

**NEVADA INTERNATIONAL STOCK EXCHANGE, INC.  
ANNUAL UPDATE – As Amended  
NOVEMBER 12, 2009**

**Period Ending June 30, 2009**

**Nevada International Stock Exchange, Inc.  
c/o SearchPath International, Inc.  
526 Superior East, Suite 230  
Cleveland, Ohio 44114  
(216) 912.1500 | Toll Free: (866) 723.9163  
Facsimile (216) 658-9711  
Website: <http://www.searchpath.com>**

**We previously were a shell company, therefore the exemption offered pursuant to Rule 144 is not available. Anyone who purchased securities directly or indirectly from us or any of our affiliates in a transaction or chain of transactions not involving a public offering cannot sell such securities in an open market transaction.**

**INFORMATION AND DISCLOSURE STATEMENT**

June 30, 2009

ALL INFORMATION FURNISHED HEREIN HAS BEEN PREPARED FROM THE BOOKS AND RECORDS OF THE COMPANY IN ACCORDANCE WITH RULE 15c2-11(a)(5) PROMULGATED UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED.

NO DEALER, SALESMAN OR ANY OTHER PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS NOT CONTAINED HEREIN IN CONNECTION WITH THE COMPANY. ANY REPRESENTATIONS NOT CONTAINED HEREIN MUST NOT BE RELIED UPON AS HAVING BEEN MADE OR AUTHORIZED BY THE COMPANY.

The undersigned hereby certifies that the information herein is true and correct to the best of their knowledge and belief.

Date: NOVEMBER 12, 2009

Nevada International Stock Exchange, Inc.

By: \_\_\_\_\_  
Thomas K. Johnston, CEO

All information contained in this Information and Disclosure Statement has been compiled to fulfill the disclosure requirements of Rule 15c2-11(a)(5) promulgated by the Securities Exchange Act of 1943, as amended (the "Rule").

The enumerated items and captions herein correspond to the format as set forth in the Rule and as further set forth by the Pink Sheets Guidelines for Providing Adequate Current Information Version 9.7-Updated July 22, 2009.

#### **Part A. General Company Information**

##### **Item I. The exact name of the issuer and its predecessor (if any).**

Name: Nevada International Stock Exchange, Inc. (the "Company" or the "Issuer")  
Prior Names: Nevada Stock Exchange, Inc. – 3/1/2006 to 6/23/2006  
McClendon Transportation Group, Inc. – 2/1/2000 to 3/1/2006

##### **Item II. The address of issuer's principal executive offices.**

Nevada International Stock Exchange, Inc.  
c/o SearchPath International, Inc.  
526 Superior East, Suite 230  
Cleveland, Ohio 44114  
(216) 912.1500 | Toll Free: (866) 723.9163  
Facsimile (216) 658-9711  
Website: <http://www.searchpath.com>

##### **Item III. The jurisdiction(s) and date of issuer's incorporation or organization.**

Incorporated in Nevada on February 1, 2000.

#### **Part B. Share Structure**

##### **Item IV. The exact title and class of securities outstanding.**

The issuer has one class of securities: Common Stock

CUSIP: 641283 10 6

The trading symbol is NVDS: The Issuer currently trades on the Pink Sheets

##### **Item V. Par or stated value and description of the security.**

###### **A. Par or Stated Value**

Common Stock \$0.001 par value

###### **B. Common or Preferred Stock.**

The Company has Common Stock authorized. The following summary does not purport to be a complete description of the terms and conditions of the Company's securities, and is qualified entirely by reference to the Amended and Restated Articles of Incorporation, attached hereto as **Exhibit B**:

1. Common Stock Dividend, Voting and Preemption Rights.  
Holders of Common Stock are entitled to one vote for each share held of record on all matters on which the holders of Common Stock are entitled to vote under the laws of Nevada. Holders of Common Stock have no preemptive rights and they are not subject to further calls or assessments by the Company. Holders of Common Stock are entitled to receive dividends when, as and if declared by the Board of Directors out of funds legally available therefore.
2. Preferred Stock Dividend, Voting and Preemption Rights.  
The Company does not currently have Preferred Stock authorized.
3. Other Material Rights of Common or Preferred Stockholders.  
None
4. Any Provision in the Company Articles of Incorporation or Bylaws That Would Delay, Defer or Prevent a Change in Control of the Company.  
None

**Item VI. The number of shares or total amount of the securities outstanding for each class of securities authorized.**

1. Common Stock as of the end of the Issuer's most recent fiscal year end:
  - (i) Period end date: June 30, 2009
  - (ii) Number of shares authorized: 100,000,000
  - (iii) Number of shares outstanding: 9,049,417
  - (iv) Freely tradable shares (public float): 1,288,255
  - (v) Total number of beneficial shareholders: 108
  - (vi) Total number of shareholders of record: 108
2. Common Stock as of the end of the Issuer's most recent quarter:
  - (i) Period end date: March 31, 2009
  - (ii) Number of shares authorized: 100,000,000
  - (iii) Number of shares outstanding: 9,049,417
  - (iv) Freely tradable shares (public float): 1,288,255
  - (v) Total number of beneficial shareholders: 108
  - (vi) Total number of shareholders of record: 108

**PART C. Business Information**

**Item VII. The name and address of the transfer agent.**

Island Stock Transfer  
100 Second Ave South  
Suite 705 S  
St. Petersburg, FL 33701  
PH. 727-289-0010  
Fax: 727-289-0069

www.IslandStockTransfer.com

Island Stock Transfer is registered with the U.S. Securities and Exchange Commission and authorized to conduct stock transfer transactions with the Depository Trust Company.

**Item VIII. The nature of the issuer's business.**

A. Business Development.

1. Form of organization

Nevada Corporation

2. Date Incorporated

February 1, 2000

3. Fiscal year end date

June 30

4. Any bankruptcy, receivership or any similar proceeding

None

5. Any material reclassification, merger, consolidation, or purchase or sale of a significant amount of assets

On September 8, 2009 the Company acquired all of the outstanding stock of SearchPath International, Inc. ("SPI") in exchange for 370,304,000 shares of Common Stock of the Company.

6. Any default of the terms of any note, loan, lease, or other indebtedness or financing arrangement requiring the Company to make payments.

None

7. Any change of control

The majority interest of the stock of the Company was purchased in July 2009. On September 8, 2009, the Company acquired SPI in an acquisition whereby the shareholders of SPI became holders of the Common Stock of the Company and SPI became a wholly owned subsidiary of the Company.

8. Any increase of 10% or more of the same class of outstanding equity securities

On September 8, 2009 the Company acquired all of the outstanding stock of SPI in exchange for 370,304,000 shares of Common Stock of the Company.

9. Any past, pending or anticipated stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization

None

10. Any delisting of the issuer's securities by any securities exchange or deletion from the OTC Bulletin Board

None

11. Any current, past, pending or threatened legal proceedings or administrative actions either by or against the issuer that could have a material effect on the issuer's business, financial condition, or operations and any current, past or pending trading suspensions by a securities regulator  
None

B. Business.

1. The Company's primary and secondary SIC codes:  
7361 and 8741.
2. If the Company has never conducted operations, is in the development stage, or is currently conducting operations:  
The Company is currently conducting operations through its wholly owned subsidiary SPI.
3. If the Company is or has at any time been a "shell company":  
Yes. The Company was a shell company until September 8, 2009 when it acquired SPI.
4. Names of any parent, subsidiary, or affiliate of the issuer, and its business purpose, its method of operation, its ownership, and whether it is included in the financial statements attached to this disclosure statement:  
The Company has one wholly owned subsidiary, SPI, which is a franchisor of talent acquisition services. The financial statements of SPI are included in the financial statements attached to this disclosure.
5. The effect of existing or probable governmental regulations on the business:  
The Company's sale of franchises through its wholly owned subsidiary, SPI, is regulated by the Federal Trade Commission and by state business opportunity and franchise laws. SPI has filed or is in the process of filing registrations, been exempted from registration or filed a notice in states that require pre-sale registration or a notice filing under franchise investment laws in order to offer the sale of franchises.
6. An estimate of the amount spent during each of the last two fiscal years on research and development activities, and, if applicable, the extent to which the cost of such activities are borne directly by customers:  
None
7. Costs and effects of compliance with environmental laws (federal, state and local):  
None
8. The number of total employees and number of full-time employees:  
The Company, through its wholly owned subsidiary, has six (6) employees, four (4) of which are employed full-time.

