parties:

Investors for the Units should be made aware that there are related parties between management and principal owners in the Company and Nirvana Systems which will be the recipient of funds from this offering under a Services Agreement.

Software Updates to Investment Methods:

Any updates the Company may make to the software algorithms that control the management of client capital could have a negative impact on investment performance.

Recent Changes to Rule 506 of Regulation D:

Recent changes to Rule 506 of Regulation D under the Securities Act prohibit an issuer from claiming an exemption from registration of its securities under that rule if the issuer; any of its predecessors; any affiliated issuer; any director, executive officer, other officer participating in the offering of the interests, general partner, or managing member of the issuer; any beneficial owner of 20 percent or more of the voting power of the issuer's outstanding voting equity securities; any promoter connected with the issuer in any capacity as of the date of this Memorandum; any investment manager of the issuer; any person that has been or will be paid (directly or indirectly) remuneration for solicitation of purchasers in connection with such sale of the

issuer's interests; any general partner or managing member of any such investment manager or solicitor; or any director, executive officer, or other officer participating in the offering of any such investment manager or solicitor, general partner, or managing member of such investment manager or solicitor has been subject to certain "bad actor" events described in Rule 506(d)(1) of Regulation D after September 23, 2013, subject to certain limited exceptions. We are required to exercise reasonable care in conducting an inquiry to determine whether any such persons have been subject to such "bad actor" events and are required to disclose any "bad actor" events that occurred prior to September 23, 2013, to investors in our Company. While we believe that we have exercised reasonable care in conducting an inquiry into "bad actor" events by the foregoing persons and are not aware of any required disclosures, it is possible that (a) additional "Bad Actor" events may exist of which we are not aware, and (b) the SEC, a court, or other finder of fact may determine that the steps that we have taken to conduct our inquiry were inadequate and did not constitute reasonable care. If such a finding were made, we may lose our ability to rely on Rule 506 of Regulation D under the Securities Act for the offer and sale of the securities and, depending on the circumstances, may be required to register the offering of the securities with the SEC and under applicable state securities laws or to conduct a rescission offer with respect to the securities sold in this offering.





USE OF PROCEEDS

The Company seeks to raise maximum gross proceeds of \$5,000,100 from the sale of Units in this Offering. The Company intends to apply these proceeds substantially as set forth herein, subject only to reallocation by Management in the best interests of the Company.

SALE OF EQUITY

CATEGORY	MAX. PROCEEDS
PROCEEDS FROM SALE OF UNITS	\$5,000,100

OFFERING EXPENSES & COMMISSIONS

CATEGORY	MAX. PROCEEDS
EST. EXPENSES ⁽¹⁾	\$10,000.00
EST. BROKERAGE COMMISSIONS ⁽²⁾	\$250,005.00
TOTAL OFFERING FEES	\$260,005.00

(1) Includes estimated memorandum preparation, filing, printing, legal, accounting and other fees and expenses related to the Offering.

(2) This Offering is being sold by the Managing Members of the Company. No compensatory sales fees or related commissions will be paid to such Managing Members. Registered broker or dealers who are members of the FINRA and who enter into a Participating Dealer Agreement with the Company may sell units. Such brokers or dealers may receive commissions up to ten percent (10%) of the price of the Units sold.

CORPORATE APPLICATION OF PROCEEDS

CATEGORY	MAX. PROCEEDS
SERVICE AGREEMENT WITH NIRVANA SYSTEMS	\$3,644,100.00
MARKETING EXPENSES	\$1,030,000.00
CORPORATE RESERVE	\$65,995.00
TOTAL CORPORATE USE	\$4,740,095.00

TOTAL USE OF PROCEEDS

CATEGORY	MAX. PROCEEDS
OFFERING EXPENSES & COMMISSIONS	\$260,005.00
CORPORATE APPLICATION OF PROCEEDS	\$4,740,095.00
TOTAL PROCEEDS	\$5,000,100.00

TRANSFER AGENT & REGISTRAR

The Company will act as its own transfer agent and registrar for its units of ownership.

PLAN OF PLACEMENT

The Units are offered directly by the Managing Member of the Company on the terms and conditions set forth in this Memorandum. FINRA brokers and dealers may also offer units. The Company is offering the Units on a “best efforts” basis. The Company will use its best efforts to sell the Units to investors. There can be no assurance that all or any of the Units offered, will be sold.

NO ESCROW OF SUBSCRIPTION FUNDS

Commencing on the date of this Memorandum all funds received by the Company in full payment of subscriptions for Units will be deposited in a company account. The Company has not set a minimum offering proceeds figure for this Offering. Offering proceeds from the sale of Units will be delivered directly to the Company and be available for its immediate use. Subscriptions for Units are subject to rejection by the Company at any time.

HOW TO SUBSCRIBE FOR UNITS

A purchaser of Units must complete, date, execute, and deliver to the Company the following documents, as applicable:

- An Investor Suitability Questionnaire;
- An original signed copy of the appropriate Subscription Agreement including verification of the investor’s accredited status;

- An executed Intelligent Fund Management, LLC Operating Agreement; and

- A check payable to “Intelligent Fund Management, LLC” in the amount of \$14,286 per Unit for each Unit purchased as called for in the Subscription Agreement (minimum purchase of one (1) Unit for \$14,286).

Subscribers may use the Investment Portal to proceed through the subscription process located at:

<http://offering.myomnifunds.com/>

Subscribers may not withdraw subscriptions that are tendered to the Company.

ADDITIONAL INFORMATION

Each prospective investor may ask questions and receive answers concerning the terms and conditions of this offering and obtain any additional information which the Company possesses, or can acquire without unreasonable effort or expense, to verify the accuracy of the information provided in this Memorandum. The principal executive offices of the Company are located at 9111 Jollyville Rd. Ste 275, Austin, Texas 78759 and the telephone number is (512) 345-2545.

ERISA CONSIDERATIONS

GENERAL

When deciding whether to invest a portion of the assets of a qualified profit-sharing, pension or other retirement trust in the Company, a fiduciary should consider whether: (i) the investment is in accordance with the documents governing the particular plan; (ii) the investment satisfies the diversification requirements of Section 404(a)(1)(c) of Employee Retirement Income Security Act of 1974, as amended (“ERISA”); and (iii) the investment is prudent and in the exclusive interest of participants and beneficiaries of the plan.

PLAN ASSETS

Under ERISA, whether the assets of the Company are considered “plan assets” is also critical. ERISA generally requires that “plan assets” be held in trust and that the trustee or a duly authorized Manager have exclusive authority and discretion to manage and control the assets. ERISA also imposes certain duties on persons who are “fiduciaries” of employee benefit plans and prohibits certain transactions between such plans and parties in interest (including fiduciaries) with respect to the assets of such plans. Under ERISA and the Code, “fiduciaries” with respect to a plan include persons who: (i) have any power of control, management or disposition over the funds or other property of the plan; (ii) actually provide investment advice for a fee; or (iii) have discretion with regard to plan administration. If the underlying assets of the Company are considered to be “plan assets,” then the Manager(s) of the Company could be considered a fiduciary with respect to an investing employee benefit plan, and various transactions between Management or any affiliate and the Company, such as the payment of fees to Managers, might result in prohibited transactions. A regulation adopted by the Department of Labor generally defines plan assets as not to include the underlying assets of the issuer of the securities held by a plan. However, where a plan acquires an equity interest in an entity that is neither a publicly offered security nor a security issued by certain registered investment companies, the plan’s assets include both the equity interest and an undivided interest in each of the underlying assets of the entity unless: (i) the entity is an operating company or; (ii) equity participation in the entity by benefit plan investors (as defined in the regulations) is not significant (i.e., less than twenty-five percent (25%) of any class of equity interests in the entity is held by benefit plan investors).

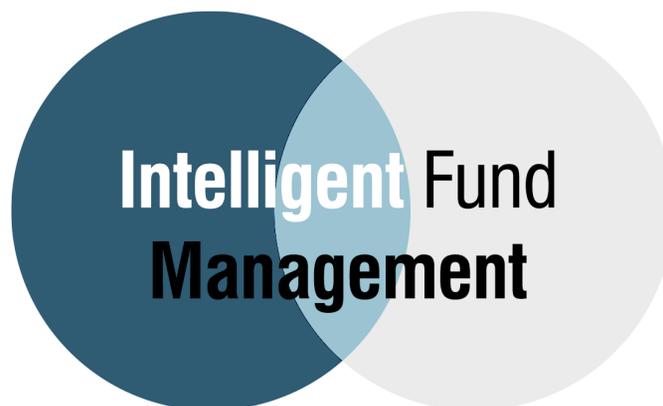
Benefit plan investors are not expected to acquire twenty-five percent (25%) or more of the Units offered by the Company. Management of the Company intends to preclude significant investment in the Company by such plans. Employee benefit plans (including IRAs), however, are urged to consult with their legal advisors before subscribing for the purchase of Units to ensure the investment is acceptable under ERISA regulations.

SECTION 3: Exhibits

SUPPORTING DOCUMENTATION & DATA

Intelligent Fund Management, LLC

9111 Jollyville Rd. Ste 275, Austin, Texas 78759





Office of the Secretary of State

**CERTIFICATE OF FILING
OF**

Intelligent Fund Management, LLC
File Number: 802400961

The undersigned, as Secretary of State of Texas, hereby certifies that a Certificate of Formation for the above named Domestic Limited Liability Company (LLC) has been received in this office and has been found to conform to the applicable provisions of law.

ACCORDINGLY, the undersigned, as Secretary of State, and by virtue of the authority vested in the secretary by law, hereby issues this certificate evidencing filing effective on the date shown below.

The issuance of this certificate does not authorize the use of a name in this state in violation of the rights of another under the federal Trademark Act of 1946, the Texas trademark law, the Assumed Business or Professional Name Act, or the common law.

Dated: 02/26/2016

Effective: 02/26/2016



A handwritten signature in black ink, appearing to read "Cascos" followed by a horizontal line.

Carlos H. Cascos
Secretary of State

Secretary of State P.O. Box 13697 Austin, TX 78711-3697 FAX: 512/463-5709 Filing Fee: \$300	 Certificate of Formation Limited Liability Company	Filed in the Office of the Secretary of State of Texas Filing #: 802400961 02/26/2016 Document #: 658199970005 Image Generated Electronically for Web Filing
Article 1 - Entity Name and Type		
The filing entity being formed is a limited liability company. The name of the entity is:		
<u>Intelligent Fund Management, LLC</u>		
Article 2 – Registered Agent and Registered Office		
<input type="checkbox"/> A. The initial registered agent is an organization (cannot be company named above) by the name of:		
OR		
<input checked="" type="checkbox"/> B. The initial registered agent is an individual resident of the state whose name is set forth below:		
Name:		
H Edward Downs II		
C. The business address of the registered agent and the registered office address is:		
Street Address:		
9111 Jollyville Rd, Ste 275 Austin TX 78759		
Consent of Registered Agent		
<input checked="" type="checkbox"/> A. A copy of the consent of registered agent is attached. <u>2016-02-26 Registered Agent Consent.pdf</u>		
OR		
<input type="checkbox"/> B. The consent of the registered agent is maintained by the entity.		
Article 3 - Governing Authority		
<input checked="" type="checkbox"/> A. The limited liability company is to be managed by managers.		
OR		
<input type="checkbox"/> B. The limited liability company will not have managers. Management of the company is reserved to the members.		
The names and addresses of the governing persons are set forth below:		
Manager 1: H Edward Downs II	Title: Manager	
Address: 9111 Jollyville Rd Ste 275 Austin TX, USA 78759		
Article 4 - Purpose		
The purpose for which the company is organized is for the transaction of any and all lawful business for which limited liability companies may be organized under the Texas Business Organizations Code.		
Supplemental Provisions / Information		

[The attached addendum, if any, is incorporated herein by reference.]

Organizer

The name and address of the organizer are set forth below.

H. Edward Downs II 9111 Jollyville Rd, Ste 275, Austin, TX 78759

Effectiveness of Filing

A. This document becomes effective when the document is filed by the secretary of state.

OR

B. This document becomes effective at a later date, which is not more than ninety (90) days from the date of its signing. The delayed effective date is:

Execution

The undersigned affirms that the person designated as registered agent has consented to the appointment. The undersigned signs this document subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument and certifies under penalty of perjury that the undersigned is authorized under the provisions of law governing the entity to execute the filing instrument.

H. Edward Downs II

Signature of Organizer

FILING OFFICE COPY

Form 401-A
(Revised 12/09)



**Acceptance of Appointment
and
Consent to Serve as Registered Agent
§5.201(b) Business Organizations Code**

The following form may be used when the person designated as registered agent in a registered agent filing is an individual.

<u>Acceptance of Appointment and Consent to Serve as Registered Agent</u>		
I acknowledge, accept and consent to my designation or appointment as registered agent in Texas for Intelligent Fund Management, LLC		
<i>Name of represented entity</i>		
I am a resident of the state and understand that it will be my responsibility to receive any process, notice, or demand that is served on me as the registered agent of the represented entity; to forward such to the represented entity; and to immediately notify the represented entity and submit a statement of resignation to the Secretary of State if I resign.		
X:		02/26/2016
	<small>Signature of registered agent</small>	<small>Printed name of registered agent</small>
		<small>Date (mm/dd/yyyy)</small>

The following form may be used when the person designated as registered agent in a registered agent filing is an organization.

<u>Acceptance of Appointment and Consent to Serve as Registered Agent</u>		
I am authorized to act on behalf of _____		
<small>Name of organization designated as registered agent</small>		
The organization is registered or otherwise authorized to do business in Texas. The organization acknowledges, accepts and consents to its appointment or designation as registered agent in Texas for:		
<i>Name of represented entity</i>		
The organization takes responsibility to receive any process, notice, or demand that is served on the organization as the registered agent of the represented entity; to forward such to the represented entity; and to immediately notify the represented entity and submit a statement of resignation to the Secretary of State if the organization resigns.		
X:	_____	_____
	<small>Signature of person authorized to act on behalf of organization</small>	<small>Printed name of authorized person</small>
		<small>Date (mm/dd/yyyy)</small>

PROFESSIONAL SERVICES AND LICENSE AGREEMENT

This Professional Services and License Agreement ("Agreement") is made and entered into by and between Nirvana Systems, Inc., a Texas corporation, ("NIRVANA") and Intelligent Fund Management, LLC, a Texas limited liability company, ("IFM") to be effective as of August 10, 2018 (the "Effective Date"). This Agreement amends and restates the Professional Services and License Agreement between the parties dated to be effective as of May 1, 2017 as amended on October 1, 2017 and December 1, 2017.

WHEREAS, NIRVANA, over a 25 year period, has developed automated trading technology, including recently switching algorithms ("Nirvana Algorithms"), and in conjunction therewith, gained the expertise to assist IFM with developing OmniFunds; and

WHEREAS, IFM desires to use NIRVANA's expertise and personnel, including the Nirvana Algorithms, to enhance, market, and support OmniFunds, and as partial consideration for NIRVANA's assistance, agrees to provide NIRVANA a non-exclusive license to use the intellectual property associated with OmniFunds; and

WHEREAS, IFM desires to use the Nirvana Algorithms and to license the right to use them to IFM customers at any tier, such as end users, resellers, distributors, etc.

NOW, THEREFORE, in consideration of the premises and the mutual promises and agreements contained in this Agreement, it is hereby agreed as follows:

1. Obligations and Agreements of the Parties.

(a) IFM is hereby contracting with NIRVANA in order for IFM to use NIRVANA's expertise and personnel to enhance, market and support OmniFunds. As consideration for NIRVANA's services hereunder, IFM will pay NIRVANA \$150,000 per month plus 15% of IFM net revenue over the Monthly Fee per month (the "Growth Percentage Fee"). This charge is in consideration for the license for the Nirvana Algorithms granted below and for the use of a substantial percentage of NIRVANA's staff and overhead, including (as of the date of this Agreement) multiple developers and quality assurance (QA) staff, customer service employees, marketing creative staff, algorithm development team members, information technology staff, and management personnel. The billing for NIRVANA services includes a profit to NIRVANA for its ongoing development, support, and promotion of OmniFunds. NIRVANA anticipates an increase in its staff and overhead expenses to support the growing IFM customer base. Over time, the amount paid to NIRVANA may include but not be limited to substantially all of the money raised by IFM in the Offering.

(b) OmniFunds and all of the Intellectual Property Rights associated therewith, are, and shall be owned by IFM. All deliverables produced by NIRVANA pursuant to this Agreement shall be considered work-for-hire, the copyright for which shall be exclusively owned by IFM. NIRVANA agrees to assign and hereby does assign to IFM all Intellectual Property Rights which may arise under this Agreement or be incorporated into or embodied in OmniFunds. "Intellectual Property Rights" includes all copyright, inventions (whether or not patentable), trade secrets, trademarks, patents, patent applications, cause of action for infringement or misappropriation, and other similar rights, throughout the world. IFM grants NIRVANA a non-exclusive perpetual license for NIRVANA to access and use the Intellectual Property Rights associated with OmniFunds; provided, however, that NIRVANA will have no rights to sublicense such Intellectual Property Rights without written authorization from IFM or to transfer or assign any portion of such Intellectual Property Rights. NIRVANA agrees to execute any

documents and take any additional actions, as IFM may reasonably request in order to evidence IFM's ownership rights hereunder.

(c) In addition to the payments described in Paragraph 1(a), IFM shall reimburse NIRVANA for direct marketing expenses as well as direct IT infrastructure expenses to support the IFM customer base.

2. Term. This Agreement shall continue for a period of one (1) year, at which point it will automatically renew for successive one (1) year periods, unless NIRVANA or IFM provides notice of non-renewal at least sixty (60) days prior to the end of the then current term. Termination of this Agreement shall terminate IFM's obligation to pay the Monthly Fee. Termination of this Agreement shall terminate IFM's obligation to pay the Growth Percentage Fee and shall not terminate the license to the Nirvana Algorithms granted in Section 1(c).

3. Prior Agreement. This Agreement supersedes and replaces any and all previous agreements between the parties.

4. No Partnership. It is understood and agreed to by the parties that nothing herein is intended to create a joint venture or partnership of any kind.

