

Spotlight Capital Holdings, Inc -

OTCPINK: SLCH



# Qualified Offering Circular March 15<sup>th</sup>, 2021

*The United States Securities and Exchange Commission does not pass upon the merits of or give its approval to any securities offered or the terms of the offering, nor does it pass upon the accuracy or completeness of any offering circular or other solicitation materials. These securities are offered pursuant to an exemption from registration with the Commission; however, the Commission has not made an independent determination that the securities offered are exempt from registration.*

An offering statement pursuant to Regulation A relating to these securities has been filed with the Securities and Exchange Commission and the Offering Statement has been qualified by the Commission as of March 15<sup>th</sup>, 2021. Information contained in this Qualified Offering Statement has been approved for distribution to and consideration by any authorized accredited Investor. This company's securities may now be sold and offers to buy be accepted as this statement filed with the Commission has been qualified.

This Offering Circular reflects an offer to sell or the solicitation of an offer to buy securities, but does not indicate the offer in any state in which such offer, solicitation or sale would be unlawful before registration or qualification under the laws of any such state. Spotlight Capital Holdings, Inc elects to satisfy our obligation to deliver a Final Qualified Offering Circular by sending you a notice within two business days after the completion of our sale to you that contains the URL where the Final Offering Circular or the offering statement may be obtained. It is our obligation to provide the Qualified Offering Statement 48 hours before any sale shall commence.

In so keeping this Qualified Offering statement is being forwarded via <http://spotlightcapitalholdings.com> on the 15th day of March, 2021 by THELTON RAY PERKINS JR Title: Director of Administration for Spotlight Capital Holdings, Inc.

Aaron C Johnson - Chief Executive Officer

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

**File No. 024-11366 FORM 1-A/A  
Amendment No. 3  
Originally submitted November 13<sup>th</sup>, 2020  
as amended February 9<sup>th</sup>, 2021  
Qualified by SEC on March 15<sup>th</sup>, 2021**

**REGULATION A OFFERING STATEMENT UNDER THE  
SECURITIES ACT OF 1933**

**SPOTLIGHT CAPITAL HOLDINGS INC**  
(Exact name of issuer as specified in its charter)

Colorado  
(State or other jurisdiction of incorporation or organization)

Spotlight Capital Holdings Inc  
3723 San Gabriel River Pkwy, Suite A, Pico Rivera, CA 90660 (213) 315-6337  
(Address, including zip code, and telephone number, including area code of issuer's principal executive office)

<b>Common Unrestricted Stock</b> of the Company Offered:  100,000,000 Common Shares	<b>Total Value of Offering:</b>  \$20,000,000
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THIS OFFERING STATEMENT SHALL ONLY BE QUALIFIED UPON ORDER OF THE COMMISSION, UNLESS A SUBSEQUENT AMENDMENT IS FILED INDICATING THE INTENTION TO BECOME QUALIFIED BY OPERATION OF THE TERMS OF REGULATION A.

THIS OFFERING CIRCULAR CONTAINS ALL OF THE REPRESENTATIONS BY THE COMPANY CONCERNING THIS OFFERING, AND NO PERSON SHALL MAKE DIFFERENT OR BROADER STATEMENTS THAN THOSE CONTAINED HEREIN. INVESTORS ARE CAUTIONED NOT TO RELY UPON ANY INFORMATION NOT EXPRESSLY SET FORTH IN THIS OFFERING CIRCULAR.

This Offering Circular, together with Financial Statements and other Attachments, consists of a total of 73 pages.

	Offering Price to the Public	Underwriting Discount Commission	Proceeds to Issuer	Proceeds to Others	Stock Class Offered	Offering per Year	Number Of Years Offered
<b>Per Share</b>	<b>\$0.20</b>	<b>N/A</b>	<b>\$0.20</b>	<b>\$00</b>	<b>unrestricted</b>	<b>\$0.20</b>	<b>Two</b>
<b>Total</b>	<b>\$20,000,000</b>	<b>N/A</b>	<b>\$20,000,000</b>	<b>\$00</b>	<b>unrestricted</b>	<b>\$20,000,000</b>	<b>Years</b>

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**NOTE: The United States Securities and Exchange Commission does not pass upon the merits of or give its approval to any securities offered or the terms of the offering, nor does it pass upon the accuracy or completeness of any offering circular or other solicitation materials. These securities are offered pursuant to an exemption from registration with the Commission; however, the Commission has not made an independent determination that the securities offered are exempt from registration.**

An offering statement pursuant to Regulation A relating to these securities has been filed with the Securities and Exchange Commission. These securities may be sold and/or offers to buy be accepted because Commission has qualified this statement. This Offering Circular does not constitute an offer to sell or the solicitation of an offer to buy in any state in which such offer, solicitation or sale would be unlawful before registration or qualification under the laws of any such state. We may elect to satisfy our obligation to deliver a Final Offering Circular by sending you a notice within two business days after the completion of our sale to you that contains the URL where the Final Offering Circular or the offering statement in which such Final Offering Circular was filed may be obtained.