**Item IX. The nature of products or services offered.**

A. Principal Products or Services, and their Markets

The Company is the owner of SPI, a franchisor of talent acquisition services. As of June 30, 2009, SPI had signed on seventy three (73) franchises. Talent acquisition

services are a relatively new concept in the human capital industry that includes any and all services related to the identification, qualification, acquisition and retention of human capital.

SPI has rapidly built a high quality network of franchisees, despite competition from larger, more established firms. SPI believes that the pending retirement of hundreds of thousands of Baby Boomers resulting in vacant positions across all industries, paired with the rise in the number of college graduates in the U.S. seeking new positions will open the door for high quality talent acquisition organizations to marry great talent with open positions and that this trend will continue to grow in the coming years.

SPI has entered the marketplace as a formidable contender, tendering unique concepts and superior service delivery. SPI has chosen franchising as a platform for growth.

SPI generates revenue from an initial franchise fee upon the sale of a franchise and an ongoing "royalty" from the franchisee based on a percentage of franchisee gross receipts. In addition, the company generates revenues from search fees.

The standard royalty rate for an SPI franchise is 7% of gross receipts. Gross receipts refers to all cash received, exclusive of taxes, for services provided to clients, including placement fees, gross margin on temporary or hourly placements, and consulting services. There is an additional fee of .75% on gross receipts for national marketing, advertising and public relations. SPI may reduce the royalty rate for new franchisees with existing search experience depending upon their average annual billings prior to signing with SPI.

B. Distribution methods of the products or services

Franchise sales leads come to SPI in a variety of ways, including referrals from existing franchisees, interest from SPI's website and SPI's existing contacts. Once a sales lead has been determined as a qualified prospect to purchase a franchise, a sales person on staff will distribute a UFOC (Uniform Franchise Offering Circular) outlining SPI's business and the details of the franchise agreement. Most states require a minimum of a 15 day waiting period from the receipt of the UFOC to the signing of a franchise agreement.

The prospect will then be scheduled to visit SPI in Cleveland for a "Discovery Day", where the prospects come in to meet the SPI staff and learn about SPI and its programs in more depth. After the Discovery Day, additional exploration and references on both sides are completed. It usually takes a minimum of two weeks and up to six months for the prospect to become a franchisee.

C. Status of any publicly announced new products or services

None.

D. Competitive business conditions, the issuer's competitive position in the industry, and methods of competition

The staffing and recruitment industry is highly competitive with low barriers to entry. Many of the companies that operate within this sector are small local or regional operators with a few locations. Within these markets, these small local or regional firms

compete with SPI and its franchisees for the available recruiting business. The primary competitive factors in the staffing segment include price, service and the ability to provide the requested personnel when needed. Although the staffing services market is highly competitive with limited barriers to entry, there are relatively few companies providing franchise opportunities in the staffing and recruiting industry. SPI believes that none of its competitors present the breadth of services SPI has to offer. However, the primary competitive disadvantage is that SPI is relatively new to the franchisor business therefore lacking financial and operational history that may influence the decision of prospective franchisees. Competitors that provide a franchising option tend to be involved in temporary staffing, while SPI's focus is on permanent placement. Some of these temporary staffing companies include True Blue, Inc. (doing business as "Labor Ready"), Adecco, Kelly Services, Inc., Manpower, Inc., SOS Staffing Services, Inc., and Vedior, Inc.

The industry leader by volume in the franchisor business, Management Recruiters International ("MRI"), a division of CDI, is by far the largest franchised search firm. Sanford Rose International ("SRA") has been in business for over 41 years and has less than 60 active offices. Global Recruiting Network, ("GRN"), a relatively new (2002) start-up out of Chicago has over 150 franchises, and was founded on the same business model as MRI. Fortune Personnel Consultants, located in New York City, only recently began actively selling franchises after being dormant several years. In addition, there are several large networks of independent recruiting organizations, but they offer a substantially different operating model.

E. Sources and availability of raw materials and the names of principal suppliers

None

F. Dependence on one or a few major customers.

We depend primarily on the sale of franchises by our wholly owned subsidiary, SPI. Such sales comprise a significant portion of our revenue.

G. Patents, trademarks, licenses, franchises, concessions, royalty agreements or labor contracts, including their duration

SPI has registered "SearchPath" as a service mark with the U.S. Patent and Trademark Office. This service mark will be in effect for ten years from the registration date and is renewable for successive ten year periods. SPI licenses this service mark to its franchisees. SPI also claims a copyright in our various franchise materials, such as the training and operations manuals.

H. The need for any government approval of principal products or services; Discuss the status of any requested government approvals.

The sale of franchises is regulated by the Federal Trade Commission and by state business opportunity and franchise laws. SPI has filed or is in the process of filing registrations, been exempted from registration, or filed a notice in states that require pre-sale registration or a notice filing under franchise investment laws in order to offer the sale of franchises.

**Item X. The nature and extent of the issuer's facilities.**

SPI currently leases approximately 1000 square feet of office space in an executive suite facility with shared common space at a monthly cost of \$1600. The agreement after the initial three-month term, which expires on October 15, 2009, is cancellable with 30 days advance written notice. The office is located in the Leader Building at 526 Superior Avenue East, Suite 230, Cleveland, Ohio 44114. The Leader Building would be classified as B to B- office space; however the suites where SPI resides have been newly renovated and are enhanced with up-to-date technology.

**PART D. Management Structure and Financial Information**

**Item XI. The name of the chief executive officer, members of the board of directors, as well as control persons.**

A. Officers, and Directors:

1. Officers and Directors of the Issuer

Thomas K. Johnston, Chief Executive Officer, Board Member  
526 Superior East, Suite 230  
Cleveland, Ohio 44114

Thomas K. Johnston is the founder of SPI and has been a director, the Chief Executive Officer and President of SPI since July 19, 2005. Mr. Johnston currently serves as the sole Director and President of Nevada International Stock Exchange, Inc. Prior to the founding of SPI, from 1997 through 2005, Mr. Johnston was an owner and Vice President of Pathfinder Search Partners in Shaker Heights, Ohio. Pathfinder is an executive recruiting firm focusing on the permanent placement of personnel services and is currently one of the Company's franchisees. Before that time, from 1992 to 1997, Mr. Johnston was the Director of Interim Executive Staffing at Management Recruiters International, in Cleveland, Ohio, where he was a member of the management team that transitioned the company into a full-service human resource solutions organization.

As of June 30, 2009, Mr. Johnston owned no shares of the Company. Mr. Johnston received shares of the Company in September 2009 as part of the acquisition of SPI.

2. Control Persons, Advisors and Significant Shareholders

As of September 8, 2009, Thomas K. Johnston is the beneficial owner of One Hundred Thirty-Three Million Four Hundred Sixteen Thousand (133,416,000) shares of Common Stock of the Company as a result of the completion of the Company's acquisition of all of the outstanding stock of SPI and the issuance of eight (8) shares of Common Stock of the Company for each one (1) share of SPI stock outstanding.