5. Liability and Indemnity. Each party shall indemnify and hold harmless the other party and its employees, agents, officers, directors, and subcontractors from and against all suits, actions, legal or administrative proceedings, damages, costs, expenses, and liabilities brought or incurred by third parties or employees of either party, including but not limited to attorneys' fees and court costs, to the extent caused by any act or omission of the first party. This Section 4 shall survive termination of this Agreement.

6. Confidential Information. Each party agrees to keep all information secured as a result of performing under this Agreement in strict confidence, and not to divulge or to permit its employees, agents or subcontractors to divulge such information, or any part thereof, to any party. This Section 5 shall survive termination of this Agreement.

7. Entire Agreement. This Agreement constitutes the entire agreement between the parties and no party shall be liable or bound to any party in any manner by any warranties, representations, or covenants except as specifically set forth in this Agreement. The terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the parties.

8. Governing Law. This Agreement shall be governed by and construed under the laws of the State of Texas applicable to agreements made and fully performable therein, without regard to conflicts of law principals thereof.

9. Attorney's Fees. Should either party default under this Agreement, the party enforcing this Agreement shall be entitled to reimbursement of all costs, including reasonable attorneys' fees.

10. Modification; Waiver. No modification or amendment of any provision of this Agreement shall be effective unless in writing and approved by each of the parties hereto, and no consent or waiver of any provision of this Agreement or departure therefrom shall be effective unless in writing and executed by the party against which such consent or waiver is effective.

11. Waiver. Waiver by a party of any right hereunder, including any default by the other party, shall not be construed as a waiver of any other right or default.

12. Severability. If any provision of this Agreement is held to be invalid, such invalidity shall not affect the remaining provisions of the Agreement.

IN WITNESS WHEREOF, this Agreement has been executed by each of the parties hereto.

Nirvana Systems, Inc.

By: H. Edward Downs
Name: H. Edward Downs, II
Title: President

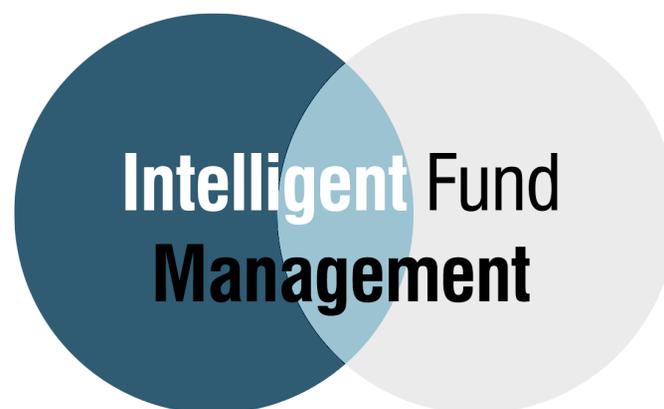
Intelligent Fund Management, LLC

By: H. Edward Downs
Name: H. Edward Downs, II
Title: Manager

OPERATING AGREEMENT

Limited Liability Company Agreement of Intelligent Fund Management, LLC

9111 Jollyville Rd. Ste 275, Austin, Texas 78759



LIMITED LIABILITY COMPANY AGREEMENT
OF
INTELLIGENT FUND MANAGEMENT, LLC

A TEXAS LIMITED LIABILITY COMPANY

THE LIMITED LIABILITY COMPANY INTERESTS REPRESENTED BY THIS LIMITED LIABILITY COMPANY AGREEMENT HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR UNDER THE TEXAS SECURITIES ACT OR OTHER SIMILAR STATE STATUTES IN RELIANCE UPON EXEMPTIONS FROM REGISTRATION AS PROVIDED IN THOSE STATUTES. THE SALE OR OTHER DISPOSITION OF THE LIMITED LIABILITY COMPANY INTERESTS IS RESTRICTED, AS SET FORTH IN THIS LIMITED LIABILITY COMPANY AGREEMENT, AND IN ANY EVENT IS PROHIBITED UNLESS THE MANAGERS RECEIVE AN OPINION OF COUNSEL SATISFACTORY TO THE MANAGERS AND ITS COUNSEL THAT SUCH SALE OR OTHER DISPOSITION CAN BE MADE WITHOUT REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND UNDER APPLICABLE STATE STATUTES. BY ACQUIRING THE LIMITED LIABILITY COMPANY INTEREST REPRESENTED BY THIS LIMITED LIABILITY COMPANY AGREEMENT, EACH MEMBER REPRESENTS THAT IT WILL NOT SELL OR OTHERWISE DISPOSE OF ITS LIMITED LIABILITY COMPANY INTEREST WITHOUT REGISTRATION OR OTHER COMPLIANCE WITH THE AFORESAID STATUTES AND THE RULES AND REGULATIONS THEREUNDER AND THE TERMS AND PROVISIONS OF THIS AGREEMENT.

LIMITED LIABILITY COMPANY AGREEMENT OF
 INTELLIGENT FUND MANAGEMENT, LLC
 A TEXAS LIMITED LIABILITY COMPANY

TABLE OF CONTENTS

		Page
1.	DEFINITIONS.....	1
2.	ORGANIZATION.....	5
	2.1. FORMATION.....	5
	2.2. NAME.....	5
	2.3. PRINCIPAL PLACE OF BUSINESS.....	5
	2.4. TERM.....	5
	2.5. PURPOSES.....	5
	2.6. INDEPENDENT ACTIVITIES OF MANAGERS AND MEMBERS.....	6
	2.7. STATUTORY REQUIREMENTS.....	6
3.	CAPITAL.....	6
	3.1. MAINTENANCE OF CAPITAL ACCOUNTS.....	6
	3.2. INITIAL CAPITAL CONTRIBUTIONS.....	7
	3.3. LIABILITY OF MEMBERS.....	7
	3.4. NEGATIVE CAPITAL ACCOUNTS.....	7
	3.5. OTHER MATTERS.....	7
	3.6. ADDITIONAL CONTRIBUTIONS.....	8
	3.7. NO PREEMPTIVE RIGHTS.....	8
4.	ALLOCATION OF INCOME, GAINS, AND LOSSES- SINGLE MEMBER ENTITY.....	8
5.	ALLOCATION OF INCOME, GAINS, AND LOSSES- TWO OR MORE MEMBERS.....	8

5.1.	PROFITS.....	8
5.2.	LOSSES.....	9
5.3.	CHARACTER OF ALLOCATIONS.....	9
5.4.	SPECIAL ALLOCATIONS.....	9
5.5.	OTHER ALLOCATION RULES.....	11
5.6.	TAX ALLOCATIONS UNDER CODE SECTION 704(C).....	11
6.	COMPANY PROPERTY, IP RIGHTS.....	12
6.1.	COMPANY PROPERTY.....	12
6.2.	IP RIGHTS.....	12
7.	DISTRIBUTIONS.....	12
7.1.	IN GENERAL.....	12
7.2.	DISTRIBUTIONS ON TERMINATION OF THE COMPANY.....	12
7.3.	INCORRECT PAYMENTS.....	13
7.4.	DISTRIBUTIONS IN KIND.....	13
7.5.	AMOUNTS WITHHELD.....	13
8.	ACCOUNTING AND TAX MATTERS.....	13
8.1.	FISCAL YEAR.....	13
8.2.	METHOD OF ACCOUNTING.....	13
8.3.	TAX RETURNS.....	13
8.4.	TAX MATTERS.....	14
9.	MANAGERS.....	14
9.1.	ELECTION OF MANAGERS.....	14
9.2.	POWER AND AUTHORITY.....	14
9.3.	INDEMNIFICATION.....	15
10.	MEMBERS, MEETINGS OF THE MEMBERS.....	15
10.1.	MEETINGS OF MEMBERS.....	15
10.2.	ACTION WITHOUT MEETINGS.....	15
10.3.	MEETINGS BY TELEPHONE OR OTHER TECHNOLOGY.....	15
11.	ADMISSION OF MEMBERS; TRANSFERS OF INTERESTS; WITHDRAWAL OF A MEMBER.....	15
11.1.	NO NEW MEMBERS OPTIONS.....	15
11.2.	TRANSFERS OF MEMBERSHIP INTERESTS BY MEMBERS.....	16
11.3.	PULL ALONG RIGHTS.....	16
11.4.	WITHDRAWAL OF A MEMBER.....	16

12.	DISSOLUTION AND TERMINATION	16
12.1.	CAUSES OF DISSOLUTION.....	16
12.2.	WINDING UP.....	16
12.3.	COMPLIANCE WITH TIMING REQUIREMENTS OF REGULATIONS.....	17
12.4.	RIGHTS OF MEMBER.....	17
13.	DISPUTE RESOLUTION	18
14.	GENERAL PROVISIONS.....	19
14.1.	COMPANY RECORDS.....	19
14.2.	CONFIDENTIALITY	20
14.3.	APPLICABLE LAW; FORUM.....	21
14.4.	BINDING AGREEMENT.....	21
14.5.	NOTICES.....	22
14.6.	TERMINOLOGY.....	22
14.7.	ENTIRE AGREEMENT.....	22
14.8.	SEVERABILITY.....	23
14.9.	OTHER INSTRUMENTS.....	23
14.10.	WAIVER OF PARTITION.....	23
14.11.	AMENDMENTS.....	23
14.12.	WAIVERS.....	23
14.13.	COUNTERPARTS.....	23
14.14.	NO STATE-LAW PARTNERSHIP.....	23

LIMITED LIABILITY COMPANY AGREEMENT OF
INTELLIGENT FUND MANAGEMENT, LLC
A TEXAS LIMITED LIABILITY COMPANY

This limited liability company agreement of Intelligent Fund Management, LLC (the "Agreement") is executed to be effective as of the date on which the Certificate of Formation is filed with the Texas Secretary of State (the "Effective Date") among the Managers and the persons listed on Exhibit "A" as the Members for the purpose of organizing a Texas limited liability company on the terms and conditions set forth in the Certificate of Formation and in this Agreement.

1. DEFINITIONS

Subject to additional definitions contained in subsequent Articles of this Agreement which are applicable to specific Articles or Sections thereof, capitalized terms used in this Agreement have the meanings set forth below:

- 1.1. **"Act"** means the Texas Business Organizations Code, and any successor statute, as amended from time to time.
- 1.2. **"Adjusted Capital Account Deficit"** means the negative balance, if any, of a Member's Capital Account after all adjustments thereto have been made under this Agreement, other than the adjustments required under Section 5.4.2 hereof, and after the Member's Capital Account balance has been –
- (a) increased by any amounts which the Member is obligated to restore pursuant to any provision of this Agreement or is deemed to be obligated to restore pursuant to the penultimate sentences of Regulations §§ 1.704-2(g)(1) and 1.704-2(i)(5), and
 - (b) decreased by any amounts described in Regulations §§ 1.704-1(b)(2)(ii)(d)(4), 1.704-1(b)(2)(ii)(d)(5), or 1.704-1(b)(2)(ii)(d) (6).
- 1.3. **"Agreement"** means this limited liability company agreement.

- 1.4. **"Available Cash"** means the cash balance of the Company from time to time after the payment of, or provision for the payment of, all of the Company's obligations then due and after the establishment of such reserves as the Managers may think appropriate for all other debts and expenses of the Company, and expressly including payments to Nirvana Systems, Inc., a Texas corporation for services and reimbursements.
- 1.5. **"Capital Account"** means, with respect to any Member, the capital account maintained for such Member in accordance with the provisions of Section 3.1 of this Agreement.
- 1.6. **"Capital Contributions"** means, with respect to any Member, the amount of money and the initial Gross Asset Value of any property (other than money) contributed to the Company with respect to the Interest held by such Member.
- 1.7. **"Certificate of Formation"** means the Certificate of Formation filed with the Secretary of State of the State of Texas pursuant to Article 3.005 of the Act, as amended and restated from time to time.
- 1.8. **"Class A Units"** means Units in the Company designated as Class A Units. Class A Units are voting Units. A "Class A Member" is the owner of a Class A Unit.
- 1.9. **"Class B Units"** means Units in the Company designated as Class B Units. Class B Units are non-voting Units. A "Class B Member" is the owner of a Class B Unit.
- 1.10. **"Code"** means the Internal Revenue Code of 1986, as now in effect or as hereafter amended.
- 1.11. **"Company"** means the limited liability company formed under the Act pursuant to this Agreement, under the name INTELLIGENT FUND MANAGEMENT, LLC.
- 1.12. **"Gross Asset Value"** means, with respect to any asset, the asset's adjusted basis for federal income tax purposes, except as follows:
- (a) Except as provided in clause (d) below, the initial Gross Asset Value of any asset contributed by a Member to the Company shall be the gross fair market value of such asset on the date of contribution, as determined by the contributing Member and the Company;
 - (b) The Gross Asset Values of all Company assets shall be adjusted to equal their respective gross fair market values, as determined by the Managers with the agreement of the Members, as of the following times: (i) the acquisition of an additional interest in the Company by any new or existing Member in

exchange for more than a de minimis Capital Contribution; (ii) the distribution by the Company to a Member of more than a de minimis amount of property as consideration for an interest in the Company; and (iii) the liquidation of the Company within the meaning of Regulations § 1.704-1(b)(2)(ii)(g); provided, however, that adjustments pursuant to clauses (i) and (ii) above shall be made only if the Managers reasonably determines that such adjustments are necessary or appropriate to reflect the relative economic interests of the Members in the Company. For purposes of this subsection (b) Company assets being adjusted shall include receivables, payables and other items in which the Company has unrealized income or deductions and the fair market value of such items shall be their face amounts;

- (c) Except as provided in clause (e) below, the Gross Asset Value of any Company asset distributed to any Member shall be the gross fair market value of such asset on the date of distribution as determined by the Company and the Member to whom the asset is distributed;
- (d) The Gross Asset Value of any promissory note contributed to the Company by a Member who is the maker of the note shall be zero, and except as provided in Section 3.1.5 the contributing Member's Capital Account will be subsequently credited with the amount of any principal payments received on the note by the Company or the amount received by the Company upon a taxable disposition of the note. The preceding sentence shall not apply to any promissory note that is readily tradeable on an established securities market; and
- (e) The Gross Asset Value of any promissory note made by the Company and distributed to a Member will be zero, and except as provided in Section 3.1.5 that Member's Capital Account will be subsequently debited with the amount of any principal payments received by it on the note or the amount received by it upon a taxable disposition of the note. The preceding sentence shall not apply to any promissory note that is readily tradeable on an established securities market.

- 1.13. **"Gross Revenue"** means the gross revenue of the Company without deduction for any Company expenses or liabilities, other than the Management Fee.
- 1.14. **"Interest"** means an ownership interest in the Company held by a person representing a percentage of the total ownership interests in the Company, including any and all benefits to which the holder of such an Interest may be entitled as provided in this Agreement, together with all obligations of such person to comply with the terms and provisions of this Agreement and applicable law.

- 1.15. **"Majority in Interest of the Class A"** means the holders of greater than 50% of the then-issued and outstanding Class A Units.
- 1.16. **"Managers"** means the persons designated from time to time as the managers of the Company in Section 9.1 hereof.
- 1.17. **"Members"** means those persons listed on Exhibit "A" attached hereto and made a part hereof and such other persons as may become Members from time to time in accordance with this Agreement. Members who are entitled to vote on matters in this Agreement are designated "Class A Members". Members who do not have the right to vote on any matters under this Agreement are designated "Class B Members".
- 1.18. **"Member Obligation"** means the obligation, if any, of a Member to make additional Capital Contributions, to restore the negative balance of its Capital Account, to compensate the Company or its other Members for any damages resulting from the Member's acts or omissions, or to pay any other amount due and owing to the Company.
- 1.19. **"Profits and Losses"** means, for each fiscal year or other period, an amount equal to the Company's taxable income or loss for such year or period, determined in accordance with Code Section 703(a), increased by items of tax exempt income and decreased by items described in § 705(a)(2)(B) of the Code. If any property is carried on the books of the Company at a value that differs from its adjusted basis for tax purposes, any gain, loss, depreciation, amortization or other cost-recovery expense with respect to that property will be computed by reference to the book basis of such property, consistent with the requirements of Regulations § 1.704(b)(2)(iv)(g). Additionally, any item allocated under Section 5.4 hereof shall be excluded from the computation of Profits and Losses.
- 1.20. **"Regulations"** means the Income Tax Regulations, including Temporary Regulations, promulgated under the Code, as such regulations may be amended from time to time (including corresponding provisions of succeeding regulations).
- 1.21. **"Sharing Percentage"** means the allocable share of an indicated item of profit, income, gain, loss, expense, deduction, or other allocable item of the Company expressed as a percentage and associated with a Membership Interest as set forth on Exhibit "A" as the same may be amended from time to time. Each Member's Sharing Percentage shall be the percentage that such Member's Units bears to all Units.
- 1.22. **"Units"** means one or more certified or uncertificated units representing ownership in the Company. On the Effective Date, the Company has authorized 1000 Voting Class A Units and 1000 Non-Voting Class B Units. The Managers may issue the Units on such terms and for such consideration as they, in their sole discretion, may determine. The number of

authorized Units may be increased or decreased from time to time with the vote of a Majority in Interest of the Class A Members, but no decrease shall eliminate a Unit already issued without the holder of that Unit's consent.

2. ORGANIZATION

2.1. Formation.

The parties to the Agreement hereby form a limited liability company to be governed by the Certificate of Formation, by this Agreement, and by the Act.

2.2. Name.

The name of the Company shall be INTELLIGENT FUND MANAGEMENT, LLC; provided, however, that (a) the Company's business may be conducted under one or more assumed names deemed advisable by the Managers, and (b) the Managers in its sole discretion may change the name of the Company at any time and from time to time.

2.3. Principal Place of Business.

The principal place of business of the Company shall be at 9111 Jollyville Rd, Suite 275, Austin, Texas 78759 or such other address as the Managers, in its discretion, may determine.

2.4. Term.

The term of the Company commenced when the Certificate of Formation was filed with the Texas Secretary of State and shall continue until the Company is terminated under Article 12 of this Agreement.

2.5. Purposes.

The Company is organized for the purpose of:

- (a) conducting any and all activities normally exercised by an owner of property in relation or incidental to the business conducted or property held by the Company; and
- (b) conducting any other purpose or activity as the Class A Members shall agree which is permissible under the laws of the State of Texas.

2.6. Independent Activities of Managers and Members.

Any Manager and any Member may, notwithstanding this Agreement, engage in whatever activities he or it chooses, whether or not the same are competitive with those of the Company, without having or incurring any obligation to offer any interest in such activities to the Company or any Member. No Member shall have any rights or obligations with respect to any other project or any other business.

2.7. Statutory Requirements.

The Company's organizer has caused the Certificate of Formation to be executed and filed with the Secretary of State of the State of Texas. The Managers may file a Certificate of Amendment to the original Certificate of Formation and any other certificates of amendment as may be authorized by the Managers (except any Articles of Dissolution, which shall require consent in accordance with this Agreement); provided, however, that any amendments to this Agreement shall have been adopted in accordance with Section 14.11.

3. CAPITAL

3.1. Maintenance of Capital Accounts.

A separate Capital Account shall be maintained on the books of the Company for each Member as follows:

- 3.1.1. To each Member's Capital Account there shall be credited such Member's Capital Contributions, such Member's allocable share of Profits, and any items in the nature of income or gain which are specially allocated pursuant to Section 5.4 hereof, and the amount of any Company liabilities assumed by such Member or which are secured by any property distributed to such Member.
- 3.1.2. To each Member's Capital Account there shall be debited the amount of cash and the Gross Asset Value of any property distributed to such Member from the Company, such Member's allocable share of Losses, and any items in the nature of expenses or losses which are specially allocated pursuant to Section 5.4 hereof, and the amount of any liabilities of such Member assumed by the Company or which are secured by any property contributed by such Member to the Company.
- 3.1.3. Each Member's Capital Account shall be adjusted in accordance with Regulations §§ 1.704-1(b)(2)(iv)(f) and 1.704-1(b)(2)(iv)(g) if the Gross Asset Value of any Asset is adjusted.

- 3.1.4. In the event all or a portion of an interest in the Company is transferred in accordance with the terms of this Agreement, the respective Capital Accounts of the transferee and transferor shall be adjusted in accordance with Regulations § 1.704-1(b)(2)(iv)(1).
- 3.1.5. Upon the liquidation of a Member's Interest, the Member's Capital Account will be debited or credited, as appropriate, for the fair market value of certain promissory notes in accordance with Regulations §§ 1.704-1(b)(2)(iv)(d)(2) and 1.704-1(b)(2)(iv)(e)(2).
- 3.1.6. Each Member's Capital Account shall be adjusted as required by Regulations § 1.704-1(b)(2)(iv)(k) for depletion and gain or loss with respect to any oil and gas properties held by the Company.

The foregoing provisions and the other provisions of this Agreement relating to the maintenance of Capital Accounts are intended to comply with Regulations § 1.704-1(b), and shall be interpreted and applied in a manner consistent with such Regulations.

3.2. Initial Capital Contributions.

The initial Capital Contributions of the Members are set forth on Exhibit "A" hereto.

3.3. Liability of Members.

Each Member's liability shall be limited as described in the Act.

3.4. Negative Capital Accounts.

Except as otherwise provided in this Agreement, no Member shall be obligated to restore a deficit in the Member's Capital Account solely by reason of such negative Capital Account balance.

3.5. Other Matters.

- 3.5.1. Except as otherwise provided in this Agreement, no Member shall demand or receive a return of its Capital Contributions or withdraw capital from the Company without the consent of the Managers. Under circumstances requiring a return of any Capital Contributions, no Member shall have the right to receive property other than cash except as may be specifically provided herein.

3.5.2. No Member shall receive any interest on, or salary or drawing with respect to, its Capital Contributions or its Capital Account except as otherwise provided in this Agreement or under a separate agreement providing therefor.

3.5.3. Except as otherwise provided by this Agreement or by an assumption agreement, no Member shall be liable for the debts, liabilities, contracts or any other obligations of the Company in its capacity as a Member. Except as otherwise provided by this Agreement, by any other agreements among the Members, or by applicable state law, a Member shall be liable only to make its Capital Contributions and shall not be required to lend any funds to the Company.

3.6. Additional Contributions.

No Member shall be required to contribute additional capital to the Company.

3.7. No Preemptive Rights.

Except as otherwise provided in this Agreement, no Member shall have any preemptive, preferential, or other right with respect to the issuance or sale of Interests that may be issued or sold by the Company.

4. ALLOCATION OF INCOME, GAINS, AND LOSSES- SINGLE MEMBER ENTITY

In the event that the Company is a disregarded entity for federal tax purposes, all items of income, gain, loss and deduction shall be allocated to the Members in direct proportion to each Member's Sharing Percentage.

5. ALLOCATION OF INCOME, GAINS, AND LOSSES- TWO OR MORE MEMBERS

In the event that the Company is not disregarded for federal tax purposes, all items of income, gain, loss and deduction shall be allocated as follows:

5.1. Profits.

After giving effect to the special allocations set forth in Section 5.4 hereof, Profits for any fiscal year shall be allocated as follows: Profits shall be allocated to the Members pro-rata in proportion to the percentage that each Member's Units bears to all Members' Units.

5.2. Losses.

After giving effect to the special allocations set forth in Section 5.4 hereof, Losses for any fiscal year shall be allocated as follows: All Losses will be allocated to the Members pro-rata in proportion to the percentage that each Member's Units bears to all Members' Units.

5.3. Character of Allocations.

In making the above allocations, each Member's allocable share shall take into account the nature of each item of Company income, gain, loss and deduction, e.g. capital gain or ordinary income items. Each Member shall be entitled to such Member's pro-rata share of each such item of income, gain, loss and deduction.

5.4. Special Allocations.

The following special allocations shall be made in the following order:

5.4.1. Minimum Gain Chargeback.

If, during the Company's fiscal year, there is a net decrease in the Company's minimum gain (as determined under Regulations § 1.704-2(d)), then items of income and gain of the Company shall be allocated to each Member having a negative Capital Account balance at the end of such fiscal year in accordance with Regulations § 1.704-2(f). This provision is intended to comply with the "minimum gain chargeback" requirement in the above referenced Section of the Regulations, and shall, to that extent, be interpreted consistently therewith. If during a Company taxable year there is a net decrease in Member non-recourse debt minimum gain, as defined in Regulations § 1.704-2(i)(2), any Member with a share of that Member non-recourse debt minimum gain (determined under Regulations § 1.704-2(i)(5) as of the beginning of the year) must be allocated items of income and gain for the year (and, if necessary, for succeeding years) equal to that Member's share of the net decrease in the Member non-recourse debt minimum gain in compliance with Regulations § 1.704-2(i)(4).

5.4.2. Qualified Income Offset.

In the event any Member unexpectedly receives any adjustments, allocations, or distributions described in Regulations §§ 1.704-1(b)(2)(ii)(d)(4), 1.704-1 (b)(2)(ii)(d)(5), or 1.704-1(b)(2)(ii)(d)(6), items of Company income and gain shall be specially allocated to each such Member in an amount and manner sufficient to eliminate, to the extent required by the Regulations, the Adjusted Capital Account Deficit of such Member as

quickly as possible, provided that an allocation pursuant to this Section 5.4.2 shall be made only if and to the extent that such Member would have an Adjusted Capital Account Deficit after all other allocations provided for in this Article 5 have been tentatively made as if this Section 5.4.2 were not in the Agreement.

5.4.3. Gross Income Allocation.

In the event any Member has a deficit Capital Account at the end of any Company fiscal year which is in excess of the sum of (i) the amount such Member is obligated to restore pursuant to any provision of this Agreement and (ii) the amount such Member is deemed to be obligated to restore pursuant to the penultimate sentences of Regulations §§ 1.704-2(g)(1) or 1.704-2(i)(5), each such Member shall be specially allocated items of Company income and gain in the amount of such excess as quickly as possible, provided that an allocation pursuant to this Section 5.4.3 shall be made only if and to the extent that such Member would have a deficit Capital Account in excess of such sum after all other allocations provided for in this Article 5 have been made as if Section 5.4.2 hereof and this Section 5.4.3 were not in the Agreement.

5.4.4. Section 754 Adjustments.

To the extent an adjustment to the adjusted tax basis of any Company asset pursuant to Code Section 734(b) or Code Section 743(b) is required, pursuant to Regulations § 1.704-1 (b)(2)(iv)(m), to be taken into account in determining Capital Accounts, the amount of such adjustment to the Capital Accounts shall be treated as an item of gain (if the adjustment increases the basis of the asset) or loss (if the adjustment decreases such basis) and such gain or loss shall be specially allocated to the Members in a manner consistent with the manner in which their Capital Accounts are required to be adjusted pursuant to such Section of the Regulations.

5.4.5. Change in Regulations.

If any of the specific Regulations upon which the special allocations provided for in this Article 5 are based are hereafter changed, or if new Regulations are hereafter adopted, which changes or new Regulations, in the opinion of the tax counsel retained by the Company, make it necessary to revise the foregoing special allocation rules or provide further special allocation rules in order to avoid a significant risk that a material portion of any allocation of net income, net losses, credits or other tax attributes otherwise provided for would be altered as a result of a challenge thereto by the Internal Revenue Service, the Members agree to make such reasonable amendments to the Agreement as, in the opinion of such counsel, are necessary or desirable, taking into account the interests of

the Members as a whole and all other relevant factors, to avoid or reduce significantly such risk to the extent possible without materially affecting the amounts distributable to any Member pursuant to this Agreement.

5.5. Other Allocation Rules.

5.5.1. For purposes of determining the Profits, Losses, or any other items allocable to any period, Profits, Losses, and any such other items shall be determined on a daily, monthly, or other basis, as determined by the Managers using any permissible method under Code Section 706 and the Regulations thereunder.

5.5.2. For purposes of determining a Member's proportionate share of the "excess nonrecourse liabilities" of the Company within the meaning of Regulations § 1.752-3, the Members' interests in Company profits are as set forth in Section 5.1 above.

5.6. Tax Allocations Under Code Section 704(c).

In accordance with Code Section 704(c) and the Regulations thereunder, income, gain, loss, and deduction with respect to any property contributed to the capital of the Company (including those subsequently contributed by the Company to another entity taxable as a partnership under the Code) shall, solely for tax purposes, be allocated among the Members so as to take account of any variation between the adjusted basis of such property to the Company for federal income tax purposes and its initial Gross Asset Value.

In the event the Gross Asset Value of any Company asset is adjusted pursuant to this Agreement, subsequent allocations of income, gain, loss, and deduction with respect to such asset shall take account of any variation between the adjusted basis of such asset for federal income tax purposes and its Gross Asset Value in the same manner as under Code Section 704(c) and the Regulations thereunder.

The Managers may elect in its discretion to use curative allocations or the remedial allocation method, as permitted by Regulations § 1.704-3, in association with any allocation pursuant to this Section 5.6.

In the event that a Member contributes to the Company property as to which the disparity between its adjusted basis for federal income tax purposes and its Gross Asset Value is small, within the meaning of Regulations § 1.704-3(e)(1), the Managers may in its discretion disregard this Section 5.6 or defer its application until the Company disposes of such property.

Any elections or other decisions relating to such allocations shall be made by the Managers in any manner that reasonably reflects the purpose and intention of this Agreement and conforms to the requirements of Regulations §§ 1.704-3. Allocations pursuant to this Section 5.6 are solely for purposes of federal, state, and local taxes and shall not affect, or in any way be taken into account in computing, any Member's Capital Account or share of Profits, Losses, other items, or distributions pursuant to any provision of this Agreement.

6. COMPANY PROPERTY, IP RIGHTS

6.1. Company Property.

Real or personal property owned or purchased by the Company shall be held and owned, and conveyance shall be made, in the name of the Company. Instruments and documents providing for the acquisition, mortgage, or disposition of the property of the Company or for the incurrence of debt for shall be valid and binding upon the Company if they are executed by a duly authorized officer or agent of the Company.

6.2. IP Rights.

The right, if any, of the Company to use any trademark, service mark, tradename or similar or other intellectual property belonging to a Member or any other person shall be controlled by the terms of one or more written license agreements in effect from time to time.

7. DISTRIBUTIONS

7.1. In General.

Except as otherwise specifically provided in the Agreement or as may be otherwise agreed to in writing by all Members, Available Cash shall be distributed quarterly on the 30th day following the last business day of each quarter as follows: All Available Cash will be distributed to the Members pro-rata in proportion to the percentage that each Member's Units bears to all Members' Units.

7.2. Distributions on Termination of the Company.

Distributions on termination of the Company shall be made in accordance with Section 12.2.

7.3. Incorrect Payments.

To the extent any payment made to a Member is incorrectly paid, as determined by the Company's financial statements, any Member who receives more than should have been paid to such Member shall promptly repay to the Company the amount of any such incorrect payment, and any such repaid amounts shall be redistributed pursuant to the Agreement. If the Member fails to contribute such incorrect payment to the Company within thirty (30) days of receiving written notice of such incorrect payment (unless such failure is due to a good faith dispute as to whether there was, in fact, an incorrect payment made), such refusal shall be considered a failure to contribute additional capital pursuant to this Agreement.

7.4. Distributions in Kind.

If any assets of the Company are to be distributed in kind, such assets shall be distributed, unless otherwise agreed by all Members, to the Members entitled thereto as tenants-in-common in the same proportions as such Members would have been entitled to receive cash distributions.

7.5. Amounts Withheld.

All amounts withheld pursuant to the Code or any provision of any state or local tax law with respect to any payment or distribution to any Member shall be treated as amounts distributed to that Member pursuant to this Article 7 for all purposes under this Agreement. The Managers may allocate any such amounts among the Members in any manner that is in accordance with applicable law.

8. ACCOUNTING AND TAX MATTERS

8.1. Fiscal Year.

The fiscal year of the Company shall be the fiscal year selected by the Managers.

8.2. Method of Accounting.

The books of the Company, for tax and financial reporting purposes, shall each be kept on the method of accounting selected by the Managers.

8.3. Tax Returns.

The Company shall cause Company tax returns to be prepared and filed with appropriate authorities on a timely basis. It is the intent of the Members that the Company be taxed as a partnership, based on provisions of the current Code and Regulations.

8.4. Tax Matters.

The Managers shall have authority to extend the statute of limitations for assessment of tax deficiencies against the Members with respect to adjustments to the Company's federal, state, or local tax returns; represent the Company and the Members before taxing authorities or courts of competent jurisdiction in tax matters affecting the Company and the Members; and execute any agreements or other documents relating to or affecting such tax matters, including agreements or other documents that bind the Members with respect to such tax matters or otherwise affect the rights of the Company and Members. H. Edward Downs, II is specifically authorized to act as the "Tax Matters Partner" under the Code and in any similar capacity under state or local law and specifically instructed to take all action necessary to constitute each Member a "notice partner" under Code Section 6231(a)(8).

9. MANAGERS

9.1. Election of Managers.

The affairs of the Company will be conducted by one or more Managers. The Managers shall be solely and exclusively responsible for conducting the business and affairs of the Company and exercising all rights and powers to manage the business of the Company. The number of Managers shall be set from time to time by a Majority in Interest of the Class A. (The Class B Units do not have voting rights.). The Managers will be elected and removed from time to time by a Majority in Interest of the Class A. (Class B Units do not have voting rights.) In the event of the death of H. Edward Downs, II, Nirvana Systems, Inc., a Texas corporation, shall automatically be appointed as the Manager and shall continue to serve as Manager until such time as it is removed as Manager by the vote of a Majority in Interest of the Class A.

9.2. Power and Authority.

The Managers shall have authority and power under this Agreement to:

- 9.2.1. create and abolish from time to time one or more offices, including that of President, Vice President, Treasurer or Secretary, delegate to such an office any authorities and responsibilities deemed advisable, and appoint and remove, with or without cause, any person as the holder of such an office; and

9.2.2. conduct all other activities which may be necessary or convenient to carry out the purposes of the Company.

9.3. Indemnification.

The Company shall indemnify the members of the Managers, officers, employees and agents of the Company to the maximum extent permitted by Texas law.

10. MEMBERS, MEETINGS OF THE MEMBERS

10.1. Meetings of Members.

Members shall meet at such times and places as agreed to by a Majority in Interest of the Class A. It is expressly agreed that the Class B Members shall have no ability to call a meeting of the Members and shall have no right to vote at any meeting of the Members called by the Class A Members, except as may be required by the Act.

10.2. Action Without Meetings.

Any action required or permitted to be taken at a meeting of the Members may be taken without a meeting without prior notice, and without a vote, if a consent in writing, setting forth the action so taken, is signed by the required Majority in Interest of the Class A. Such consent shall have the same force and effect as a unanimous vote at a meeting.

10.3. Meetings by Telephone or Other Technology.

Any or all Members may participate in a meeting, by or conduct the meeting through the use of, telephone or any other means of communication by which either: (a) all participating Members may simultaneously hear each other during the meeting or (b) all communication during the meeting is immediately transmitted to each participating Member, and each participating Member is able to immediately send messages to all other participating Members. If a meeting will be conducted through the use of any means described in this Section 10.3, all participating Members shall be informed that a meeting is taking place at which official business may be transacted. A Member participating in a meeting by any means described in this Section 10.3 is deemed to be present in person at the meeting.

11. ADMISSION OF MEMBERS; TRANSFERS OF INTERESTS; WITHDRAWAL OF A MEMBER

11.1. No New Members Options.

No person shall be permitted to acquire an interest in the Company from the Company without the consent of the Managers. The Managers shall have authority to grant options to purchase Units in their discretion under terms and conditions as the Managers shall determine.

11.2. Transfers of Membership Interests by Members.

No Class A Member or Class B Member shall have the right to transfer or assign his Interest without the consent of the Manager, and any such transfer shall be on the terms and conditions as approved by the Manager in its sole discretion.

11.3. Pull Along Rights.

If the Class A Members receive an offer to purchase more than fifty percent (50%) of its Units, the Class A Members will have the right, but not the obligation to require that the Class B Members sell some, or all, as determined in the Class A Members sole discretion, of the Units owned by each such Class B Member, provided that the purchase and sale of such Class B Member's Units be on terms materially consistent with the terms of the purchase and sale of each Class A Member's Units.

11.4. Withdrawal of a Member.

No Member may withdraw from membership in the Company prior to the dissolution and winding up of the Company.