B. Legal/Disciplinary History.

None

C. Disclosure of Family Relationships

Amy Johnston, SPI's Vice President and Chief Compliance Officer is the wife of the Company's CEO, Tom Johnston.

D. Disclosure of Related Party Transactions  
None

E. Disclosure of Conflicts of Interest  
None

**Item XII. Financial information for the issuer's most recent fiscal period.**

Unaudited Financial Statements for the Company's subsidiary, SPI, for the fiscal year ended June 30, 2009 are attached hereto as **Exhibit A**, and are incorporated herein by reference. **Exhibit A** includes the following unaudited financial statements for the fiscal year ended June 30, 2009, incorporated herein by reference, and prepared in accordance with generally accepted accounting principles:

1. Balance Sheet
2. Statement of Operations
3. Statement of Cash Flows; and
4. Changes in Shareholder's Equity (For the Company)

**Item XIII. Similar financial information for such part of the two preceding fiscal years as the issuer or its predecessor has been in existence.**

**Exhibit A**, attached hereto, also provides the following unaudited financial statements for SPI, the Company's subsidiary, for the fiscal years ended June 30, 2008 and June 30, 2007, which are incorporated herein by reference, and have been prepared in accordance with generally accepted accounting principles:

1. Balance Sheet
2. Statement of Operations
3. Statement of Cash Flows

**Item XIV. Beneficial Owners.** The following table sets forth information with respect to the beneficial ownership of Nevada International Stock Exchange, Inc. as of June 30, 2009, by any person or group who beneficially owns more than 5% of any class of its capital stock:

Name of Beneficial Owner	Address	Nevada International Stock Exchange, Inc. Common Shares Beneficially Owned (1)	
		#	% of Fully-Diluted
Christopher Markosian	320 E. Charleston Ave, Las Vegas, NV, 89104	7,500,000	82.88%

1) Based on 9,049,417 shares of Common Stock outstanding as of June 30, 2009. There are currently no options or warrants issued or outstanding.

**Item XV. The name, address, telephone number, and email address of each of the following outside providers that advise the issuer on matters relating to the operations, business development and disclosure:**

**1. Investment Banker**

None

**2. Promoter**

None

**3. Counsel**

Berger Law, Inc.  
23968 Glenhill Drive  
Beachwood, Ohio 44122  
[steve@bergerlawinc.com](mailto:steve@bergerlawinc.com)

**4. Accountant or Auditor**

Skoda Minotti & Company  
6685 Beta Drive  
Mayfield Village, Ohio 44143  
[pcarney@skodaminotti.com](mailto:pcarney@skodaminotti.com)

**5. Public Relations Consultant(s)**

None

**6. Investor Relations Consultant**

ZA Consulting Inc.  
116 West 23rd St.  
Suite 500  
New York, NY 10011  
[david@za-consulting.net](mailto:david@za-consulting.net)

**7. Any other advisor(s) that assisted, advised, prepared or provided information with respect to this disclosure statement**

None

**Item XVI. Management's Discussion and Analysis or Plan of Operation.**

**This MD&A Section contains forward-looking statements. These statements and other statements contained in this MD&A Section that are not purely historical fact are forward-looking statements, within the meaning of the Private Securities Litigation Reform Act of 1995, and are based on management's beliefs, certain assumptions and current expectations. The market opportunities, future plans and performance, objectives and expectations with respect to our future operations and development activities and the financial projections and estimates and their underlying assumptions, are all forward-looking statements subject to risks and uncertainties, including, but not limited to: the timing and success of our development efforts, and our ability to raise capital to pursue our business strategy. Readers are cautioned not**

**to place any undue reliance on these forward-looking statements. Actual results may differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. The forward-looking statements contained in this MD&A Section are made as of the date hereof, and we do not undertake any obligation to update any forward-looking statements to reflect events or circumstances after the date on which any such statement is made or to reflect the occurrence of unanticipated events.**

A. Plan of Operation

The Company is currently conducting operations through its wholly owned subsidiary, SPI. SPI will continue to operate under its existing franchise platform. It will generate revenue from the following sources: franchise sales, royalties, and placement fees from company owned offices. SPI will utilize its status as a subsidiary of a public company to explore additional sources of revenue. The overall plan is to enhance each of these sources of revenue by adding to the budget for public relations and marketing along with other traditional and non-traditional avenues. SPI intends to seek out and hire a senior leadership individual to take ownership of the overall sales functions and build a sales team to support these efforts.

SPI is currently exploring other opportunities to enhance the overall revenue base, including, but not limited to, the introduction of a master franchise concept, a new executive search platform and aggressive international expansion.

At this time, SPI is not in any active discussions relating to potential acquisitions or mergers; however, the long-term plan is to seek out complementary products or services and work with investment opportunities to secure potential mergers and acquisitions that will enhance the overall SPI organization and increase shareholder value.

During the next twelve months, if the overall cash receipts continue to increase as projected, SPI anticipates adding additional staff in the following areas: field support coaching and training, administration and sales and marketing.

B. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The Company is currently conducting operations through its wholly owned subsidiary, SPI. SPI was incorporated in the State of Delaware on June 30, 2005. SPI is a franchisor of talent acquisition services. As of June 30, 2009, SPI had signed on seventy three (73) franchises; however, SPI has recently been restricted from selling any further franchises in many states because it has not completed its fiscal 2009 year-end audit, due to financial constraints. This will likely have an adverse impact on future revenue and growth until the required audit is finished.

Talent acquisition services are a relatively new concept in the human capital industry that includes any and all services related to the identification, qualification, acquisition and retention of human capital. SPI was created by the owner and founder of Pathfinder Search Partners of Cleveland, Inc. (“Pathfinder”). Pathfinder, an Ohio corporation incorporated in 1998 as Sales Consultants of Shaker Heights, Inc., is an executive recruiting firm focusing on the permanent placement of personnel services. Pathfinder is currently a franchisee of SPI, and does business under the name SearchPath of Cleveland Uptown.

Upon establishing its corporate headquarters in Cleveland, Ohio in 2005, SPI began offering and selling franchises to expand its presence in the U.S. SPI’s platform focuses on a “client-centric” set of service offerings that strives to be highly responsive to the ever-changing demands of today’s human capital market. This client focused mindset allows SPI to tailor each and every project to the specific needs and business line of its clients.

SPI was founded and is led by driven, focused, highly successful recruiting and franchising professionals that bring dynamic, innovative ideas and proven track records of success to the SPI platform. SPI’s goal is to continually introduce new concepts that help franchisees focus on long-term client and candidate retention, which drives revenue and keeps it competitive with industry counterparts.

In conjunction with the evolution of the franchisor model, three primary sources of revenues are generated by SPI. SPI recognizes revenues from the sale of franchises upon substantial performance by SPI of all material conditions relating to the initial fee. Royalty and advertising fees are recognized as revenue when the franchisee receives payment for services on the placement of a candidate. Placement fees are recognized when the placement is made by SPI.

Currently, the revenues generated from royalty and advertising fees are not sufficient to fund the operations of SPI. Therefore, SPI is highly focused on franchise sales to increase its franchisee base and achieve critical mass to fund the operations of SPI. In conjunction with the franchise sales efforts, SPI corporate continues to recruit and make placements to generate fee income to support ongoing operations.