12. DISSOLUTION AND TERMINATION

12.1. Causes of Dissolution.

The Company shall be dissolved upon the earliest to occur of the following:

- 12.1.1. The sale or other disposition of all or substantially all of the Company's property;
- 12.1.2. The vote by a Majority in Interest of the Class A that the Company should be dissolved;
- 12.1.3. Entry of a decree of judicial dissolution under the Act;

12.2. Winding Up.

Upon the dissolution of the Company, the Company shall continue solely for the purposes of winding up its affairs in an orderly manner, liquidating its assets, and satisfying the claims of its creditors and Members. No Member shall take any action with respect to the Company that is inconsistent with, or not necessary to or appropriate for, the winding up of the Company's business and affairs. Each Member shall repay any Member Obligation which it owes the Company. The Managers (or, in the event there are no remaining members of the Managers, any person designated by the Members) shall be responsible for overseeing the winding up of the Company and shall take full account of the Company's liabilities and property. The proceeds from the liquidation, to the extent sufficient therefor, shall be applied and distributed in the following order:

- 12.2.1. First, to the payment and discharge of all of the Company's debts and liabilities to creditors other than the Members;
- 12.2.2. Second, to the payment and discharge of all of the Company's debts and liabilities to the Members; and
- 12.2.3. Thereafter, the balance, if any, to the Members in proportion of the positive balances of their Capital Accounts, after giving effect to all contributions, distributions, and allocations for all periods.

12.3. Compliance with Timing Requirements of Regulations.

In the event the Company is "liquidated" within the meaning of Regulations § 1.704-1(b)(2)(ii)(g), then (a) distributions shall be made pursuant to this Article 12 to the Members who have positive Capital Accounts in compliance with Regulations § 1.704-1(b)(2)(ii)(b)(2), and (b) if any Member's Capital Account has a deficit balance (after giving effect to all contributions, distributions, and allocations for all taxable years, including the year during which such liquidation occurs), and if that Member has an obligation under this Agreement to restore any negative balance in its Capital Account, that Member shall contribute to the capital of the Company so much of the Capital Contribution due from such Member as is necessary to restore such deficit balance to zero in compliance with Regulations § 1.704-1(b)(2)(ii)(b)(3). Such deficit restoration obligation on the part of the Member shall be considered to be a debt to only the Company and to no other party and it shall be incurred by the Member upon liquidation as provided herein. A Member shall also remain liable for any other Member Obligation it may have to the Company, and the Company may offset any distribution due to a Member against such Member Obligation. If a Member's Member Obligation exceeds the amount payable to such Member for its Interest, then such Member shall remit the net amount of its Member Obligation in accordance with its terms, and no amount shall be payable to it.

12.4. Rights of Member.

Except as otherwise provided in this Agreement, each Member shall look solely to the assets of the Company for the return of its Capital Contributions and shall have no right or power to demand or receive property other than cash from the Company. Except as otherwise provided in this Agreement, no Member shall have priority over any other Member as to the return of its Capital Contributions, distributions, or allocations.

13. DISPUTE RESOLUTION

In the event that the parties are unable to resolve any dispute arising under this Agreement, or with respect to the conduct of the parties relating to the negotiation, documentation, execution or performance of this Agreement or concerning the rights of the parties hereto to any property that is the subject of this Agreement, that dispute shall be determined by binding arbitration administered by the American Arbitration Association (“AAA”) under its Commercial Arbitration Rules, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof. One arbitrator shall be selected from the AAA’s Roster of Neutrals using the AAA’s listing process, and the parties will return their respective strikes and preferences to the AAA within 20 days of receipt of the list. If a party fails to timely return its strikes and preferences, an arbitrator will be invited to serve based solely on the strikes and preferences timely provided by the other party. All proceedings in arbitration, including all conferences and hearings, will be held in Austin, Texas unless otherwise agreed between the parties. Consistent with the expedited nature of arbitration, each party will, upon the written request of the other party, promptly provide the other with copies of documents on which the producing party may rely in support of or in opposition to any claim or defense. Any dispute regarding discovery, or the relevance or scope thereof, shall be determined by the arbitrator, which determination shall be conclusive. At the request of a party, the arbitrator shall have the discretion to order examination by deposition of witnesses to the extent the arbitrator deems such additional discovery relevant and appropriate. All objections are reserved for the arbitration hearing except for objections based on privilege and proprietary or confidential information. All discovery shall be conducted in accordance with the AAA rules of procedure and shall be completed in accordance with a schedule to be agreed between the parties within 21 days of the appointment of the arbitrator or, failing such agreement, within 180 days following the appointment of the arbitrator. Hearing on the merits will be scheduled by the arbitrator on not less than 30 days’ notice to each party. The arbitrator may award to the prevailing party, if any, as determined by the arbitrator, all of its costs and fees. “Costs and fees” mean all reasonable pre-award expenses of the arbitration, including the arbitrators’ fees, administrative fees, travel expenses, out-of-pocket expenses such as copying and telephone, court costs, and witness fees, but “costs and fees” shall not include attorneys’ fees. The award shall be in writing, shall be accompanied by a reasoned opinion and shall be signed by the arbitrator. Except as may be required by law (including the requirements of securities and regulatory laws) or as may be necessary in connection with the activities of the party’s accountants, auditors, and other advisors, neither a party nor an arbitrator may disclose the existence, content, or results of any arbitration hereunder without the prior written consent of both parties.

It is expressly provided that the submission of any dispute to arbitration shall not impair any party's right to seek or obtain from a court of competent jurisdiction a temporary restraining order and other preliminary injunctive relief to preserve the status quo or to seek or obtain another available extraordinary remedy while any such arbitration is pending or is being appealed or reviewed.

In no event shall a demand for arbitration as to a dispute be effective if it is made after the date on which institution of legal or equitable proceedings concerning that dispute in a court would be barred by the provisions of this Agreement of the applicable statute of limitations.

14. GENERAL PROVISIONS

14.1. Company Records.

The Company shall keep and maintain the following records in its principal office in the United States or make them available in that office within five days after the date of receipt of a written request:

14.1.1. a current list that states:

- (a) the name and mailing address of each Member; and
- (b) the percentage or other Interest in the Company owned by each Member;

14.1.2. copies of the federal, state, and local information or income tax returns for each of the Company's six most recent tax years;

14.1.3. a copy of the Certificate of Formation and this Agreement, all amendments or restatements, and executed copies of any powers of attorney;

14.1.4. a written statement of:

- (a) the amount of the cash contribution and a description and statement of the agreed value of any other contribution made by each Member, and the amount of the cash contribution and a description and statement of the agreed value of any other contribution that the Member has agreed to make in the future as an additional contribution;

- (b) the date on which each Member in the Company became a Member; and
- (c) correct and complete books and records of account of the Company.

The Company shall maintain its records in written form or in another form capable of conversion into written form within a reasonable time.

The Company shall keep in its registered office in Texas and make available to Members on reasonable request the street address of its principal United States office in which the records required by this section are maintained or will be available.

A Member or a permitted assignee of an Interest, on written request stating the purpose, may examine and copy, in person or by the Member's or assignee's representative, at any reasonable time, for any proper purpose, and at the Member's expense, records required to be kept under this Section and other information regarding the business, affairs, and financial condition of the Company as is just and reasonable for the person to examine and copy.

14.2. Confidentiality

- 14.2.1. A person's "Confidential Information" collectively includes any proprietary information or knowledge possessed by that person which is confidential and commercially valuable, whether or not it constitutes a trade secret under applicable law, including without limitation: (i) non-public information regarding research, development, products, services, or markets or marketing; (ii) non-public information regarding financial condition or results of operations, business plans, budgets, financial projections, forecasts or estimates, or financing sources and methods; (iii) non-public information concerning inventions (whether or not patentable), discoveries, unpublished works, software, data compilations, improvements, developments, designs, concepts, techniques, or know-how, (iv) non-public information concerning past, present, and potential suppliers, or customers, their personnel, purchasing, selling methods, business methods, prices, capacities, requirements, or credit or credit policies; (v) non-public information regarding the skills and compensation of past, present, and potential employees and other personnel of such person; non-public information concerning advice received from attorneys, accountants, and other advisers; and non-public information concerning pending, threatened, or contemplated litigation or administrative proceedings, and (vi) other non-public, commercially valuable information which the receiving person knew was confidential at the time of its receipt.
- 14.2.2. The Company and each Member agrees that it shall hold in strict confidence and shall not disclose or use any Confidential Information belonging to another such person for the period ending three (3) years after the

liquidation of the Company; provided, however, that the Members may disclose Confidential Information to the extent such disclosure is necessary or convenient as part of any regulatory proceeding in which the Company is a party. Each person will provide such Confidential Information only to its respective officers, employees, affiliates, agents, lenders, attorneys, and other advisors (collectively “Representatives”) for purposes of pursuing the business of the Company and meeting its obligations and exercising its rights hereunder, and then only on a confidential basis that is no less restrictive than the recipient’s obligations under this Agreement and that in no event is less than a reasonable means of protection to prevent the disclosure and to protect the confidentiality of Confidential Information.

- 14.2.3. Confidential Information will not include information that the recipient can prove: (a) has become part of the public domain other than by acts or omissions of the recipient or its Representatives, (b) has been furnished or made known to the recipient by third persons (other than those acting on behalf of the disclosing person) as a matter of legal right and without restriction on disclosure or use, (c) was in the recipient’s possession prior to disclosure by the disclosing person and was not previously acquired by the recipient or its Representatives directly or indirectly from the disclosing person or (d) is independently developed by Representatives of the recipient without access to Confidential Information.
- 14.2.4. If any person to whom Confidential Information is transmitted becomes legally compelled to disclose any of the Confidential Information or the fact that the Confidential Information has been made available to the recipient, such person shall (unless prohibited by law from doing so) promptly advise the disclosing person in order that the disclosing person may seek a protective order or such other remedy as the disclosing person may consider appropriate in the circumstances. In any event, the compelled person shall disclose only that portion of the Confidential Information which such person is legally required to disclose in the judgment of the person’s legal counsel.

14.3. Applicable Law; Forum

The Agreement shall be governed by, interpreted, construed, and enforced in accordance with the laws of the State of Texas. The Parties agree and consent to the jurisdiction and venue of any state or federal court sitting in Travis County, Texas.

14.4. Binding Agreement.

Subject to the restrictions on transfers and encumbrances set forth in Article 11, this Agreement shall be binding upon and shall inure to the benefit of the parties hereto, and their respective heirs, executors, administrators, legal representatives, successors, and permitted assigns.

14.5. Notices.

All notices, requests, demands, payments, or communications required or permitted to be given under any provision of the Agreement must be in writing, signed by or on behalf of the person giving the same, and shall be deemed to have been given when delivered by personal delivery, overnight courier, or facsimile transmission or mailed by certified mail, postage prepaid, return receipt requested, addressed to the person or persons to whom such notice is to be given at the addresses set forth for the Members in the Subscription Agreement executed by such Member in conjunction with the Member's investment in the Company (or at such other address as shall be stated in a notice similarly given):

Except as otherwise specifically provided in the Agreement, all notices, requests, demands, payments, or communications shall be deemed effective for the purpose of computing any time period for the time within which any act must be performed from the earlier of the date of actual receipt or the date of receipt noted on the return receipt thereof; provided, however, that in the event the addressee should reject or refuse to accept same, then such shall be deemed effective as of the date of mailing. If an attempt to give notice by facsimile transmission fails because of any problem with the recipient's designated facsimile number or facsimile equipment, such notice will nevertheless be considered to have been effected on the day of that attempted transmission if it is also transmitted that day by overnight delivery to the recipient and is actually received on the next following delivery day. Any person may from time to time specify a different address by notice to the Company and the Members.

14.6. Terminology.

All personal pronouns used in this Agreement, whether masculine, feminine, or neuter, shall include all other genders, and the singular shall include the plural and vice versa whenever the context requires.

14.7. Entire Agreement.

The Agreement, together with the Certificate of Formation, contains the entire agreement between the parties hereto relative to the formation and operation of the Company. The Agreement supersedes any prior understanding or oral or written agreement between the parties respecting the subject matter of the Agreement.

14.8. Severability.

If any one or more of the provisions contained in the Agreement, or the application thereof to any party hereto or to circumstances that may arise hereunder, shall for any reason be held to be invalid, illegal, or unenforceable in any respect, the remainder of the Agreement and the application of such provision to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

14.9. Other Instruments.

The parties hereto covenant and agree that they will execute such other and further instruments and documents as are or may become necessary or convenient to effectuate and carry out the purposes of the Company consistent with the Agreement.

14.10. Waiver of Partition.

To the maximum extent permitted under applicable law, each Member hereby waives the right, if any, to partition the property and/or any other assets of the Company.

14.11. Amendments.

Except as otherwise specifically provided in the Agreement, no amendment, modification, or change of the Agreement, or any part thereof, shall be valid and effective unless made in writing and signed by a Majority in Interest of the Class A.

14.12. Waivers.

No waiver of the Agreement, or any part hereof, shall be binding unless made in writing and signed by the party to be charged with such waiver. No waiver of any breach or condition of the Agreement shall be deemed to be a waiver of any subsequent breach or other condition whether of like or different nature.

14.13. Counterparts.

The Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which, taken together, shall constitute but one and the same instrument, which may be sufficiently evidenced by one counterpart.

14.14. No State-Law Partnership.

The Members intend that the Company not be a partnership (including, without limitation, a limited partnership) or joint venture, and that no Member or member of the Managers be a partner or joint venturer of any other Member or member of the Managers, for any purposes other than federal and state tax purposes, and this Agreement may not be construed to suggest otherwise.

IN WITNESS WHEREOF, the Members have executed the Agreement to be effective as set forth herein.

CLASS A MEMBER:


H. Edward Downs, II

MANAGER:


H. Edward Downs, II

Execution Page
Of the
Limited Liability Company Agreement (Operating Agreement) of
INTELLIGENT FUND MANAGEMENT, LLC

IN WITNESS WHEREOF, the undersigned hereby represents and warrants that the undersigned has received and reviewed the Intelligent Fund Management, LLC Limited Liability Company Agreement (Operating Agreement), dated February 26, 2016 and further agrees to be bound by all of the terms and conditions contained therein.

Individuals:

Name of Individual Member (Please Print)

Signature of Individual

Date

Name of Joint Individual Member (Please Print)

Signature of Joint Individual Member

Date

Entities:

Name of Entity (Please Print)

Print Name and Title of Officer

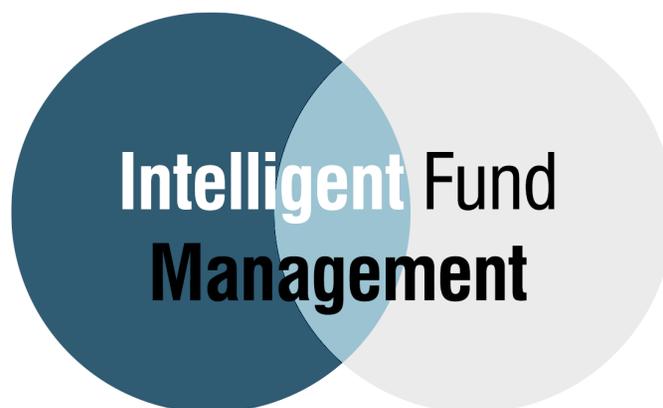
Signature of Officer

Date

FINANCIALS

Intelligent Fund Management, LLC

9111 Jollyville Rd. Ste 275, Austin, Texas 78759



Intelligent Fund Management, LLC
Profit & Loss
 January through June 2018

	Jan - Jun 18
Ordinary Income/Expense	
Income	
Sales	136,220.00
Sales Returns	-2,250.00
Total Income	133,970.00
Gross Profit	133,970.00
Expense	
Administrative Services	5,000.00
Bank Service Charges	77.50
Computer and Internet Expenses	330.00
Professional Fees	1,421.20
Total Expense	6,828.70
Net Ordinary Income	127,141.30
Other Income/Expense	
Other Income	
Interest Income	6.25
Total Other Income	6.25
Net Other Income	6.25
Net Income	127,147.55

The accompanying selected note disclosures are an integral part of these financial statements.

Intelligent Fund Management, LLC
Balance Sheet
As of June 30, 2018

	Jun 30, 18
ASSETS	
Current Assets	
Checking/Savings	4,085.42
Other Current Assets	
Retainers	2,100.00
Due from Nirvana Systems	31,080.50
Total Other Current Assets	33,180.50
Total Current Assets	37,265.92
Other Assets	
Investment in iOmniFunds LLC	1,000.00
Intellectual Property	500,000.00
Software Development Costs	1,695,000.00
Accumulated Amortization	-58,333.00
Total Other Assets	2,137,667.00
TOTAL ASSETS	2,174,932.92
LIABILITIES & EQUITY	
Equity	
Member Equity	2,047,785.37
Net Income	127,147.55
Total Equity	2,174,932.92
TOTAL LIABILITIES & EQUITY	2,174,932.92

The accompanying selected note disclosures are an integral part of these financial statements.