SPI will continue an aggressive pursuit of new franchises through its current resources. Additionally, SPI intends to engage independent franchise brokers and employ additional corporate staff to help facilitate rapid franchise growth. Incentive plans have been offered to our existing franchise owners to support the franchise sales efforts. SPI is also exploring new financing partners to provide a wide variety of financing options to the franchisee that will increase the number of qualified franchisee candidates and increase cash received by SPI at the time of close for franchise sales. Note, however, as mentioned above, SPI has recently been restricted from selling any further franchises in

many states because it has not completed its fiscal 2009 year-end audit, due to financial constraints.

As SPI continues to move forward, its primary focus is to increase royalty and advertising revenues from existing franchisees. As of December 2008, SPI has revamped its training and coaching programs which commenced in January 2009 to assist in increasing placement activities of its existing franchisees and foster organic growth within SPI.

SPI has increased and will continue to focus on corporate revenue generating activities through the addition of a variably-compensated, full-time, committed resource to focus on corporate placement activities including talent acquisition, business development and the creation of a national accounts program. Additionally, SPI intends to combine current execution expertise at SPI corporate with the existing centralized research program to create a new revenue generating unit within SPI in fiscal 2010. For a fixed or variable-based fee, this unit will assist all SPI franchise offices with candidate identification and assist in placements.

#### Liquidity and Capital Resources

Our principal sources of liquidity consist of cash and cash equivalents, cash generated from operations and borrowing from various sources primarily private investors and vendor payment deferrals. At June 30, 2009 our cash totaled \$57,057 and we had a working capital deficit of \$1,612,817.

The Company's existence is dependent on management's ability to develop profitable operations and resolve the Company's liquidity problems. In order to improve the Company's liquidity, management is actively pursuing additional equity and debt financing through discussions with investment bankers and private investors. There can be no assurance that the Company will be successful in its efforts to raise additional financing. If successful in completing this financing, we may not be able to do so on terms that are not excessively dilutive to our existing stockholders or less costly than existing sources of financing. Failure to secure additional financing in a timely manner and on favorable terms if and when needed in the future will have a material adverse effect on our financial performance, balance sheet and stock price and require us to implement cost reduction initiatives and curtail operations.

The following table sets forth our cash flows for twelve month period ending:

	JUNE 30, 2009	JUNE 30, 2008
Provided by (used in)	_____	_____

Operating activities	\$	(8,245)	\$	(362,053)
Investing activities		39,195		52,432
Financing activities		12,453		315,268
	\$	43,403	\$	5,647

### Results of Operations

Total revenues were \$713,595 for the fiscal year ending June 30, 2009. Franchise Fee revenues were \$325,837; other revenues were \$387,758 and consisted of the following:

Royalty Revenue	228,875
Advertising Revenue	28,382
Corporate Placements	119,298
Other Revenue	11,203
	<u>387,758</u>

Total revenues from the prior period declined as would be expected with the economic downturn. Of particular note were revenues from Corporate Placements, which consists primarily of internal placements by the CEO. The decrease in revenue from Corporate Placements was primarily due to the redirection of the CEO's efforts on the development of franchise sales.

Cost of revenue similarly declined as of the fiscal year end, down 55% year over year.

Operating expenses for the period were \$1,199,565 as of June 30, 2009, a 13% decrease from the prior fiscal year. Staffing reduction through the first two quarters resulted in a 31% decrease in compensation expense. Legal and professional fees and related costs to the company's public filings offset the company's cost reduction efforts.

#### C. Off-Balance Sheet Arrangement.

SPI does not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on SPI's financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to investors. SPI has no interests in or relationships with any special purpose entities or variable interest entities.

**PART E. Issuance History**

**Item XVII. List of securities offerings and shares issued for services in the past two years**

None

**PART F Exhibits**

**Item XVIII. Material Contracts**

The Company, or its subsidiary, has the following material contracts with the following material terms.

None

**Item XIX. Articles of Incorporation and Bylaws.**

The Company's Articles of Incorporation, as amended, and Bylaws, as amended, are included as part of this filing, and attached hereto as **Exhibit B** and **Exhibit C**, respectively

**Item XX. Purchases of Equity Securities by the Issuer and Affiliated Purchasers.**

None

**Item XXI. Issuer's Certification**

I, Thomas K. Johnston, certify that:

1. I have reviewed this Annual Report of Nevada International Stock Exchange, Inc. for the year ended June 30, 2009;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

Date: November 12, 2009

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Thomas K. Johnston  
CEO

**EXHIBIT A**

Financial Statements

SEARCHPATH INTERNATIONAL, INC  
BALANCE SHEET  
JUNE 30, 2009 AND 2008

**ASSETS**

	<u>June 30, 2009</u> (Unaudited)	<u>June 30, 2008</u> (Unaudited)
<b>CURRENT ASSETS</b>		
Cash	\$57,057	\$13,654
Accounts receivable	-	47,500
Other receivables	4,215	11,401
Notes receivable	226,993	446,244
Prepaid expenses	<u>23,621</u>	<u>29,725</u>
	<u>311,887</u>	<u>548,524</u>
 <b>PROPERTY AND EQUIPMENT - AT COST</b>		
Furniture and equipment	17,887	17,887
Less: Accumulated depreciation	<u>(11,699)</u>	<u>(8,122)</u>
	<u>6,188</u>	<u>9,765</u>
 <b>OTHER ASSETS</b>		
Intangibles - net	578	6,135
Notes receivable - net	169,735	117,286
Deferred tax benefit	-	-
Deposits	<u>5,231</u>	<u>5,231</u>
	<u>175,545</u>	<u>128,652</u>
	<u><u>\$493,619</u></u>	<u><u>\$686,941</u></u>

## LIABILITIES

	June 30, 2009 (Unaudited)	June 30, 2008 (Unaudited)
<b>CURRENT LIABILITIES</b>		
Current portion of long-term debt	\$40,825	\$82,384
Accounts payable	222,005	141,427
Accrued expenses	971,370	497,775
Convertible debt	666,744	591,744
Due to related parties	23,759	29,210
	<u>1,924,704</u>	<u>1,342,540</u>
<b>LONG-TERM LIABILITIES</b>		
Deferred income taxes	-	1,300
Long-term debt	48,047	63,584
	<u>1,972,750</u>	<u>1,407,424</u>

## SHAREHOLDERS' DEFICIT

<b>COMMON STOCK</b>		
\$0.01 par value		
Authorized 100,000,000 shares		
Issued and outstanding 22,988,000 shares	195,480	195,480
<b>ACCUMULATED DEFICIT</b>		
	<u>(1,674,611)</u>	<u>(915,963)</u>
	<u>(1,479,131)</u>	<u>(720,483)</u>
	<u>493,619</u>	<u>\$686,941</u>

SEARCHPATH INTERNATIONAL, INC  
STATEMENT OF OPERATIONS  
YEARS ENDED JUNE 30, 2009 AND 2008

	2009	2008
REVENUES - NET		
Franchise fees	\$325,838	\$666,801
Other	387,758	669,684
	713,595	1,336,485
COST OF SALES	154,386	342,628
GROSS PROFIT	559,209	993,857
OPERATING EXPENSES	1,199,565	1,372,950
LOSS FROM OPERATIONS	(640,356)	(379,093)
OTHER INCOME (EXPENSE)		
Interest expense	(122,183)	(81,192)
Interest income	3,891	34,764
	(118,292)	(46,428)
NET INCOME (LOSS) BEFORE INCOME TAXES	(758,648)	(425,521)
BENEFIT FROM (PROVISION FOR) DEFERRED INCOME TAXES	-	100
NET INCOME (LOSS)	(758,648)	(425,421)