Intelligent Fund Management, LLC
Profit & Loss
 January through December 2017

	Jan - Dec 17
Ordinary Income/Expense	
Income	
Sales	122,105.50
Sales Returns	-11,195.00
Total Income	110,910.50
Gross Profit	110,910.50
Expense	
Administrative Services	175,000.00
Advertising and Promotion	1,350.00
Amortization Expense	33,333.00
Bank Service Charges	60.00
Computer and Internet Expenses	240.00
Professional Fees	21,915.50
Regulatory Fees	1,450.00
Total Expense	233,348.50
Net Ordinary Income	-122,438.00
Other Income/Expense	
Other Income	
Interest Income	809.79
Total Other Income	809.79
Net Other Income	809.79
Net Income	-121,628.21

The accompanying selected note disclosures are an integral part of these financial statements

Intelligent Fund Management, LLC
Balance Sheet
As of December 31, 2017

	Dec 31, 17
ASSETS	
Current Assets	
Checking/Savings	9,784.37
Other Current Assets	
Retainers	2,100.00
Total Other Current Assets	2,100.00
Total Current Assets	11,884.37
Other Assets	
Investment in iOmniFunds LLC	1,000.00
Intellectual Property	500,000.00
Software Development Costs	1,600,000.00
Accumulated Amortization	-58,333.00
Total Other Assets	2,042,667.00
TOTAL ASSETS	2,054,551.37
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	3,876.50
Other Current Liabilities	2,889.50
Total Current Liabilities	6,766.00
Total Liabilities	6,766.00
Equity	
Member Equity	2,169,413.58
Net Income	-121,628.21
Total Equity	2,047,785.37
TOTAL LIABILITIES & EQUITY	2,054,551.37

The accompanying selected note disclosures are an integral part of these financial statements

Intelligent Fund Management, LLC
Profit & Loss
 January through December 2016

	Jan - Dec 16
Ordinary Income/Expense	
Income	
Sales	24,959.00
Sales Returns	-749.00
Total Income	24,210.00
Gross Profit	24,210.00
Expense	
Administrative Services	225,000.00
Advertising and Promotion	5,791.75
Amortization Expense	25,000.00
Bank Service Charges	92.50
Web Design	1,500.00
Total Expense	257,384.25
Net Ordinary Income	-233,174.25
Other Income/Expense	
Other Income	
Interest Income	2,587.83
Total Other Income	2,587.83
Net Other Income	2,587.83
Net Income	-230,586.42

The accompanying selected note disclosures are an integral part of these financial statements

Intelligent Fund Management, LLC
Balance Sheet
As of December 31, 2016

	Dec 31, 16
ASSETS	
Current Assets	
Checking/Savings	393,470.33
Other Current Assets	
Retainers	3,500.00
Due from Nirvana Systems	24,210.00
Total Other Current Assets	27,710.00
Total Current Assets	421,180.33
Other Assets	
Intellectual Property	500,000.00
Software Development Costs	900,000.00
Accumulated Amortization	-25,000.00
Total Other Assets	1,375,000.00
TOTAL ASSETS	1,796,180.33
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	1,766.75
Total Current Liabilities	1,766.75
Total Liabilities	1,766.75
Equity	
Member Equity	2,025,000.00
Net Income	-230,586.42
Total Equity	1,794,413.58
TOTAL LIABILITIES & EQUITY	1,796,180.33

The accompanying selected note disclosures are an integral part of these financial statements

Intelligent Fund Management, LLC
Limited Note Disclosures to the Financial Statements
For the Years Ended December 31, 2016 and 2017 and the Six Months Ended June 30, 2018

Note 1: General Information and Accounting Policies

Intelligent Fund Management, LLC (the Company) started business operations in February 2016 as a startup software development company. The company develops investment trading software that will be used to perform electronic trading in various public exchanges. The Company purchased intellectual property and electronic trading software from Nirvana Systems, Inc. (NSI) for the sum of \$500,000. In 2016 the Company raised \$2,025,000 to acquire the intellectual property from NSI and to fund the development of the trading software. The software products are in the developed stage as of December 31, 2017. The accompanying financial statements are presented in accordance with Generally Accepted Accounting Principles (GAAP).

Note 2: Change in Accounting Principles and Restatement of Financial Statements

The Company has restated the accompanying financial statements to report the cost of software development in accordance with GAAP. The Company's policy is to capitalize the cost of software development. For the years ended December 31, 2016 and 2017 the financial statements were restated to capitalize software development costs of \$900,000 and \$700,000, respectively. These software development costs had been reported as expenses in previously issued financial statements.

Note 3: Software Development

The Company has contracts with a related party (NSI) to provide software design and programming services.

Note 4: Amortization of the Cost of Purchased Intellectual Property and the Cost of Software Development

The Company is amortizing the cost of the intellectual property that was purchased from NSI for a cost of \$500,000. The amortize expense reported was \$25,000 for 2016 and \$33,333 for 2017.

The software development costs that have been capitalized as of December 31, 2017 total \$1,600,000. The Company has not recorded any amortization or impairment adjustments for these software development costs.

Projected Cash Flow

Pro Forma "A"

Conservative (slow growth)

AUM Client Model

Avg Acct \$	\$30,000
% AUM	2.00%
\$/Acquisition	\$1,000

Qualified Clients (Hedge Fund) Model

Avg Acct \$	\$1,000,000
% AUM \$	0.00%
% Gains	20%
Est Gain	15%
\$/Acquisition	\$1,500

Red cells show assumption differences between Conservative and Aggressive models.

	Phase 2 (RIA Build)		Phase 3 (Marketing)								TOTAL
	2018 Q4	2019 Q1	2019 Q2	2019 Q3	2019 Q4	2020 Q1	2020 Q2	2020 Q3	2020 Q4	2021 Q1	
CLIENTS	RIA Opened										
# New AUM Clients	10	30	30	30	30	250	250	250	250	250	
# AUM Clients (Cumulative)	0	10	40	70	100	130	380	630	880	1,130	
# New Qualified Clients	0	0	0	0	0	33	33	33	33	33	
# Qual Clients (Cumulative)	0	0	0	0	0	0	33	66	99	132	
ASSETS UNDER MANAGEMENT											
Est AUM Non-Qualified	\$0	\$300,000	\$1,200,000	\$2,100,000	\$3,000,000	\$3,900,000	\$11,400,000	\$18,900,000	\$26,400,000	\$33,900,000	
Est AUM Qualified	\$0	\$0	\$0	\$0	\$0	\$0	\$33,000,000	\$66,000,000	\$99,000,000	\$132,000,000	
Total Est AUM (\$M)	\$0	\$300,000	\$1,200,000	\$2,100,000	\$3,000,000	\$3,900,000	\$44,400,000	\$84,900,000	\$125,400,000	\$165,900,000	
REVENUE											
Basic AUM Model Revenue	\$0	\$1,500	\$6,000	\$10,500	\$15,000	\$19,500	\$57,000	\$94,500	\$132,000	\$169,500	\$505,500
Qual Clients Revenue	\$0	\$0	\$0	\$0	\$0	\$0	\$247,500	\$495,000	\$742,500	\$990,000	\$2,475,000
Total Revenue \$	\$0	\$1,500	\$6,000	\$10,500	\$15,000	\$19,500	\$304,500	\$589,500	\$874,500	\$1,159,500	\$2,980,500
EXPENSES											
Direct Marketing for AUM Clients	\$10,000	\$30,000	\$30,000	\$30,000	\$30,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,380,000
Direct Marketing for Qual Clients						\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000
Services Agreement *	\$450,000	\$450,000	\$450,000	\$450,000	\$450,000	\$450,000	\$450,675	\$493,425	\$536,175	\$578,925	\$4,759,200
TOTAL EXPENSES (\$)	\$460,000	\$480,000	\$480,000	\$480,000	\$480,000	\$750,000	\$750,675	\$793,425	\$836,175	\$878,925	\$6,389,200
NET REVENUE (\$)	(\$460,000)	(\$478,500)	(\$474,000)	(\$469,500)	(\$465,000)	(\$730,500)	(\$446,175)	(\$203,925)	\$38,325	\$280,575	(\$3,408,700)

Pro Forma "B"

Aggressive (fast growth)

AUM Client Model

Avg Acct \$	\$60,000
% AUM	2.00%
\$/Acquisition	\$300

Qualified Clients (Hedge Fund) Model

Avg Acct \$	\$1,000,000
% AUM \$	2.00%
% Gains	20%
Est Gain	25%
\$/Acquisition	\$1,000

	Phase 2 (RIA Build)		Phase 3 (Marketing)									TOTAL
	2018 Q4	2019 Q1	2019 Q2	2019 Q3	2019 Q4	2020 Q1	2020 Q2	2020 Q3	2020 Q4	2021 Q1		
CLIENTS	RIA Opened											
# New AUM Clients	33	167	333	833	833	833	833	833	833	833	833	
# AUM Clients (Cumulative)	0	33	200	533	1,366	2,199	3,032	3,865	4,698	5,531	5,531	
# New Qualified Clients	0	20	25	30	35	50	50	50	50	50	50	
# Qual Clients (Cumulative)	0	0	20	45	75	110	160	210	260	310	310	
ASSETS UNDER MANAGEMENT												
Est AUM Non-Qualified	\$0	\$1,980,000	\$12,000,000	\$31,980,000	\$81,960,000	\$131,940,000	\$181,920,000	\$231,900,000	\$281,880,000	\$331,860,000	\$331,860,000	
Est AUM Qualified	\$0	\$0	\$20,000,000	\$45,000,000	\$75,000,000	\$110,000,000	\$160,000,000	\$210,000,000	\$260,000,000	\$310,000,000	\$310,000,000	
Total Est AUM (\$M)	\$0	\$1,980,000	\$32,000,000	\$76,980,000	\$156,960,000	\$241,940,000	\$341,920,000	\$441,900,000	\$541,880,000	\$641,860,000	\$641,860,000	
REVENUE												
Basic AUM Model Revenue	\$0	\$9,900	\$60,000	\$159,900	\$409,800	\$659,700	\$909,600	\$1,159,500	\$1,409,400	\$1,659,300	\$1,659,300	\$6,437,100
Qual Clients Revenue	\$0	\$0	\$350,000	\$787,500	\$1,312,500	\$1,925,000	\$2,800,000	\$3,675,000	\$4,550,000	\$5,425,000	\$5,425,000	\$20,825,000
Total Revenue \$	\$0	\$9,900	\$410,000	\$947,400	\$1,722,300	\$2,584,700	\$3,709,600	\$4,834,500	\$5,959,400	\$7,084,300	\$7,084,300	\$27,262,100
EXPENSES												
Direct Marketing for AUM Clients	\$10,000	\$50,000	\$100,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,910,000
Direct Marketing for Qual Clients		\$20,000	\$25,000	\$30,000	\$35,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$360,000
Services Agreement *	\$450,000	\$450,000	\$492,750	\$550,110	\$665,595	\$792,705	\$961,440	\$1,130,175	\$1,298,910	\$1,467,645	\$1,467,645	\$8,259,330
TOTAL EXPENSES (\$)	\$460,000	\$520,000	\$617,750	\$830,110	\$950,595	\$1,092,705	\$1,261,440	\$1,430,175	\$1,598,910	\$1,767,645	\$1,767,645	\$10,529,330
NET REVENUE (\$)	(\$460,000)	(\$510,100)	(\$207,750)	\$117,290	\$771,705	\$1,491,995	\$2,448,160	\$3,404,325	\$4,360,490	\$5,316,655	\$5,316,655	\$16,732,770

EXPLANATION OF THE PROJECTIONS

Phase 1 of the IFM project (“Initial Development and Testing of the OmniFunds Platform”) was completed in mid-2018. As IFM moves into Phase 2 (“RIA Build”) clients will open accounts and be charged fees. The most important driver of the Pro Forma is client growth rate.

Client growth rate is dependent on 3 factors:

1. Actual risk-adjusted returns as measured on the platform
2. Consistency of returns over time
3. Marketing effectiveness

As presented earlier, IFM believes it will be able to achieve superior returns to those demonstrated by the Robo Advisors who have attracted billions in AUM. The theme “Returns Matter” with actual trading records will be used to demonstrate this advantage.

With the new High Growth OmniFund generating an actual annualized rate of return exceeding 50%, IFM believes it will be able to provide high returns to non-accredited investors who are unable to invest in hedge funds. This should dramatically accelerate adoption provided marketing can adequately contrast IFM’s performance vs. the Robo Advisors.

While there are thousands of hedge funds and plenty of data on AUM and returns for recent years, there is no equivalent benchmark of high returns in the Robo Advisor world. So we are defining two Pro Formas (“A” and “B”), based on Conservative and Aggressive assumptions.

The Conservative Pro Forma assumes adoption of the platform among consumers to be similar to what Robo Advisors are seeing, with marketing acquisition costs of \$300 - \$1,000 per investor. It also assumes high net worth investors will not become clients until at least one year of real returns have been demonstrated on the platform.

The Aggressive Pro Forma assumes adoption among consumers will be much faster (based on higher returns seen on the platform) resulting in reduced acquisition costs. The Aggressive Pro Forma also assumes high net worth investors will begin coming on in the second quarter of operation.

IFM is seeking to close approximately \$1.2m in funding by Q4 of 2018 to:

1. Add at least 2 more high performance OmniFunds
2. Finish SEC Registration as a Registered Investment Advisor
3. Complete web site updates for compliance and marketing
4. Begin the marketing campaign

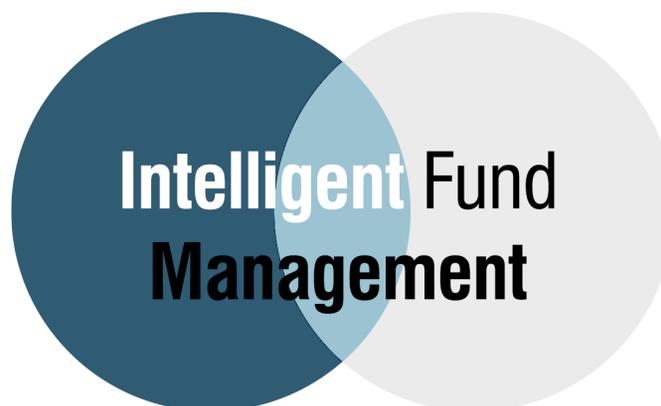
At the end of Phase 2 (March 31, 2019) observed adoption of the platform will determine to what extent the remaining raise of \$5m will be executed. During Phase 3 ("Marketing"), IFM will educate the market to increase AUM and build towards acquisition. An acquisition event is not shown in the projections because it is not possible to predict until IFM has more feedback from the market.

1- "...advertising cost per account acquisition at robo-advisors is approximately \$300 per gross new account and \$1,000 per net new account." <https://www.morningstar.com/blog/2018/07/11/robo-advisors.html>

SUBSCRIPTION AGREEMENT & INVESTOR SUITABILITY QUESTIONNAIRE

Intelligent Fund Management, LLC

9111 Jollyville Rd. Ste 275, Austin, Texas 78759



SUBSCRIPTION BOOKLET

Intelligent Fund Management, LLC
A Texas Limited Liability Company

NO PUBLIC MARKET EXISTS WITH RESPECT TO MEMBERSHIP UNITS OFFERED HEREBY, AND NO ASSURANCES ARE GIVEN THAT ANY SUCH MARKET WILL DEVELOP. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD.

THIS SUBSCRIPTION BOOKLET HAS BEEN PREPARED SOLELY FOR THE BENEFIT OF PROSPECTIVE INVESTORS IN INTELLIGENT FUND MANAGEMENT, LLC, AND CONSTITUTES AN OFFER ONLY TO THE PROSPECTIVE INVESTOR TO WHOM IT WAS DELIVERED. DISTRIBUTION OF THIS SUBSCRIPTION BOOKLET TO ANY PERSON OTHER THAN SUCH PROSPECTIVE INVESTOR AND THOSE PERSONS RETAINED TO ADVISE IT WITH RESPECT TO THE INVESTMENT IS UNAUTHORIZED.

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE COMPANY AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED.

THE SECURITIES DESCRIBED IN THIS OFFERING MEMORANDUM HAVE NOT BEEN REGISTERED WITH OR APPROVED BY THE U.S. SECURITIES AND EXCHANGE COMMISSION (THE "COMMISSION"), NOR HAS THE COMMISSION OR ANY APPLICABLE STATE OR OTHER JURISDICTION'S SECURITIES COMMISSION OR OTHER REGULATORY AUTHORITY PASSED UPON THE ACCURACY OR ADEQUACY OF THIS MEMORANDUM OR ENDORSED THE MERITS OF THIS OFFERING. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL. NONE OF THE SECURITIES MAY BE RESOLD, TRANSFERRED OR OTHERWISE DISPOSED OF UNLESS THE TRANSACTION EFFECTING SUCH DISPOSITION IS REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR AN EXEMPTION THEREFROM IS AVAILABLE AND THE COMPANY RECEIVES AN OPINION OF COUNSEL ACCEPTABLE TO IT THAT SUCH REGISTRATION IS NOT REQUIRED PURSUANT TO SUCH EXEMPTION.

This booklet contains documents that must be read, executed and returned if you wish to invest in Intelligent Fund Management, LLC, a Texas limited liability company (the "Company"). You should consult with an attorney, accountant, investment advisor or other advisor regarding an investment in the Company and its suitability for you.

If you decide to invest, please fill out, sign and return the documents pertinent to you, as listed under each of the headings below.

For individuals the documents to be returned are:

- the execution page of the attached Subscription Agreement and suitable accredited investor verification;
- the Suitability Statement and Confidential Suitability Questionnaire for individuals;
- the execution page of the Operating Agreement

For entities the documents to be returned are:

- the execution page of the Subscription Agreement and verification of accredited status;
- the Suitability Statement for entities;
- whichever of Exhibits A (for partnerships and limited liability companies), B (for custodians, trustees and agents) or C (for corporations commonly referred to as S corporations) to the Subscription Agreement is relevant to you;
- the execution page of the Operating Agreement

What this booklet contains:

1. A Subscription Agreement, Suitability Statements, and Investor Questionnaire:

The Subscription Agreement is the document by which you agree to subscribe for and purchase your limited liability company membership unit(s) in the Company (your "Interest" or "Unit(s)").

The Suitability Statements, which are incorporated in the Subscription Agreement and therefore are part of that agreement, are important and must be completed by each investor. Please read this section carefully.

Individuals should initial their answer to each of the questions in the Suitability Statement and also fill out and sign the execution page to the Subscription Agreement.

Entities should initial their answer to each of the questions in the Suitability Statement and also fill out and sign the execution page to the Subscription Agreement.

Investors that are entities must also complete whichever one of the following Exhibits to the Subscription Agreement is relevant to them:

- a. If the Investor is a partnership or limited liability company, please include a copy of the partnership's governing instruments and a completed Exhibit A in the documents to be returned.

- b. If the Investor is a custodian, trustee, or agent, please include a copy of the trust or other instrument and a completed Exhibit B in the documents to be returned.
- c. If the investor is a corporation, please include a copy of the corporation's governing instruments, executed resolutions of the corporation's Board of Directors as specified in Exhibit C, and a completed Exhibit C in the documents to be returned.

2. A copy of the Operating Agreement

Investors must sign the execution page or joinder page of the Operating Agreement signature page. For convenience, a copy is included as part of this booklet. The form of the Operating Agreement is contained in its entirety as an Exhibit in the Private Placement Memorandum; there is no need to return the entire document to the Company.

Please carefully review these documents and the company's related Private Placement Memorandum.

YOU SHOULD HAVE RECEIVED AND REVIEWED A PRIVATE PLACEMENT MEMORANDUM (THE "PPM", OR "MEMORANDUM") THAT CONTAINS INFORMATION ABOUT THIS OFFERING. AFTER YOU HAVE RECEIVED AND REVIEWED THE PPM, HAVE HAD AN OPPORTUNITY TO ASK QUESTIONS AND RECEIVE ANSWERS CONCERNING THE TERMS AND CONDITIONS OF THE OFFERING AND TO OBTAIN ANY ADDITIONAL INFORMATION YOU REQUIRE CONCERNING THIS OFFERING AND HAVE DECIDED TO SUBSCRIBE FOR AND PURCHASE THE SECURITIES, YOU MUST COMPLETE THE SUBSCRIPTION AGREEMENT AND VERIFY THAT YOU ARE A SOPHISTICATED AND ACCREDITED INVESTOR. THE COMPANY'S MANAGER WILL REVIEW THIS INFORMATION AND WILL DETERMINE WHETHER YOU MEET THE QUALIFICATION AND SUITABILITY REQUIREMENTS FOR INVESTING IN THE COMPANY.

BY EXECUTING THE SUBSCRIPTION AGREEMENT, AS WELL AS THE SIGNATURE PAGE TO THE OPERATING AGREEMENT, EACH INVESTOR IS AGREEING TO BE BOUND BY THE TERMS OF THE SUBSCRIPTION AGREEMENT AND THE OPERATING AGREEMENT.

SUBSCRIPTION PROCEDURE

The Company is offering up to \$5,000,100 of Class B Membership Units in the Company at a price of \$14,286 per Unit. Each investor must subscribe for a minimum dollar amount equal to at least \$14,286 although the Manager may, in its sole discretion, waive this minimum. The Manager may, in its sole discretion, reject a proposed investment or limit the number of Membership Units to be purchased by an investor.

Checks for subscriptions to Membership Units offered hereunder should be made payable to Intelligent Fund Management, LLC and subscription funds shall be received directly by the Company.

The Company will notify each investor of the Company's acceptance or rejection of such investor's subscription after receipt and review of all documentation. If the Company does not accept your subscription, the escrow agent and/or the Company will return your subscription funds and the Company will return your subscription agreement.

SUBSCRIPTION AMOUNT

Your subscription amount should be either mailed, wired, or completed through the Company's Investment Portal. All subscription documentation must be sent as follows:

Attention: Private Placement Subscriptions
Intelligent Fund Management, LLC
9111 Jollyville Rd. Ste 275
Austin, Texas 78759
(512) 345-2545

Investors interested in wiring funds for subscription of Units should contact the Company for wiring instructions.

Investors may also proceed through the investment process using the Company's online Investment Portal which can be found at: <http://offering.myomnifunds.com/>

REGULATION D RULE 506(C) INVESTOR VERIFICATION STANDARDS AND PROTOCOLS

In purchasing securities through this Offering, the Company is obligated to verify your status as an accredited investor in accordance with Rule 501 of Regulation D. There are three primary methods the Company may employ to comply with the verification standards. Investors in this offering will need to provide the Company with verification that meets the standards and form using one or multiple methods as listed below:

Income: The Company may verify an individual's status as an accredited investor on the basis of income by reviewing copies of any IRS form that reports net income, such as Forms W-2 or 1099 (which are typically filed by an employer or other third party payor), or Forms 1040 filed by the prospective purchaser (with non-relevant information permitted to be redacted). Under this method, the Company must review IRS forms for the two most recent years and obtain a written representation from the prospective purchaser that he or she has a reasonable expectation of attaining the necessary income level for the current year. Where accredited investor status is based on joint income with the person's spouse, the IRS forms and representation must be provided with respect to both the purchaser and the spouse.

Net Worth: Under this method, the Company will need to review bank or brokerage statements or third-party appraisal reports to verify the purchaser's assets and a credit report to verify liabilities, in each case dated within the prior three months, and will need to obtain a written representation from the prospective purchaser that all liabilities have been disclosed. Where accredited investor status is based on joint net worth with the person's spouse, the asset and liability documentation and representation must be provided with respect to both the purchaser and the spouse.

Reliance on Determination by Specified Third Parties: The Company may satisfy the verification requirement if it obtains a written confirmation from a registered broker-dealer, an SEC-registered investment adviser, a licensed attorney, or a certified public accountant that within the prior three months such person or entity has taken reasonable steps to verify that the purchaser is an accredited investor and has determined that the purchaser is an accredited investor.

Proper verification must be submitted with your subscription for securities in order for the Company to verify your suitability for investment and accept your subscription.

REGULATION D 506(C) MANDATED LEGENDS

Any historical performance data represents past performance.

Past performance does not guarantee future results;

Current performance may be different than the performance data presented;

The Company is not required by law to follow any standard methodology when calculating and representing performance data;

The performance of the Company may not be directly comparable to the performance of other private or registered funds or companies;

The securities are being offered in reliance on an exemption from the registration requirements, and therefore are not required to comply with certain specific disclosure requirements;

The Securities and Exchange Commission has not passed upon the merits of or approved the securities, the terms of the offering, or the accuracy of the materials.

SUBSCRIPTION AGREEMENT

To the Undersigned Purchaser:

Intelligent Fund Management, LLC, a Texas limited liability company (the "Company"), hereby agrees with you (in the case of a subscription for the account of one or more trusts or other entities, "you" or "your" shall refer to the trustee, fiduciary or representative making the investment decision and executing this Subscription Agreement (this "Agreement"), or the trust or other entity, or both, as appropriate) as follows:

1) Sale and Purchase of Member Interest. The Company has been formed under the laws of the State of Texas and is governed by a limited liability company Operating Agreement in substantially the form attached hereto as an Exhibit to the Private Placement Memorandum, as the same may be modified in accordance with the terms of any amendment thereto (the "Operating Agreement"). Capitalized terms used herein without definition have the meanings set forth in the Operating Agreement.

Subject to the terms and conditions of this Agreement and in reliance upon the representations and warranties of the respective parties contained herein:

- the Company agrees to sell to you, and you irrevocably subscribe for and agree to purchase from the Company, an interest as a member (a "Member") in the Company (an "Interest" or "Unit"); and
- the Company and its manager (the "Manager") agree that you shall be admitted as a Member, upon the terms and conditions, and in consideration of your agreement to be bound by the terms and provisions of the Operating Agreement and this Agreement, with a capital contribution in the amount equal to the amount set forth opposite your signature at the end of this Agreement (your "Capital Contribution").

Subject to the terms and conditions hereof and of the Operating Agreement, your obligation to subscribe and pay for your Interest shall be complete and binding upon the execution and delivery of this Agreement.

2) Other Subscriptions. The Company has entered into separate but substantially identical subscription agreements (the "Other Subscription Agreements" and, together with this Agreement, the "Subscription Agreements") with other purchasers (the "Other Purchasers"), providing for the sale to the Other Purchasers of Membership Units and the admission of the Other Purchasers as Members. This Agreement and the Other Subscription Agreements are separate agreements, and the sales of Membership Units to you and the Other Purchasers are to be separate sales.

3) Closing. The closing (the “Closing”) of the sale to you and your subscription for and purchase by you of an Interest, and your admission as a Member shall take place at the discretion of the Manager. At the Closing, and upon satisfaction of the conditions set out in this Agreement, the Manager will list you as a Member on Schedule A of the Operating Agreement.

4) Conditions Precedent to Your Obligations.

a) The Conditions Precedent. Your obligation to subscribe for your Interest and be admitted as a Member at the Closing is subject to the fulfillment (or waiver by you), prior to or at the time of the Closing, of the following conditions:

i) Operating Agreement. The Operating Agreement shall have been duly authorized, executed and delivered by or on behalf of the Manager. Each Other Purchaser that is to be admitted as a Member as the Closing shall have duly authorized, executed and delivered a counterpart of the Operating Agreement or authorized its execution and delivery on its behalf. The Operating Agreement shall be in full force and effect.

ii) Representations and Warranties. The representations and warranties of the Company contained in this Agreement shall be true and correct in all material respects when made and at the time of the Closing, except as affected by the consummation of the transactions contemplated by this Agreement or the Operating Agreement

iii) Performance. The Company shall have duly performed and complied in all material respects with all agreements and conditions contained in this Agreement required to be performed or complied with by it prior to or at the Closing.

iv) Legal Investment. On the Closing Date your subscription hereunder shall be permitted by the laws and regulations applicable to you.

b) Nonfulfillment of Conditions. If at the Closing any of the conditions specified in shall not have been fulfilled, you shall, at your election, be relieved of all further obligations under this Agreement and the Operating Agreement, without thereby waiving any other rights you may have by reason of such nonfulfillment. If you elect to be relieved of your obligations under this Agreement pursuant to the foregoing sentence, the Operating Agreement shall be null and void as to you and the power of attorney contained herein shall be used only to carry out and effect the actions required by this sentence, and the Company shall take, or cause to be taken, all steps necessary to nullify the Operating Agreement as to you.

5) Conditions Precedent to the Company’s Obligations.

a) The Conditions Precedent. The obligations of the Company and the Manager to issue to you the Interest and to admit you as a

Member at the Closing shall be subject to the fulfillment (or waiver by the Company) prior to or at the time of the Closing, of the following conditions:

- i) **Operating Agreement.** Any filing with respect to the formation of the Company required by the laws of the State of Texas shall have been duly filed in such place or places as are required by such laws. A counterpart of the Operating Agreement shall have been duly authorized, executed and delivered by or on behalf of you and each of such Other Purchasers. The Operating Agreement shall be in full force and effect.
- ii) **Representations and Warranties.** The representations and warranties made by you shall be true and correct when made and at the time of the Closing.
- iii) **Performance.** You shall have duly performed and complied with all agreements and conditions contained in this Agreement required to be performed or complied with by you prior to or at the time of the Closing.

b) **Nonfulfillment of Conditions.** If at the Closing any of the conditions specified shall not have been fulfilled, the Company shall, at the Manager's election, be relieved of all further obligations under this Agreement and the Operating Agreement, without thereby waiving any other rights it may have by reason of such nonfulfillment. If the Manager elects for the Company to be relieved of its obligations under this Agreement pursuant to the foregoing sentence, the Operating Agreement shall be null and void as to you and the power of attorney contained herein shall be used only to carry out and effect the actions required by this sentence, and the Company shall take, or cause to be taken, all steps necessary to nullify the Operating Agreement as to you.

6) Representations and Warranties of the Company.

a) **The Representations and Warranties.** The Company represents and warrants that:

- i) **Formation and Standing.** The Company is duly formed and validly existing as a limited liability company under the laws of the State of Texas and, subject to applicable law, has all requisite power and authority to carry on its business as now conducted and as proposed to be conducted as described in the Private Placement Memorandum relating to the private offering of Membership Units by the Company (together with any amendments and supplements thereto, the "Offering Memorandum").
- ii) **Authorization of Agreement, Etc.** The execution and delivery of this Agreement has been authorized by all necessary action on behalf of the Company and this Agreement is a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms. The execution and delivery by the Manager of the Operating Agreement has

been authorized by all necessary action on behalf of the Manager and the Operating Agreement is a legal, valid and binding agreement of the Manager, enforceable against the Manager in accordance with its terms.

iii) Compliance with Laws and Other Instruments. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby will not conflict with or result in any violation of or default under any provision of the Operating Agreement, or any agreement or other instrument to which the Company is a party or by which it or any of its properties is bound, or any permit, franchise, judgment, decree, statute, order, rule or regulation applicable to the Company or its business or properties. The execution and delivery of the Operating Agreement and the consummation of the transactions contemplated thereby will not conflict with or result in any violation of or default under any provision of the limited liability company operating agreement of the Manager, or any agreement or instrument to which the Manager is a party or by which it or any of its properties is bound, or any permit, franchise, judgment, decree, statute, order, rule or regulation applicable to the Manager or its businesses or properties.

iv) Offer of Membership Units. Neither the Company nor anyone acting on its behalf has taken any action that would subject the issuance and sale of the Membership Units to the registration requirements of the Securities Act of 1933, as amended (the "Securities Act").

v) Investment Company Act. The Company is not required to register as an "investment company" under the Investment Company Act of 1940, as amended (the "Investment Company Act"). The Manager is not required to register as an "investment adviser" under the Investment Advisers Act of 1940, as amended (the "Advisers Act").

vi) Company Litigation. Prior to the date hereof, there is no action, proceeding or investigation pending or, to the knowledge of the Manager or the Company, threatened against the Company.

vii) Disclosure. The Offering Memorandum, when read in conjunction with this Agreement and the Operating Agreement, does not as of the date hereof contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements contained therein, in light of the circumstances under which they were made, not misleading.

b) Survival of Representations and Warranties. All representations and warranties made by the Company shall survive the execution and delivery of this Agreement, any investigation at any time made by you or on your behalf and the issue and sale of Membership Units.

7) Representations and Warranties of the Purchaser.

a) The Representations and Warranties. You represent and warrant to the Manager, the Company and each other Person that is, or in the future becomes, a Member that each of the following statements is true and correct as of the Closing Date:

i) Accuracy of Information. All of the information provided by you to the Company and the Manager is true, correct and complete in all respects. Any other information you have provided to the Manager or the Company about you is correct and complete as of the date of this Agreement and at the time of Closing.

ii) Offering Memorandum; Advice. You have either consulted your own investment adviser, attorney or accountant about the investment and proposed purchase of an Interest and its suitability to you, or chosen not to do so, despite the recommendation of that course of action by the Manager. Any special acknowledgment set forth below with respect to any statement contained in the Offering Memorandum shall not be deemed to limit the generality of this representation and warranty.

(1) You have received a copy of the Offering Memorandum and the form of the Operating Agreement and you understand the risks of, and other considerations relating to, a purchase of Membership Units, including the risks set forth under the caption "Risk Factors" in the Offering Memorandum. You have been given access to, and prior to the execution of this Agreement you were provided with an opportunity to ask questions of, and receive answers from, the Manager or any of its principals concerning the terms and conditions of the offering of Membership Units, and to obtain any other information which you and your investment representative and professional advisors requested with respect to the Company and your investment in the Company in order to evaluate your investment and verify the accuracy of all information furnished to you regarding the Company. All such questions, if asked, were answered satisfactorily and all information or documents provided were found to be satisfactory.

iii) Investment Representation and Warranty. You are acquiring your Interest for your own account or for one or more separate accounts maintained by you or for the account of one or more pension or trust funds of which you are trustee as to which you are the sole qualified professional asset manager within the meaning of Prohibited Transaction Exemption 84-14 (a "QPAM") for the assets being contributed hereunder, in each case not with a view to or for sale in connection with any distribution of all or any part of such Interest. You hereby agree that you will not, directly or indirectly, assign, transfer, offer, sell, pledge, hypothecate or otherwise dispose of all or any part of such Interest (or solicit any offers to buy, purchase or otherwise acquire or take a pledge of all or any part of the Interest) except in accordance with the registration provisions of the Securities Act or an exemption from such registration provisions, with any applicable state or other securities laws, and with the terms of the Operating Agreement. If you are purchasing for the account of one or more pension or trust funds, you represent that (except to the extent you have otherwise advised the Company in writing prior to the date hereof) you are acting as sole trustee or sole QPAM for the assets being contributed hereunder and have sole investment discretion with respect to the acquisition of

the Interest to be purchased by you pursuant to this Agreement, and the determination and decision on your behalf to purchase such Interest for such pension or trust funds is being made by the same individual or group of individuals who customarily pass on such investments, so that your decision as to purchases for all such funds is the result of such study and conclusion.

iv) Representation of Investment Experience and Ability to Bear Risk. You (i) are knowledgeable and experienced with respect to the financial, tax and business aspects of the ownership of an Interest and of the business contemplated by the Company and are capable of evaluating the risks and merits of purchasing an Interest and, in making a decision to proceed with this investment, have not relied upon any representations, warranties or agreements, other than those set forth in this Agreement, the Offering Memorandum and the Operating Agreement, if any; and (ii) can bear the economic risk of an investment in the Company for an indefinite period of time, and can afford to suffer the complete loss thereof.

v) Accredited Investor. You are an "Accredited" investor within the meaning of Section 501 of Regulation D promulgated under the Securities Act.

vi) No Investment Company Issues. If you are an entity, (i) you were not formed, and are not being utilized, primarily for the purpose of making an investment in the Company and (ii) either (A) all of your outstanding securities (other than short-term paper) are beneficially owned by one Person, (B) you are not an investment company under the Investment Company Act or a "private investment company" that avoids registration and regulation under the Investment Company Act based on the exclusion provided by Section 3(c)(1) or Section 3(c)(7) of the Investment Company Act, or (C) you have delivered to the Manager a representation and covenant as to certain matters under the Investment Company Act satisfactory to the Manager.

vii) Certain ERISA Matters. You represent that:

(1) except as described in a letter to the Manager dated at least five (5) days prior to the date hereof, no part of the funds used by you to acquire an Interest constitutes assets of any "employee benefit plan" within the meaning of Section 3(3) of ERISA, either directly or indirectly through one or more entities whose underlying assets include plan assets by reason of a plan's investment in such entities (including insurance company separate accounts, insurance company general accounts or bank collective investment funds, in which any such employee benefit plan (or its related trust) has any interest); or

(2) if an Interest is being acquired by or on behalf of any such plan (any such purchaser being referred to herein as an "ERISA Member"), (A) such acquisition has been duly authorized in accordance with the governing holding of the Interest do not and will not constitute a "non-exempt prohibited transaction" within the meaning of Section 406 of ERISA or Section 4975 of the Internal Revenue Code of 1986, as amended (i.e., a transaction that is not subject to an exemption contained in ERISA or in the rules and regulations adopted by the U.S. Department of Labor (the "DOL") thereunder). The foregoing

representation shall be based on a list of the Other Purchasers to be provided by the Manager to each ERISA Member prior to the Closing. You acknowledge that the manager of the Company, is not registered as an “investment adviser” under the Investment Advisers Act and that as a Member you will have no right to withdraw from the Company except as specifically provided in the Operating Agreement. If, in the good faith judgment of the Manager, the assets of the Company would be “plan assets” (as defined in DOL Reg. § 2510.3-101 promulgated under ERISA, as it may be amended from time to time) of an employee benefit plan (assuming that the Company conducts its business in accordance with the terms and conditions of the Operating Agreement and as described in the Offering Memorandum), then the Company and each ERISA Member will use their respective best efforts to take appropriate steps to avoid the Manager’s becoming a “fiduciary” (as defined in ERISA) as a result of the operation of such regulations. These steps may include (x) selling your Interest (if you are an ERISA Member) to a third party which is not an employee benefit plan, or (y) making any appropriate applications to the DOL, but the Manager shall not be required to register as an “investment adviser” under the Advisers Act.