SEARCHPATH INTERNATIONAL, INC  
STATEMENT OF CASH FLOWS  
YEARS ENDED JUNE 30, 2009 AND 2008

	2009	2008
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net loss	(\$758,648)	(\$425,421)
Adjustments to reconcile net loss to net cash used in operating activities:		
Add back items not affecting cash:		
Depreciation and amortization	9,134	9,422
Bad debts	-	150,600
Deferred income taxes	(1,300)	(100)
Common stock issued in lieu of cash compensation	-	47,740
Issuance of notes receivable	-	(436,204)
Cash provided by (used in) changes in the following items:		
(Increase) decrease in accounts receivable	47,500	21,813
(Increase) Decrease in other receivables	7,186	(7,658)
(Increase) decrease in prepaid expenses	6,104	(22,505)
(Increase) decrease in deposits	-	(5,231)
Increase (decrease) in accounts payable	208,186	1,343
Increase in accrued expenses	473,593	304,148
Net cash used in operating activities	(8,245)	(362,053)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchases of property and equipment	-	(3,290)
Acquisition of intangibles	-	(1,735)
Collection of notes receivable	39,195	57,457
Net cash used in investing activities	39,195	52,432
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Borrowings on (repayment of) convertible debt	75,000	323,294
Increase (decrease) in due to shareholder		(18,500)
Increase (decrease) in due to related party	(5,451)	(6,333)
Borrowings on long-term debt		16,807
Repayments of long-term debt	(57,096)	-
Net cash provided by financing activities	12,453	315,268
<b>NET INCREASE (DECREASE) IN CASH</b>	43,403	5,647
<b>CASH - BEGINNING OF PERIOD</b>	13,654	8,007
<b>CASH - END OF PERIOD</b>	57,057	13,654

The following Statement of Change in Stockholder's Equity is a being submitted as a supplement to the Nevada Stock Exchange Annual Report dated June 30, 2009. The acquisition of SearchPath International, which was completed on September 8, 2009 will be more fully reported and disclosed in our filing of the September 30, 2009 financials.

**Nevada Stock Exchange, Inc  
Statement of Changes in  
Stockholder's Equity**

	<u>Common stock</u>		<u>Additional paid-in capital</u>	<u>Retained Earnings</u>	<u>Total Stockholder's Equity</u>
	<u>Shares</u>	<u>Amount</u>			
Balance, June 30, 2008	<u>1,549,417</u>	<u>\$1,549.42</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$1,549.42</u>
Common Stock Issued, September 17, 2008	7,500,000	\$7,500.00			\$7,500.00
Balance, June 30, 2009	<u>9,049,417</u>	<u>\$9,049.42</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$9,049.42</u>
Balance, September 30, 2009	<u>9,049,417</u>	<u>\$9,049.42</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$9,049.42</u>



SEARCHPATH INTERNATIONAL, INC.  
BALANCE SHEETS  
JUNE 30, 2008, 2007, AND 2006

	ASSETS		
	2008	2007	2006
<b>CURRENT ASSETS</b>			
Cash	\$ 13,654	\$ 8,007	\$ -
Accounts receivable	47,500	30,813	90,850
Other receivables	11,401	3,743	2,200
Notes receivable - net	446,244	197,132	20,785
Prepaid expenses	29,725	7,220	-
Deferred income taxes	-	-	13,800
	548,524	246,915	127,635
<b>PROPERTY AND EQUIPMENT - AT COST</b>			
Furniture and equipment	17,887	14,597	14,597
Less: Accumulated depreciation	(8,122)	(4,709)	(1,413)
	9,765	9,888	13,184
<b>OTHER ASSETS</b>			
Intangibles - net	6,135	10,409	15,840
Notes receivable - net	117,286	176,751	153,295
Deferred income taxes	-	-	60,400
Deposits	5,231	-	-
	128,652	187,160	229,535
	\$ 686,941	\$ 443,963	\$ 370,354

	LIABILITIES		
	<u>2008</u>	<u>2007</u>	<u>2006</u>
<b>CURRENT LIABILITIES</b>			
Current portion of long-term debt	\$ 82,384	\$ 24,188	\$ -
Accounts payable	141,427	140,084	112,852
Accrued expenses	497,775	193,627	49,877
Deferred revenue	-	-	40,000
Convertible debt	591,744	268,450	273,450
Due to shareholder	-	18,500	-
Due to related party	29,210	35,543	3,890
	<u>1,342,540</u>	<u>680,392</u>	<u>480,069</u>
<b>LONG-TERM LIABILITIES</b>			
Deferred income taxes	1,300	1,400	-
Long-term debt	63,584	104,973	-
	<u>1,407,424</u>	<u>786,765</u>	<u>480,069</u>
<b>SHAREHOLDERS' DEFICIT</b>			
<b>COMMON STOCK</b>			
\$0.01 par value			
Authorized	- 100,000,000, 3,000, and 3,000		
Issued and outstanding	- 19,548,000, 1,000, and 1,000	195,480	10
		10	10
<b>ADDITIONAL PAID-IN-CAPITAL</b>	-	49,990	49,990
<b>ACCUMULATED DEFICIT</b>	<u>(915,963)</u>	<u>(392,802)</u>	<u>(159,715)</u>
	<u>(720,483)</u>	<u>(342,802)</u>	<u>(109,715)</u>
	<u>\$ 686,941</u>	<u>\$ 443,963</u>	<u>\$ 370,354</u>

The accompanying notes are an integral part of these financial statements.

SEARCHPATH INTERNATIONAL, INC.			
STATEMENTS OF OPERATIONS AND ACCUMULATED DEFICIT			
YEARS ENDED JUNE 30, 2008, 2007, AND 2006			
	<u>2008</u>	<u>2007</u>	<u>2006</u>
<b>GROSS PROFIT</b>	993,857	876,994	366,780
<b>OPERATING EXPENSES</b>	<u>1,372,950</u>	<u>998,243</u>	<u>587,552</u>
<b>LOSS FROM OPERATIONS</b>	<u>(379,093)</u>	<u>(121,249)</u>	<u>(220,772)</u>
<b>OTHER INCOME (EXPENSE)</b>			
Interest expense	(81,192)	(43,380)	(13,143)

Interest income	<u>34,764</u>	<u>7,142</u>	<u>-</u>
	<u>(46,428)</u>	<u>(36,238)</u>	<u>(13,143)</u>
NET LOSS BEFORE INCOME TAXES	(425,521)	(157,487)	(233,915)
BENEFIT FROM (PROVISION FOR) DEFERRED INCOME TAXES	<u>100</u>	<u>(75,600)</u>	<u>74,200</u>
NET LOSS	(425,421)	(233,087)	(159,715)
ACCUMULATED DEFICIT - BEGINNING OF YEAR	(392,802)	(159,715)	-
EFFECT OF STOCK SPLIT	<u>(97,740)</u>	<u>-</u>	<u>-</u>
ACCUMULATED DEFICIT - END OF YEAR	<u><u>\$ (915,963)</u></u>	<u><u>\$ (392,802)</u></u>	<u><u>\$ (159,715)</u></u>

The accompanying notes are an integral part of these financial statements.