(a) If you are an ERISA member, you further understand, agree and acknowledge that your allocable share of income from the Company may constitute “unrelated business taxable income” (“UBTI”) within the meaning of section 512(a) of the Code and be subject to the tax imposed by section 511(a)(1) of the Code. You further understand, agree and acknowledge that the Company neither makes nor has made any representation to it as to the character of items of income (as UBTI or otherwise) allocated (or to be allocated) to its members (including ERISA Members) for federal, state, or local income tax purposes. You (prior to becoming a member of the Company) have had the opportunity to consider and discuss the effect of your receipt of UBTI with independent tax counsel of your choosing, and upon becoming a member of the Company voluntarily assume the income tax and other consequences resulting from the treatment of any item of the Company’s income allocated to you as UBTI. The Company shall not be restricted or limited in any way, or to any degree, from engaging in any business, trade, loan, or investment that generates or results in the allocation of UBTI to you or any other ERISA Member, nor shall the Company have any duty or obligation not to allocate UBTI to you or any other ERISA Member. You hereby release the Company and all of its other members from any and all claims, damages, liability, losses, or taxes resulting from the allocation to you by the Company of UBTI.

viii) Suitability. You have evaluated the risks involved in investing in the Membership Units and have determined that the Membership Units are a suitable investment for you. Specifically, the aggregate amount of the investments you have in, and your commitments to, all similar investments that are illiquid is reasonable in relation to your net worth, both before and after the subscription for and purchase of the Membership Units pursuant to this Agreement.

ix) Transfers and Transferability. You understand and acknowledge that the Membership Units have not been registered under the Securities Act or any state securities laws and are being offered and sold in reliance upon exemptions provided in the Securities Act and state securities laws for transactions not involving any public offering and, therefore, cannot be resold

or transferred unless they are subsequently registered under the Securities Act and such applicable state securities laws or unless an exemption from such registration is available. You also understand that the Company does not have any obligation or intention to register the Membership Units for sale under the Securities Act, any state securities laws or of supplying the information which may be necessary to enable you to sell Membership Units; and that you have no right to require the registration of the Membership Units under the Securities Act, any state securities laws or other applicable securities regulations. You also understand that sales or transfers of Membership Units are further restricted by the provisions of the Operating Agreement.

(1) You represent and warrant further that you have no contract, understanding, agreement or arrangement with any person to sell or transfer or pledge to such person or anyone else any of the Membership Units for which you hereby subscribe (in whole or in part); and you represent and warrant that you have no present plans to enter into any such contract, undertaking, agreement or arrangement.

(2) You understand that the Membership Units cannot be sold or transferred without the prior written consent of the Manager, which consent may be withheld in its sole and absolute discretion and which consent will be withheld if any such transfer could cause the Company to become subject to regulation under federal law as an investment company or would subject the Company to adverse tax consequences.

(3) You understand that there is no public market for the Membership Units; any disposition of the Membership Units may result in unfavorable tax consequences to you.

(4) You are aware and acknowledge that, because of the substantial restrictions on the transferability of the Membership Units, it may not be possible for you to liquidate your investment in the Company readily, even in the case of an emergency.

x) Residence. You maintain your domicile at the address shown in the signature page of this Subscription Agreement and you are not merely transient or temporarily resident there.

xi) Publicly-Traded Company. By the purchase of a Membership Unit in the Company, you represent to the Manager and the Company that (i) you have neither acquired nor will you transfer or assign any Unit you purchase (or any interest therein) or cause any such Membership Units (or any interest therein) to be marketed on or through an "established securities market" or a "secondary market" (or the substantial equivalent thereof) within the meaning of Section 7704(b)(1) of the Code, including, without limitation, an over the-counter-market or an interdealer quotation, system that regularly disseminates firm buy or sell quotations; and (ii) you either (A) are not, and will not become, a partnership, Subchapter S corporation, or grantor trust for U.S. Federal income tax purposes, or (B) are such an entity, but none of the direct or indirect beneficial owners of any of the Membership Units in such entity have allowed or caused, or will allow or cause, 80 percent or more (or such other percentage

as the Manager may establish) of the value of such Membership Units to be attributed to your ownership of Membership Units in the Company. Further, you agree that if you determine to transfer or assign any of your Interest pursuant to the provisions of the Operating Agreement you will cause your proposed transferee to agree to the transfer restrictions set forth therein and to make the representations set forth in (i) and (ii) above.

xii) Awareness of Risks; Taxes. You represent and warrant that you are aware (i) that the Company has limited operating history; (ii) that the Membership Units involve a substantial degree of risk of loss of its entire investment and that there is no assurance of any income from your investment; and (iii) that any federal and/or state income tax benefits which may be available to you may be lost through the adoption of new laws or regulations, to changes to existing laws and regulations and to changes in the interpretation of existing laws and regulations. You further represent that you are relying solely on your own conclusions or the advice of your own counsel or investment representative with respect to tax aspects of any investment in the Company.

xiii) Capacity to Contract. If you are an individual, you represent that you are over 21 years of age and have the capacity to execute, deliver and perform this Subscription Agreement and the Operating Agreement. If you are not an individual, you represent and warrant that you are a corporation, partnership, association, joint stock company, trust or unincorporated organization, and were not formed for the specific purpose of acquiring an Interest.

xiv) Power, Authority; Valid Agreement. (i) You have all requisite power and authority to execute, deliver and perform your obligations under this Agreement and the Operating Agreement and to subscribe for and purchase or otherwise acquire your Membership Units; (ii) your execution of this Agreement and the Operating Agreement has been authorized by all necessary corporate or other action on your behalf; and (iii) this Agreement and the Operating Agreement are each valid, binding and enforceable against you in accordance with their respective terms.

xv) No Conflict: No Violation. The execution and delivery of this Agreement and the Operating Agreement by you and the performance of your duties and obligations hereunder and thereunder (i) do not and will not result in a breach of any of the terms, conditions or provisions of, or constitute a default under (A) any charter, by-laws, trust agreement, partnership agreement or other governing instrument applicable to you, (B) (1) any indenture, mortgage, deed of trust, credit agreement, note or other evidence of indebtedness, or any lease or other agreement or understanding, or (2) any license, permit, franchise or certificate, in either case to which you or any of your Affiliates is a party or by which you or any of them is bound or to which your or any of their properties are subject; (ii) do not require any authorization or approval under or pursuant to any of the foregoing; or (iii) do not violate any statute, regulation, law, order, writ, injunction or decree to which you or any of your Affiliates is subject.

xvi) No Default. You are not (i) in default (nor has any event occurred which with notice, lapse of time, or both, would

constitute a default) in the performance of any obligation, agreement or condition contained in (A) this Agreement or the Operating Agreement, (B) any provision of any charter, by-laws, trust agreement, partnership agreement or other governing instrument applicable to you, (C) (1) any indenture, mortgage, deed of trust, credit agreement, note or other evidence of indebtedness or any lease or other agreement or understanding, or (2) any license, permit, franchise or certificate, in either case to which you or any of your Affiliates is a party or by which you or any of them is bound or to which your or any of their properties are subject, or (ii) in violation of any statute, regulation, law, order, writ, injunction, judgment or decree applicable to you or any of your Affiliates.

xvii) No Litigation. There is no litigation, investigation or other proceeding pending or, to your knowledge, threatened against you or any of your Affiliates which, if adversely determined, would adversely affect your business or financial condition or your ability to perform your obligations under this Agreement or the Operating Agreement.

xviii) Consents. No consent, approval or authorization of, or filing, registration or qualification with, any court or Governmental Authority on your part is required for the execution and delivery of this Agreement or the Operating Agreement by you or the performance of your obligations and duties hereunder or thereunder.

b) Survival of Representations and Warranties. All representations and warranties made by you in this Agreement shall survive the execution and delivery of this Agreement, as well as any investigation at any time made by or on behalf of the Company and the issue and sale of Membership Units.

c) Reliance. You acknowledge that your representations, warranties, acknowledgments and agreements in this Agreement will be relied upon by the Company in determining your suitability as a purchaser of Membership Units.

d) Further Assurances. You agree to provide, if requested, any additional information that may be requested or required to determine your eligibility to purchase the Membership Units.

e) Indemnification. You hereby agree to indemnify the Company and any Affiliates and to hold each of them harmless from and against any loss, damage, liability, cost or expense, including reasonable attorney's fees (collectively, a "Loss") due to or arising out of a breach or representation, warranty or agreement by you, whether contained in this Subscription Agreement (including the Suitability Statements) or any other document provided by you to the Company in connection with your investment in the Membership Units. You hereby agree to indemnify the Company and any Affiliates and to hold them harmless against all Loss arising out of the sale or distribution of the Membership Units by you in violation of the Securities Act or other applicable law or any misrepresentation or breach by you with respect to the matters set forth in this Agreement. In addition, you agree to indemnify the Company and any Affiliates and to hold such Persons harmless from and against, any and all Loss, to which they may be put

or which they may reasonably incur or sustain by reason of or in connection with any misrepresentation made by you with respect to the matters about which representations and warranties are required by the terms of this Agreement, or any breach of any such warranty or any failure to fulfill any covenants or agreements set forth herein or included in and as defined in the Offering Memorandum. Notwithstanding any provision of this Agreement, you do not waive any right granted to you under any applicable state securities law.

8) Certain Agreements and Acknowledgments of the Purchaser.

a) Agreements. You understand, agree and acknowledge that:

i) Acceptance. Your subscription for Membership Units contained in this Agreement may be accepted or rejected, in whole or in part, by the Manager in its sole and absolute discretion. No subscription shall be accepted or deemed to be accepted until you have been admitted as a Member in the Company on the Closing Date; such admission shall be deemed an acceptance of this Agreement by the Company and the Manager for all purposes.

ii) Irrevocability. Except as provided and under applicable state securities laws, this subscription is and shall be irrevocable, except that you shall have no obligations hereunder if this subscription is rejected for any reason, or if this offering is canceled for any reason.

iii) No Recommendation. No foreign, federal, or state authority has made a finding or determination as to the fairness for investment of the Membership Units and no foreign, federal or state authority has recommended or endorsed or will recommend or endorse this offering.

iv) No Disposal. You will not, directly or indirectly, assign, transfer, offer, sell, pledge, hypothecate or otherwise dispose of all or any part of your Interest (or solicit any offers to buy, purchase or otherwise acquire or take a pledge of all or any part of the Interest) except in accordance with the registration provisions of the Securities Act or an exemption from such registration provisions, with any applicable state or other securities laws and with the terms of the Operating Agreement.

v) Update Information. If there should be any change in the information provided by you to the Company or the Manager (whether pursuant to this Agreement or otherwise) prior to your purchase of any Membership Units, you will immediately furnish such revised or corrected information to the Company.

9) General Contractual Matters.

- a) Amendments and Waivers. This Agreement may be amended and the observance of any provision hereof may be waived (either generally or in a particular instance and either retroactively or prospectively) only with the written consent of you and the Company.
- b) Assignment. You agree that neither this Agreement nor any rights, which may accrue to you hereunder, may be transferred or assigned.
- c) Notices. All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given to any party when delivered by hand, when delivered by facsimile, or when mailed, first class postage prepaid, (a) if to you, to you at the address or telecopy number set forth below your signature, or to such other address or telecopy number as you shall have furnished to the Company in writing, and (b) if to the Company, to it c/o Intelligent Fund Management, LLC, 9111 Jollyville Rd. Ste 275, Austin, Texas 78759, Attention: Investor Relations or to such other address or addresses, or telecopy number or numbers, as the Company shall have furnished to you in writing, provided that any notice to the Company shall be effective only if and when received by the Manager.
- d) Governing law. This agreement shall be governed by and construed and enforced in accordance with the laws of the State of Texas without regard to principles of conflict of laws (except insofar as affected by the securities or "blue sky" laws of the State or similar jurisdiction in which the offering described herein has been made to you).
- e) Descriptive Headings. The descriptive headings in this Agreement are for convenience of reference only and shall not be deemed to alter or affect the meaning or interpretation of any provision of this Agreement.
- f) Entire Agreement. This Agreement contains the entire agreement of the parties with respect to the subject matter of this Agreement, and there are no representations, covenants or other agreements except as stated or referred to herein.
- g) Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which taken together shall constitute one and the same instrument.
- h) Joint and Several Obligations. If you consist of more than one Person, this Agreement shall consist of the joint and several obligation of all such Persons.
- i) Regulation D Resources Enterprises, Inc. ("RDR"), a North Carolina corporation, acted as an advisor to the Issuer in this Offering. The Purchaser agrees to, and hereby shall indemnify RDR and any RDR Affiliates, and shall hold each of them harmless from and against any loss, damage, liability, cost or expense, including reasonable attorney's fees (collectively, a "Loss") due to the

Purchaser's investment in this Offering. The Purchaser does hereby release and forever discharge RDR, their agents, employees, successors and assigns, and their respective heirs, personal representatives, affiliates, successors and assigns, and any and all persons, firms or corporations liable or who might be claimed to be liable, whether or not herein named, none of whom admit any liability to the undersigned, but all expressly denying liability, from any and all claims, demands, damages, actions, causes of action or suits of any kind or nature whatsoever, which the Purchaser may now have or may hereafter have, arising out of or in any way relating to any and all injuries, economic or emotional loss, and damages of any and every kind, to both person and property, corporately and individually, and also any and all damages that may develop in the future, as a result of or in any way relating to the Purchaser's investment in this Offering.

(Remainder of the page intentionally left blank)

1) Suitability Statements. The truth, correctness and completeness of the following information supplied by you is warranted pursuant to above:

FOR INDIVIDUALS

Printed Name of Purchaser: _____

MARK TRUE OR FALSE OR COMPLETE, AS APPROPRIATE

Verification of Status as "Accredited Investor" under Regulation D

True False

1. _____ _____ You are a natural person (individual) whose own net worth, taken together with the net worth of your spouse, exceeds \$1,000,000. Net worth for this purpose means total assets (including personal property and other assets) in excess of total liabilities EXCLUDING your primary residence.

Except as provided in paragraph (2) of this section, for purposes of calculating net worth under this paragraph:

- (i) The person's primary residence shall not be included as an asset;
- (ii) Indebtedness that is secured by the person's primary residence, up to the estimated fair market value of the primary residence at the time of the sale of securities, shall not be included as a liability (except that if the amount of such indebtedness outstanding at the time of the sale of securities exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of the primary residence, the amount of such excess shall be included as a liability); and
- (iii) Indebtedness that is secured by the person's primary residence in excess of the estimated fair market value of the primary residence at the time of the sale of securities shall be included as a liability

2. _____ _____ You are a natural person (individual) who had an individual income in excess of \$200,000 in each of the two previous years, or joint income with your spouse in excess of \$300,000 in each of those years, and who reasonably expects to reach the same income level in the current year.

3. _____ _____ You are a director, executive officer, or Manager of the Company or a director, executive officer of the Manager of the Company.

4. _____ _____ You have such knowledge and experience in financial and business matters that you are capable of evaluating

the merits and risks of investing in the Membership Units.

Disclosure of Foreign Citizenship

True **False**

1. _____ _____ You are a citizen of a country other than the United States.

If the answer to the preceding question is true, specify on the line below the country of which you are a citizen.

FOR ENTITIES

Printed Name of Purchaser: _____

MARK TRUE OR FALSE OR COMPLETE, AS APPROPRIATE

Verification of Status as "Accredited Investor" under Regulation D

True **False**

1. _____ _____ You are either (i) a bank, or any savings and loan association or other institution acting in its individual or fiduciary capacity;
- (ii) a broker dealer;
- (iii) an insurance company;
- (iv) an investment company or a business development company under the Investment Company Act of 1940;
- (v) a Small Business Investment Company licensed by the U.S. Small Business Administration; or
- (vi) an employee benefit plan whose investment decision is being made by a plan fiduciary, which is either a bank, savings and loan association, insurance company or registered investment adviser, or an employee benefit plan whose total assets are in excess of \$5,000,000 or a self-directed employee benefit plan whose investment decisions are made solely by persons that are accredited investors.
2. _____ _____ You are a private business development company as defined under the Investment Advisers Act of 1940.

3. ___ ___ You are either (i) an organization described in Section 501(c)(3) of the Internal Revenue Code; (ii) a corporation; (iii) a Massachusetts or similar business trust; or (iv) a partnership, in each case not formed for the specific purpose of acquiring the securities offered and in each case with total assets in excess of \$5,000,000.
4. ___ ___ You are an entity as to which all the equity owners are accredited investors.
5. ___ ___ You are a trust, not formed for the specific purpose of acquiring the securities offered, with total assets in excess of \$5,000,000 and whose purchase is directed by a sophisticated person.
6. ___ ___ You (i) were not formed, and (ii) are not being utilized, primarily for the purpose of making an investment in the Company (and investment in this Company does not exceed 40% of the aggregate capital committed to you by your partners, shareholders or others).
7. ___ ___ You are, or are acting on behalf of, (i) an employee benefit plan within the meaning of Section 3(3) of ERISA, whether or not such plan is subject to ERISA; or (ii) an entity which is deemed to hold the assets of any such employee benefit plan pursuant to 29 C.F.R. § 2510.3-101. For example, a plan that is maintained by a foreign corporation, governmental entity or church, a Keogh plan covering no common-law employees and an individual retirement account are employee benefit plans within the meaning of Section 3(3) of ERISA but generally are not subject to ERISA.
8. ___ ___ You are, or are acting on behalf of, such an employee benefit plan, or are an entity deemed to hold the assets of any such plan or plans (i.e., you are subject to ERISA).
9. ___ ___ You are a U.S. pension trust or governmental plan qualified under Section 401(a) of the Code or a U.S. tax-exempt organization qualified under Section 501(c)(3) of the Code.
10. ___ ___ You rely on the “private investment company” exclusion provided by Section 3(c)(1) or 3(c)(7) of the Investment Company Act of 1940 to avoid registration and regulation under such Act.