SEARCHPATH INTERNATIONAL, INC.  
STATEMENTS OF CASH FLOWS  
YEARS ENDED JUNE 30, 2008, 2007, AND 2006

	2008	2007	2006
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Net loss	\$ (425,421)	\$ (233,087)	\$ (159,715)
Adjustments to reconcile net loss to net cash used in operating activities:			
Add back (deduct): Items not affecting cash			
Depreciation and amortization	9,422	8,727	1,866
Bad debts	150,600	167,107	22,000
Deferred revenue	-	(40,000)	40,000
Deferred income taxes	(100)	75,600	(74,200)
Common stock issued in lieu of cash compensation	47,740	-	-
Issuance of notes receivable	(436,204)	(404,806)	(207,965)
Cash provided by (used in) changes in the following items:			
(Increase) decrease in accounts receivable	21,813	60,037	(90,850)
Increase in other receivables	(7,658)	(1,543)	(2,200)
Increase in prepaid expenses	(22,505)	(7,220)	-
Increase in deposits	(5,231)	-	-
Increase in accounts payable	1,343	95,806	112,852
Increase in accrued expenses	304,148	143,750	49,877
Net cash used in operating activities	<u>(362,053)</u>	<u>(135,629)</u>	<u>(308,335)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Purchases of property and equipment	(3,290)	-	(14,597)
Acquisition of intangibles	(1,735)	-	(16,293)
Collection of notes receivable	57,457	37,896	11,885
Net cash provided by (used in) investing activities	<u>52,432</u>	<u>37,896</u>	<u>(19,005)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Borrowings on (repayment of) convertible debt	323,294	(5,000)	273,450
Increase (decrease) in due to shareholder	(18,500)	18,500	-
Increase (decrease) in due to related party	(6,333)	31,653	3,890
Borrowings on long-term debt principal	16,807	60,587	-
Net cash provided by financing activities	<u>315,268</u>	<u>105,740</u>	<u>277,340</u>
<b>NET INCREASE (DECREASE) IN CASH</b>	5,647	8,007	(50,000)
<b>CASH - BEGINNING OF YEAR</b>	<u>8,007</u>	<u>-</u>	<u>50,000</u>
<b>CASH - END OF YEAR</b>	<u><u>\$ 13,654</u></u>	<u><u>\$ 8,007</u></u>	<u><u>\$ -</u></u>

	<u>2008</u>	<u>2007</u>	<u>2006</u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:			
CASH PAID DURING THE YEAR FOR:			
INTEREST	\$18,798	\$ -	\$ 733

NON-CASH FINANCING ACTIVITIES:

During 2008, SPI set up payment plans with two vendors for balances owed. The balance of the liabilities that were reclassified to notes payable was \$57,458.

During 2008, SPI issued \$47,740 of common stock in exchange for salary and consulting services.

During 2007, SPI set up payment plans with two vendors for balances owed. The balance for these notes payable at June 30, 2007 was \$68,574.

SEARCHPATH INTERNATIONAL, INC.  
SCHEDULES OF OPERATING EXPENSES  
YEARS ENDED JUNE 30, 2008, 2007, AND 2006

	2008	2007	2006
Advertising	\$ 3,360	\$ 2,611	\$ 10,838
Amortization	6,009	5,431	453
Automobiles	10,326	9,071	8,975
Bad debts	150,600	167,107	22,000
Consulting	90,848	85,080	14,610
Contributions	510	1,000	1,045
Depreciation	3,413	3,296	1,413
Dues and subscriptions	9,780	5,908	5,965
Employee benefits	35,373	31,067	10,898
Equipment rentals	4,611	10,243	6,260
Insurance	6,025	3,621	-
Legal and professional	102,756	86,193	118,157
Legal settlement	(35,532)	2,591	-
Meals and entertainment	32,607	19,207	32,161
Meetings	19,206	17,810	3,753
Office and miscellaneous	32,900	10,958	17,238
Parking	13,441	12,318	8,878
Payroll services	1,856	1,182	663
Payroll taxes	21,200	19,503	21,455
Postage	5,678	5,182	2,838
Printing	1,412	4,998	3,305
Rent	70,198	115,978	50,935
Salaries	727,790	312,503	207,736
Taxes - other	1,658	1,755	1,651
Telephone	16,500	16,777	23,777
Travel	16,653	8,439	9,387
Utilities	23,772	38,414	3,161
	<u>\$ 1,372,950</u>	<u>\$ 998,243</u>	<u>\$ 587,552</u>

**EXHIBIT B**

AMENDED AND RESTATED ARTICLES OF INCORPORATION  
OF  
NEVADA INTERNATIONAL STOCK EXCHANGE, INC.

**FIRST:** The name of the corporation is Nevada International Stock Exchange, Inc.

**SECOND:** The address of the resident agent of this corporation in this state is Corporation Service Company, 502 E. John St., Carson City, Nevada 89706.

**THIRD:** The purpose of the corporation is to engage in any lawful act or activity for which corporations may be organized under the corporation laws of the State of Nevada.

**FOURTH:** The corporation shall be authorized to issue the following shares:

<u>Class</u>	<u>Number of Shares</u>	<u>Par Value</u>
Common	600,000,000	\$0.001

**FIFTH:** The Board of Directors shall consist of one or more directors.

**SIXTH:** The period of duration of the corporation shall be perpetual.

**SEVENTH:** The corporation may, to the fullest extent permitted by Section 78.751 of the Nevada General Corporation Law, indemnify any and all directors and officers whom it shall have the power to indemnify under said section from and against any and all of the expenses, liabilities, or other matters referred to in or covered by such section, and the indemnification provided for herein shall not be deemed exclusive of any other rights to which the persons so indemnified may be entitled under any By-Law, agreement, vote of shareholders or disinterested directors or otherwise, both as to action in his official capacity and as to action in another capacity by holding office, and shall continue as to a person who has ceased to be a director or officer and shall inure to the benefits of the heirs, executors and administrators of such persons.

**EXHIBIT C**

**AMENDED AND RESTATED  
BYLAWS  
OF  
Nevada International Stock Exchange, Inc.  
A Nevada Corporation**

**ARTICLE I  
OFFICES**

SECTION 1. **PRINCIPAL EXECUTIVE OFFICE.** The principal office of the Corporation is hereby fixed at such location within or without the State of Nevada as may be determined from time to time by the Board of Directors of the Corporation (the "Board").

SECTION 2. **OTHER OFFICES.** Branch or subordinate offices may be established by the Board at such other places as may be desirable.

**ARTICLE II  
STOCKHOLDERS**

SECTION 1. **PLACE OF MEETING.** Meetings of stockholders shall be held at such location within or without the State of Nevada which may be determined by the Board of the Corporation.

SECTION 2. **ANNUAL MEETINGS.** The annual meeting of stockholders shall be held on such day and at such time as may be fixed by the Board. At such meetings, directors shall be elected by plurality vote and any other proper business may be transacted.

SECTION 3. **SPECIAL MEETINGS.** Special meetings of the stockholders may be called for any purpose or purposes permitted under Chapter 78 of Nevada Revised Statutes at any time by the Board, the Chairman of the Board, the President, or by the stockholders entitled to cast not less than twenty-five percent (25%) of the votes at such meeting. Upon request in writing to the Chairman of the Board, the President, any Vice-President or the Secretary, by any person or persons entitled to call a special meeting of stockholders, the Secretary shall cause notice to be given to the stockholders entitled to vote, that a special meeting will be held not less than thirty (30) nor more than sixty (60) days after the date of the notice.

SECTION 4. **NOTICE OF ANNUAL OR SPECIAL MEETING.** Written notice of each annual meeting of stockholders shall be given not less than ten (10) or more than sixty (60) days before the date of the meeting to each shareholder entitled to vote thereat. Such notice shall state the place, date and hour of the meeting and (i) in the case of a special meeting the general nature of the business to be transacted, or (ii) in the case of the annual meeting, those matters which the Board, at the time of the mailing of the notice, intends to present for action by the stockholders, but, any proper matter may be presented at the meeting for such action. The notice of any meeting at which directors are to be elected shall include

the names of the nominees intended, at the time of the notice, to be presented by management for election. Notice of a stockholders' meeting shall be given either personally or by mail or, addressed to the shareholder at the address of such shareholder appearing on the books of the Corporation or if no such address appears or is given, by publication at least once in a newspaper of general circulation in Clark County, Nevada. An affidavit of mailing of any notice, executed by the Secretary, shall be prima facie evidence of the giving of the notice. Any shareholder may waive notice of any meeting by a writing signed by him, or his duly authorized attorney, either before or after the meeting; and if notice of any kind is required to be given under the provisions of Nevada Law, a waiver thereof in writing and duly signed whether before or after the time stated therein, shall be deemed equivalent thereto.