Disclosure of Foreign Citizenship

- | | True | False | |
|-----------|-------------|--------------|---|
| 1. | _____ | _____ | You are an entity organized under the laws of a jurisdiction other than those of the United States or any state, territory or possession of the United States (a "Foreign Entity"). |
| 2. | _____ | _____ | You are a government other than the government of the United States or of any state, territory or possession of the United States (a "Foreign Government"). |
| | | | True False |
| 3. | _____ | _____ | You are a corporation of which, in the aggregate, more than one-fourth of the capital stock is owned of record or voted by Foreign Citizens, Foreign Entities, Foreign Corporations (as defined below) or Foreign Company (as defined below) (a "Foreign Corporation"). |
| 4. | _____ | _____ | You are a general or limited partnership of which any general or limited partner is a Foreign Citizen, Foreign Entity, Foreign Government, Foreign Corporation or Foreign Company (as defined below) (a "Foreign Company"). |
| 5. | _____ | _____ | You are a representative of, or entity controlled by, any of the entities listed in items 1 through 4 above. |

If you are in agreement with the foregoing, please sign the enclosed counterparts of this Subscription Agreement and return such counterparts of this Agreement to the Manager.

Intelligent Fund Management, LLC

By: H. Edward Downs II, Managing Member and Manager

(Signature and Information of Purchaser(s) on the following page)

The foregoing Subscription Agreement is hereby agreed to by the undersigned as of the date indicated below.

Registered Account Name (Please Print)

Registered Account Address (Street, City, State, Zip Code)

Mailing Address (Fill in Mailing Address only if different from Registered Account Address)

Email Address: _____ Primary Phone: _____

_____ Private Placement Memorandum (PPM) received and reviewed. Subscriber or Authorized Representative (if not an individual), please "initial".

TOTAL CAPITAL CONTRIBUTION \$ _____ **NUMBER OF UNITS PURCHASED:** _____

Social Security or Taxpayer I.D. No. (Must be completed)

State in which Subscription Agreement signed if other than state of residence: _____

By: _____ Date: _____

Signature of Subscriber or Authorized Representative (if not an individual)

SIGNATURE VERIFICATION

By: _____ Date: _____

Witness

**EXHIBIT A
TO SUBSCRIPTION AGREEMENT**

CERTIFICATE TO BE GIVEN BY ANY PURCHASER THAT IS A PARTNERSHIP OR LIMITED LIABILITY COMPANY

CERTIFICATE OF _____ (the "Partnership")
(Name of Company)

The undersigned, constituting all of the partners/members of the Partnership that must consent to the proposed investment by the Partnership hereby certify as follows:

1. That the Partnership commenced business on and was established under the laws of the State of _____ on _____ and is governed by a Partnership/Operating Agreement dated _____.
2. That, as the partners/members of the Partnership, we have the authority to determine, and have determined, (i) that the investment in, and the purchase of an interest in Intelligent Fund Management, LLC is of benefit to the Partnership, and (ii) to make such investment on behalf of the Partnership.
3. That _____ is authorized to execute all necessary documents in connection with our investment in Intelligent Fund Management, LLC.

IN WITNESS WHEREOF, we have executed this certificate as the partners of the Partnership effective as of _____, 20__, and declare that it is truthful and correct.

(Name of Partnership)

By: _____

Name: _____

Title: _____

By: _____

Name: _____

Title: _____

**EXHIBIT B
TO SUBSCRIPTION AGREEMENT**

CERTIFICATE TO BE GIVEN BY ANY PURCHASER THAT IS A TRUST

CERTIFICATE OF _____ (the "Trust")
(Name of Trust)

The undersigned, constituting all of the trustees of the Trust, hereby certify as follows:

1. That the Trust was established pursuant to a Trust Agreement dated _____, ____ (the "Agreement").
2. That, as the trustee(s) of the Trust, we have determined that the investment in, and the purchase of, Membership Units in Intelligent Fund Management, LLC is of benefit to the Trust and have determined to make such investment on behalf of the Trust.
3. That _____ is authorized to execute, on behalf of the Trust, any and all documents in connection with the Trust's investment in Intelligent Fund Management, LLC.

IN WITNESS THEREOF, we have executed this certificate as the trustee(s) of the Trust this ____ day of _____, 20____, and declare that it is truthful and correct.

(Name of Trust))

By: _____
Trustee

By: _____
Trustee

By: _____
Trustee

**EXHIBIT C
TO SUBSCRIPTION AGREEMENT**

CERTIFICATE TO BE GIVEN BY ANY PURCHASE THAT IS A CORPORATION

CERTIFICATE OF _____ (the "Corporation")
(Name of Corporation)

The undersigned, being the duly elected and acting Secretary or Assistant Secretary of the Corporation, hereby certifies as follows:

1. That the Corporation commenced business on and was incorporated under the laws of the State of _____ on _____.
2. That the Board of Directors of the Corporation has determined, or appropriate officers under authority of the Board of Directors have determined, that the investment in, and purchase of, the Membership Units in Intelligent Fund Management, LLC is of benefit to the Corporation and has determined to make such investment on behalf of the Corporation. Attached hereto is a true, correct and complete copy of resolutions of the Board of Directors (or an appropriate committee thereof) of the Corporation duly authorizing this investment, and said resolutions have not been revoked, rescinded or modified and remain in full force and effect.
3. That the following named individuals are duly elected officers of the Corporation, who hold the offices set opposite their respective names and who are duly authorized to execute any and all documents in connection with the Corporation's investment in Intelligent Fund Management, LLC and that the signatures written opposite their names and titles are their correct and genuine signatures.

Name

Title

Signature

IN WITNESS WHEREOF, I have executed this certificate this _____ day of _____, 20____ and declared that it is truthful and correct.

(Name of Corporation)

By: _____

Name: _____

Title: _____

Execution Page

Of the

Limited Liability Company Agreement (Operating Agreement) of

INTELLIGENT FUND MANAGEMENT, LLC

IN WITNESS WHEREOF, the undersigned hereby represents and warrants that the undersigned has received and reviewed the Intelligent Fund Management, LLC Limited Liability Company Agreement (Operating Agreement), dated February 26, 2016 and further agrees to be bound by all of the terms and conditions contained therein.

Individuals:

Entities:

Name of Individual Member (Please Print)

Name of Entity (Please Print)

Signature of Individual

Print Name and Title of Officer

Date

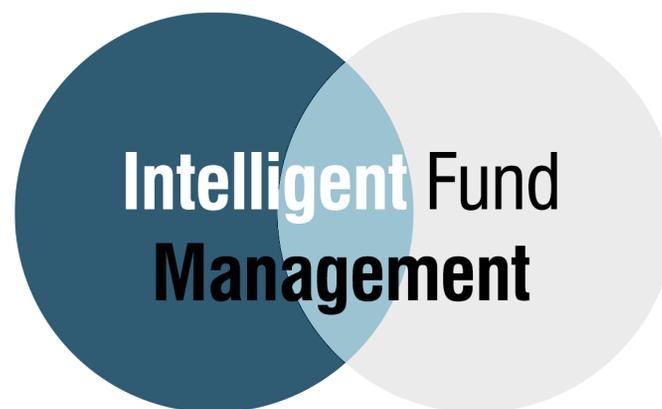
Signature of Officer

Name of Joint Individual Member (Please Print)

Date

Signature of Joint Individual Member

Date



Subscriber Information - Self-Directed IRA Investment Only

IF YOU ARE SUBSCRIBING VIA YOUR SELF-DIRECTED INDIVIDUAL RETIREMENT ACCOUNT, HAVE YOUR CUSTODIAN COMPLETE THIS IRA CUSTODIAN SECTION OF THIS PAGE AFTER YOU COMPLETE THE REST OF THE SUBSCRIPTION AGREEMENT AND INSERT YOUR PERSONAL INFORMATION BELOW.

The undersigned herewith subscribes for the number of Units or Interests set forth below. By signing below, I expressly agree that the electronic signature below (if applicable) or my natural signature below constitutes my signature, and my acceptance and agreement to both the Subscription Agreement and the Operating Agreement as if each of these documents were actually signed by me manually in writing.

I further declare, by my signature below, under penalty of perjury under the laws of the State of Residence provided below, that the foregoing is true and correct.

SUBSCRIBER/ACCOUNT HOLDER:	IRA CUSTODIAN:
Printed Name:	Printed Name:
Street Address:	Street Address:
City & State:	City & State:
Zip Code:	Zip Code:
Phone:	Phone:
Email:	Email:
State of Resident:	Other Information:
SSN:	Reference No. (If Applicable):
Date:	Date:
Signature:	Signature:

Community Property Waiver

TO WHOM THIS APPLIES: ONLY COMPLETE THIS SECTION IF YOU ARE MARRIED AND ACQUIRING INTERESTS (OF ANY CLASS) AS YOUR SOLE AND SEPARATE PROPERTY. IF SO, YOU MUST HAVE YOUR SPOUSE COMPLETE THIS COMMUNITY PROPERTY WAIVER AND THE ATTACHED NOTARY ACKNOWLEDGMENT FORM AND RETURN IT TO THE MANAGER:

Note: This applies only to residents of Community Property states including Arizona, California, Idaho, Louisiana, Nevada, New Mexico, Texas, Washington, Wisconsin or Puerto Rico.

WAIVER OF COMMUNITY PROPERTY BY SPOUSE

Name of Member: _____

(a) _____ **[Name of spouse]** agrees that all property of any nature or in any place, including but not limited to the earnings and income resulting from the personal services, skill, effort, and work belonging to, acquired by or coming to _____ **[Name of Member]** during the marriage; but only relating to any such earnings and income related to and derived from Intelligent Fund Management, LLC; shall be the separate property of Member, and shall be subject to his/her disposition as separate property, in the same manner as if no marriage had been entered into.

(b) _____ **[Name of spouse]** acknowledges that, except for this Agreement, the earnings and income resulting from the personal services of _____ **[Name of Member]** during the marriage (again, only relating only to such earnings and income related to and derived from Intelligent Fund Management, LLC) would otherwise be community property in which _____ **[name of spouse]** would have a one-half Interest, but that by this Agreement those earnings and income are made the separate property of _____ **[Name of Member]**.

(c) _____ **[Name of spouse]** waives and releases any and all equitable or legal claims and rights, actual, inchoate, or contingent that he or she may acquire in the separate property of the other by reason of their marriage (again, only relating only to such earnings and income related to and derived from Intelligent Fund Management, LLC), including but

not limited to: (1) The right to a family allowance; (2) The right to a probate homestead; (3) The right to claims of dower, curtesy, or any statutory substitutes provided by the laws of the state in which the parties or either of them die, domiciled, or in which they own real property; (4) The right of election to take against the will of the other; (5) The right to a distributive share in the estate of the other should he or she die intestate; (6) The right to declare a homestead in the separate property of the other; and (7) The right to act as estate administrator of the other.

Dated: _____ [Signature of Spouse]

COMMUNITY PROPERTY WAIVER NOTARY ACKNOWLEDGMENT

ONLY COMPLETE IF SPOUSE IS PROVIDING A COMMUNITY PROPERTY WAIVER

State of _____

County of _____

On _____, before me, _____, a Notary Public in and for said County and State, personally appeared **[INSERT NAME]** _____, personally known to me (or proved on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed on the attached instrument entitled "COMMUNITY PROPERTY WAIVER BY SPOUSE" dated **[INSERT DATE]** _____ and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS my hand and official seal.

Signature

[Seal]

CONFIDENTIAL INVESTOR QUESTIONNAIRE

The information contained herein is being furnished in order to enable you to determine whether a sale of Class B Limited Liability Company Membership Units (the "Units") in Intelligent Fund Management, LLC (the "Company") pursuant to the Company's Private Placement Memorandum August 10, 2018, may be made to the undersigned (the "Investor") without registration of the Units under the Securities Act of 1933, as amended, or any applicable state securities law. This Questionnaire is not an offer to purchase or an acceptance of an offer to sell a Membership Units, but is, in fact, a response to a solicitation of information to provide you a basis for determining the appropriateness of any sale to the undersigned prospective Investor.

1. FOR INDIVIDUAL INVESTORS:

(a.) Personal Information

Name: _____

Address: _____

City: _____ State: _____ Zip: _____

Phone: _____ Email: _____

Date of Birth: _____ U.S. Citizen (circle one): Yes No

College: _____

Degree: _____ Year: _____

Graduate School: _____ Year: _____

How did you hear about us? _____

(b) Business/ Employment Information

Business/Employer Name: _____

Nature of Business or Employment: _____

Position and Duties: _____

Please set forth other prior occupations or duties during the past five years:

Year of Anticipated Retirement: _____

2. FOR INVESTORS THAT ARE CORPORATIONS, PARTNERSHIPS, TRUSTS OR OTHER ENTITIES:

(a) General Information

Name: _____

Address of Principal Office: _____

Telephone: _____

Date and state incorporation or organization: _____

Taxpayer Identification Number: _____

Nature of Business: _____

(b) Individual Authorized to Execute this Questionnaire (Name and Title): _____

(c) Name of record and beneficial owner of entity (10% ownership or more): _____

3. FOR ALL INVESTORS

(a) Relationship to the Company or managers of the Company:

(b) The undersigned is an officer or director of a publicly held company (Circle one): Yes No

If yes, specify: _____

(c) I [have] [have not] personally invested in investments sold by means of private placements within the past five years.

(d) Please list all investments made during the past five years (include dates, nature, and amounts of investment):

(e) I consider myself to have such knowledge and experience in financial and business matters to enable me to evaluate the merits and risks of investment in the Company (check one).

Yes: _____ No: _____

If yes, please set forth below (or in an attachment) the basis for your answer (e.g. investment or business experience, profession, past review of other investment offerings, etc.).

(f) Listed below are the categories of accredited investors, as defined by Regulation D, promulgated under the Securities Act of 1933, as amended. Please check the appropriate space provided below if the Investor falls within one or more of these categories. The undersigned meets one or more of the following "accredited" categories as indicated in the space provided below (check all appropriate categories).

1.) Any natural person whose individual net worth or joint net worth with that person's spouse, at the time of this purchase, exceeds \$1,000,000 (excluding the value of a primary residence). For purposes of determining an individual's net worth, indebtedness that is secured by the person's primary residence, up to the estimated fair market value of the primary residence at the time of the sale of securities, shall not be included as a liability (except that if the amount of such indebtedness outstanding at the time of the sale of securities exceeds the amount outstanding 60 days before such time, other than as a result of the acquisition of the primary residence, the amount of such excess shall be included as a liability). In addition, indebtedness that is secured by the person's primary residence in excess of the estimated fair market value of the primary residence shall be included as a liability. _____

(2) Any natural person who had an individual income in excess of \$200,000 in each of the two most recent years or joint income with that person's spouse in excess of \$300,000 in each of those years and has a reasonable expectation of reaching the same income level in the current year. _____

(3) A bank, insurance company, registered investment company, employee benefit plan if the investment decision is made by a bank, insurance company, or registered investment adviser, or an employee benefit plan with more than \$5 million of assets. _____

(4) Any private business development company as defined in Section 202(a) (22) of the Investment Advisors Act of 1940. _____

(5) Any organization described in Section 501(c)(3) of the Internal Revenue Code, corporation, Massachusetts or similar business trust, or partnership not formed for the specific purpose of acquiring the securities offered, with total assets in excess of \$5,000,000. _____

(6) Any director, executive officer, or general partner of the issuer of the securities being offered or sold, or any director, executive officer, or general partner of a general partner of that issuer. _____

(7) Any trust with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in Rule 506(b)(2)(ii). _____

(8) Any entity in which all of the equity owners are accredited investors. _____

(9) The Investor does not qualify in any accredited category as indicated above. _____

(g) Please indicate whether you intend to have an attorney, accountant investment advisor or other consultant act as Purchaser Representative in connection with this investment (Circle one): Yes___ No___

If yes, please list the name, business address and telephone number of the person who is your purchaser representative.

Name: _____

Firm: _____

Address: _____

City: _____ State: _____ Zip: _____

Telephone: _____

If the undersigned utilizes a Purchaser Representative, the Purchaser Representative will be required to complete a questionnaire to be supplied by the Company.

4. GROSS INCOME: \$

If the undersigned is an individual, was your personal income from all sources for the previous calendar year more than (circle the highest number applicable for each year).

2017:	\$150,000	\$200,000	\$250,000+
2016:	\$150,000	\$200,000	\$250,000+
2015:	\$150,000	\$200,000	\$250,000+

5. NET WORTH (NET WORTH SHALL NOT INCLUDE AN INDIVIDUAL'S PRIMARY RESIDENCE AND INDEBTEDNESS SECURED BY THE PRIMARY RESIDENCE IN EXCESS OF THE VALUE OF THE HOME SHOULD BE CONSIDERED A LIABILITY AND DEDUCTED WHEN DETERMINING NET WORTH):

(a) My personal net worth (including the net worth of my spouse) is now estimated at: \$_____

(b) My estimated liquid assets equal: \$ _____

(c) My estimated non-liquid assets equal: \$_____

6. FOR ENTITIES:

If the undersigned is an entity which checked item (8) under Paragraph 3(f) above in reliance upon the accredited investor categories set forth in items 1 and 2 of Paragraph 3(f), please state the name, address, total personal income from all sources for the previous calendar year, and the net worth (exclusive of home, furnishings, and personal automobiles) for each equity owner of said entity:

The Investor hereby certifies that the information contained herein is complete and accurate and the Investor will notify the Company of any change in any of such information. Specifically, the Investor hereby certifies that the information contained above concerning the residency of the Investor is true and correct. The Investor realizes and understands that, but for the truth of the information contained herein, the Investor would not receive consideration by the Company pertaining to this investment.

If the Questionnaire is completed on behalf of a corporation, partnership, trust or estate, I, the person executing on behalf of the Investor, represent that I have the authority to execute and deliver the Questionnaire on behalf of such corporation, partnership, trust or estate.

Dated: _____

1. Signature for Individual Investor

Signature: _____

Printed Name: _____

Signature of Joint Investor: _____

Printed Name: _____

2. Signature for Partnership, Trust, Corporation, or Other Entity

Name of Investor: _____

By: _____

Signature: _____

Name: _____

Title: _____