**SECTION 5. QUORUM.** A majority of the shares entitled to vote, represented in person or by proxy, shall constitute a quorum at any meeting of stockholders. If a quorum is present, the affirmative vote of the majority of stockholders represented and voting at the meeting on any matter, shall be the act of the stockholders unless specifically required otherwise in Articles of Incorporation or these Bylaws. The stockholders present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding withdrawal of enough stockholders to leave less than a quorum, if any action taken (other than adjournment) is approved by at least a majority of the number of shares required as noted above to constitute a quorum. Notwithstanding the foregoing, (1) the sale, transfer and other disposition of substantially all of the Corporation's properties and (2) a merger or consolidation of the Corporation shall require the approval by an affirmative vote of not less than two-thirds (2/3) of the Corporation's issued and outstanding shares.

**SECTION 6. ADJOURNED MEETING AND NOTICE THEREOF.** Any stockholders meeting, whether or not a quorum is present, may be adjourned from time to time. In the absence of a quorum (except as provided in Section 5 of this Article), no other business may be transacted at such meeting.

**SECTION 7. VOTING.** The stockholders entitled to notice of any meeting or to vote at such meeting shall be only persons in whose name shares stand on the stock records of the Corporation on the record date determined in accordance with Section 8 of this Article.

**SECTION 8. RECORD DATE.** The Board may fix in advance, a record date for the determination of the stockholders entitled to notice of a meeting or to vote or entitled to receive payment of any dividend or other distribution, or any allotment of rights, or to exercise rights in respect to any other lawful action. The record date so fixed shall be not more than sixty (60) nor less than ten (10) days prior to the date of the meeting nor more than sixty (60) days prior to any other action. When a record date is so fixed, only stockholders of record on that date are entitled to notice of and to vote at the meeting or to receive the dividend, distribution, or allotment of rights, or to exercise of the rights, as the case may be, notwithstanding any transfer of shares on the books of the Corporation after the record date. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting unless the Board fixes a new record date for the meeting. The Board shall fix a new record date if the meeting is adjourned for more than forty-five (45) days. If no record date is fixed by the Board, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be the close of business on the business day next preceding the day on which notice is given or, if notice is waived, at the close of business on the business day next preceding the day on which notice is given. The record date for determining stockholders for any purpose other than as set in this Section 8 or Section 10 of this Article shall be at the close of the day on

which the Board adopts the resolution relating thereto, or the sixtieth day prior to the date of such other action, whichever is later.

**SECTION 9. CONSENT OF ABSENTEES.** The transactions of any meeting of stockholders, however called and noticed, and wherever held, are as valid as though had at a meeting duly held after regular call and notice, if a quorum is present either in person or by proxy, and if, either before or after the meeting, each of the persons entitled to vote not present in person or by proxy, signs a written waiver of notice, or a consent to the holding of the meeting or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

**SECTION 10. ACTION WITHOUT MEETING.** Any action which, under any provision of law, may be taken at any annual or special meeting of stockholders, may be taken without a meeting and without prior notice if a consent in writing, setting forth the actions to be taken, shall be signed by the holders of outstanding shares having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted. Unless a record date for voting purposes be fixed as provided in Section 8 of this Article, the record date for determining stockholders entitled to give consent pursuant to this Section 10, when no prior action by the Board has been taken, shall be the day on which the first written-consent is given.

**SECTION 11. PROXIES.** Every person entitled to vote shares has the right to do so either in person or by one or more persons authorized by a written proxy executed by such shareholder and filed with the Secretary not less than five (5) days prior to the meeting.

**SECTION 12. CONDUCT OF MEETING.** Meetings of the stockholders shall be presided over by one of the following officers in the order of seniority and if present and acting - the Chairman of the Board, if any, the Vice-Chairman of the Board, if any, the President, a Vice-President, or, if none of the foregoing is in office and present and acting, by a chairman to be chosen by the stockholders. The Secretary of the corporation, or in his absence, an Assistant Secretary, shall act as secretary of every meeting, but if neither the Secretary nor an Assistant Secretary is present the Chairman of the meeting shall appoint a secretary of the meeting. The Chairman shall conduct each such meeting in a businesslike and fair manner, but shall not be obligated to follow any technical, formal or parliamentary rules or principles of procedure. The Chairman's ruling on procedural matters shall be conclusive and binding on all stockholders, unless at the time of ruling a request for a vote is made by the stockholders entitled to vote and represented in person or by proxy at the meeting, in which case the decision of a majority of such shares shall be conclusive and binding on all stockholders without limiting the generality of the foregoing, the Chairman SHALL have all the powers usually vested in the chairman of a meeting of stockholders.

### **ARTICLE III DIRECTORS**

**SECTION 1. POWERS.** Subject to limitation of the Articles of Incorporation, of these bylaws, and of actions required to be approved by the stockholders, the business and affairs of the Corporation shall be managed and all corporate powers shall be exercised by or under the direction of the Board. The Board may, as permitted by law, delegate the management of the day-to-day operation of the business of the Corporation to a management company or other persons or officers of the Corporation provided that the business and affairs of the Corporation shall be managed and all corporate powers shall be exercised

under the ultimate direction of the Board. Without prejudice to such general powers, it is hereby expressly declared that the Board shall have the following powers:

(a) To select and remove all of the officers, agents and employees of the Corporation, prescribe the powers and duties for them as may not be inconsistent with law, or with the Articles of Incorporation or by these bylaws, fix their compensation, and require from them, if necessary, security for faithful service.

(b) To conduct, manage, and control the affairs and business of the Corporation and to make such rules and regulations therefore not inconsistent with law, with the Articles of Incorporation or these bylaws, as they may deem best.

(c) To prescribe the forms of certificates of stock and to alter the form of such certificates from time to time in their judgment they deem best.

(d) To authorize the issuance of shares of stock of the Corporation from time to time, upon such terms and for such consideration as may be lawful.

(e) To borrow money and incur indebtedness for the purposes of the Corporation, and to cause to be executed and delivered therefor, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecation or other evidence of debt and securities therefor.

**SECTION 2. NUMBER AND QUALIFICATION OF DIRECTORS.** Each director must be at least 18 years of age. A director need not be a stockholder or a resident of the State of Nevada. The initial Board of Directors shall consist of three (3) persons. Thereafter the number of directors constituting the whole board shall be at least one. Subject to the foregoing limitation and except for the first Board of Directors, such number may be fixed from time to time by action of the stockholders or of the directors, or, if the number is not fixed, the number shall be five (5). The number of directors may be increased or decreased by action of the stockholders or of the directors.

**SECTION 3. ELECTION AND TERM OF OFFICE.** The directors shall be elected at each annual meeting of stockholders but if any such annual meeting is not held or the directors are not elected the stockholders may elect a director or directors at any time to fill any vacancy or vacancies. Any such election by written consent requires the consent of a majority of the outstanding shares entitled to vote. If the Board accepts the resignation of a director tendered to take effect at a future time, the remaining directors shall have power to elect a successor to take office when the resignation is to become effective. No reduction of the authorized number of directors shall have the effect of removing any director prior to the expiration of the director's term of office.

**SECTION 4. MEETINGS.** Any meeting of the Board shall be held at any place within or without the State of Nevada which has been designated from time to time by the Board. Meetings shall be held at such time as the Board shall fix, except that the first meeting of a newly elected Board shall be held as soon after its election as the directors may conveniently assemble. No call shall be required for regular meetings for which the time and place have been fixed. Special meetings may be called by or at the

direction of the Chairman of the Board, if any, the Vice-Chairman of the Board, if any, of the President, or of a majority of the directors in office.

SECTION 6. **QUORUM.** A majority of the number of directors then serving constitutes a quorum of the Board for the transaction of business, except to adjourn as hereinafter provided. Every act or decision done or made by a majority of the directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board, unless a greater number be required by law or by the Articles of Incorporation or these bylaws. A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the number of directors required as noted above to constitute a quorum for such meeting.

SECTION 7. **PARTICIPATION IN MEETINGS.** Members of the Board may participate in a meeting through use of conference telephone or similar communications equipment, so long as all members participating in such meeting can hear one another.

SECTION 8. **WAIVER OF NOTICE.** The transactions of any meeting of the Board, however called and noticed or wherever held, are as valid as though had at a meeting duly held after regular call and notice if a quorum be present and if, either before or after the meeting, each of the directors not present signs a written waiver of notice, a consent to holding such meeting or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records or made part of the minutes of the meeting.

SECTION 9. **ADJOURNMENT.** A majority of the directors present, whether or not a quorum is present, may adjourn any directors' meeting to another time and place. Notice of the time and place of holding an adjourned meeting need not be given to absent directors if the time and place be fixed at the meeting being adjourned. If the meeting is adjourned for more than forty-eight (48) hours, notice of any adjournment to another time or place shall be given prior to the time of the adjourned meeting to the directors who were not present at the time of adjournment.

SECTION 10. **FEES AND COMPENSATION.** Directors and members of committees may receive such compensation, if any, for their services, and such reimbursement for expenses, as may be fixed or determined by the Board.

SECTION 11. **ACTION WITHOUT A MEETING.** Any action required or permitted to be taken by the Board may be taken without a meeting if all members of the Board shall individually or collectively consent in writing to such action. Such consent or consents shall have the same effect as a unanimous vote of the Board and shall be filed with the minutes of the proceedings of the Board.

SECTION 12. **COMMITTEES.** Whenever its number consists of two or more, the Board may designate one or more committees which have such powers and duties as the Board shall determine. Any such committee, to the extent provided in the resolution or resolutions of the Board, shall have and may exercise the powers and authority of the Board in the management of the business and affairs of the corporation. Each committee must include at least one director. The Board may appoint natural persons who are not directors to serve on committees.

## **ARTICLE IV OFFICERS**

Section 1. **OFFICERS.** The Corporation must have a President, a Secretary, and a Treasurer, and, if deemed necessary, expedient, or desirable by the Board, a Chairman of the Board, one or more other Vice-Presidents, one or more Assistant Secretaries, one or more Assistant Treasurers, and such other officers and agents with such titles as the resolution choosing them shall designate. Each of any such officers must be natural persons and must be chosen by the Board or chosen in the manner determined by the Board.

Section 2. **QUALIFICATIONS.** Except as may otherwise be provided in the resolution choosing him, no officer other than the Chairman of the Board, if any, need be a director. Any person may hold two or more offices, as the directors may determine.

Section 3. **TERM OF OFFICE.** Unless otherwise provided in the resolution choosing him, each officer shall be chosen for a term which shall continue until the meeting of the Board following the next annual meeting of stockholders and until his successor shall have been chosen or until his resignation or removal before the expiration of his term.

Section 4. **REMOVAL AND REPLACEMENT.** Any officer may be removed, with or without cause, by the Board or in the manner determined by the Board. Any vacancy in any office may be filled by the Board or in the manner determined by the Board.

Section 5. **DUTIES AND AUTHORITY.** All officers of the Corporation shall have such authority and perform such duties in the management and operation of the corporation as shall be prescribed in the resolution designating and choosing such officers and prescribing their authority and duties, and shall have such additional authority and duties as are incident to their office except to the extent that such resolutions or instruments may be inconsistent therewith.

## **ARTICLE V OTHER PROVISIONS**

SECTION 1. **DIVIDENDS.** The Board may from time to time declare, and the Corporation may pay, dividends on its outstanding shares in the manner and on the terms and conditions provided by law, subject to any contractual restrictions on which the Corporation is then subject.

SECTION 2. **INSPECTION OF BYLAWS.** The Corporation shall keep in its principal executive office the original or a copy of these bylaws as amended to date which shall be open to inspection to stockholders at all reasonable times during office hours. If the principal executive office of the Corporation is outside the State of Nevada and the Corporation has no principal business office in such State, it shall upon the written notice of any shareholder furnish to such shareholder a copy of these bylaws as amended to date.

SECTION 3. **REPRESENTATION OF SHARES OF OTHER CORPORATIONS.** The CEO or any other officer or officers authorized by the Board or the CEO are each authorized to vote, represent, and exercise on behalf of the Corporation all rights incident to any and all shares of any other corporation or corporations standing in the name of the Corporation. The authority herein granted may be exercised

either by any such officer in person or by any other person authorized to do so by proxy or power of attorney duly executed by said officer.

## **ARTICLE VI INDEMNIFICATION**

**SECTION 1. INDEMNIFICATION IN ACTIONS BY THIRD PARTIES.** Subject to the limitations of law, if any, the Corporation shall have the power to indemnify any director, officer, employee and agent of the Corporation who was or is a party or is threatened to be made a party to any proceeding (other than an action by or in the right of to procure a judgment in its favor) against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with such proceeding, provided that the Board shall find that the director, officer, employee or agent acted in good faith and in a manner which such person reasonably believed in the best interests of the Corporation and, in the case of criminal proceedings, had no reasonable cause to believe the conduct was unlawful. The termination of any proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere shall not, of itself create a presumption that such person did not act in good faith and in a manner which the person reasonably believed to be in the best interests of the Corporation or that such person had reasonable cause to believe such person's conduct was unlawful.

**SECTION 2. INDEMNIFICATION IN ACTIONS BY OR ON BEHALF OF THE CORPORATION.** Subject to the limitations of law, if any, the Corporation shall have the power to indemnify any director, officer, employee and agent of the Corporation who was or is threatened to be made a party to any threatened, pending or completed legal action by or in the right of the Corporation to procure a judgment in its favor, against expenses actually and reasonable incurred by such person in connection with the defense or settlement, if the Board determine that such person acted in good faith, in a manner such person believed to be in the best interests of the Corporation and with such care, including reasonable inquiry, as an ordinarily, prudent person would use under similar circumstances.

**SECTION 3. ADVANCE OF EXPENSES.** Expenses incurred in defending any proceeding may be advanced by the Corporation prior to the final disposition of such proceeding upon receipt of an undertaking by or on behalf of the officer, director, employee or agent to repay such amount unless it shall be determined ultimately that the officer or director is entitled to be indemnified as authorized by this Article.

**SECTION 4. INSURANCE.** The Corporation shall have power to purchase and maintain insurance on behalf of any officer, director, employee or agent of the Corporation against any liability asserted against or incurred by the officer, director, employee or agent in such capacity or arising out of such person's status as such whether or not the Corporation would have the power to indemnify the officer, or director, employee or agent against such liability under the provisions of this Article.

## **ARTICLE VII AMENDMENTS**

These bylaws may be altered, amended or repealed by a majority vote of the Board.