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*IMPORTANT NOTICES TO INVESTORS*

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. THESE SECURITIES HAVE NOT BEEN RECOMMENDED OR APPROVED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THESE AUTHORITIES HAVE NOT PASSED UPON THE ACCURACY OR ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THE SECURITIES HAVE NOT BEEN QUALIFIED UNDER THE SECURITIES LAWS OF ANY STATE OR JURISDICTION. WE PLAN TO QUALIFY THE OFFERING WITH THE SECURITIES AND EXCHANGE COMMISSION'S NEW REGULATIONS CONCERNING REGULATION A SECURITIES REGULATORY BODIES, THE SECURITIES REGULATORY BODY IN THE DISTRICT OF COLUMBIA AND THE SECURITIES REGULATORY BODIES OF OTHER STATES AS WE MAY DETERMINE FROM TIME TO TIME. WE MAY ALSO OFFER OR SELL SECURITIES IN OTHER STATES IN RELIANCE ON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THE LAWS OF THOSE OTHER STATES.

THESE SECURITIES ARE OFFERED FOR SALE IN THE UNITED STATES OF AMERICA AND OTHER JURISDICTIONS PURSUANT TO REGISTRATION WITH THE SECURITIES AND EXCHANGE COMMISSION ISSUANCE OF REGULATION A+ SECURITIES REGULATION, BUT REGISTRATION IS PERMISSIVE ONLY AND DOES NOT CONSTITUTE A FINDING THAT THIS PROSPECTUS IS TRUE, COMPLETE, AND NOT MISLEADING, NOR HAS THE DEPARTMENT OF INSURANCE AND SECURITIES REGULATION PASSED IN ANY WAY UPON THE MERITS OF, RECOMMENDED, OR GIVEN APPROVAL TO THESE SECURITIES. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. THE SECURITIES AND EXCHANGE COMMISSION DOES NOT PASS UPON THE ADEQUACY OR ACCURACY OF THIS PROSPECTUS OR UPON THE MERITS OF THIS OFFERING AND THE COMMISSION EXPRESSES NO OPINION AS TO THE QUALITY OF THIS SECURITY.,

NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS OTHER THAN THOSE CONTAINED IN OR INCORPORATED BY REFERENCE IN THIS OFFERING CIRCULAR AND, IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY US.

Current Stockholders Equity	-\$534,070
Securities outstanding prior to offering	15,501,243
Market value per share according to the ask price on OTC: PINK	\$0.0166
Projected Proceeds after offering expenses	\$19,975,000
Current Common Stock Value	\$256,546
Current Number of Common Shares in Company Treasury	484,498,757
Current Number of Preferred Shares in Company Treasury	5,100,000
Current Preferred Stock Value	\$4,900
Number of Shares to be Offered	100,000,000
Total Dilution prior to this offering	0.00%
Total Dilution after this offering	6.41%

### Item 3. Summary of Risk Factors

These are speculative securities. Investment in the Securities involves significant risk. You should purchase these securities only if you can afford a complete loss of your investment. See the "Risk Factors" section on page 25 of this Offering Circular for a discussion of the following and other risks:

- Since its inception through December 31, 2011, the Management has recorded a net loss and has had no revenue ;
- The Company has significant operation history, and the current Management has significant experience in developing projects similar to the Projects anticipated but risk, none-the-less, is inherent therein;
- The Company has not established any minimum offering amount, and there is no assurance that the Company will raise sufficient funds to carry out its business objectives ;

There are Projects which are planned to be the Company's principal asset, and factors outside of the Company's control could significantly decrease the value that asset ;

The determination of the offering price and other terms of the Offering have been arbitrarily determined and may not reflect the value of your investment ;

- Your investment is highly illiquid and the Company does not intend to provide any liquidity options ;
- If the Company was to become subject to the Investment Company Act of 1940 (the "1940 Act") it could have a material adverse effect on the Company, and it is probable that the Company would be terminated and liquidated ; and
- The interest of the Management, the principals and its other affiliates may conflict with your interests.

### Item 4. Dilution

Our net tangible book value as of the date of filing this offering statement was approximately \$256,546 due mainly to the fact that when the current management acquired the company it acquired its debt, which is currently estimated at \$1,071,218, and there were no other assets. Net tangible book value per share is determined by the price offering on the OTC: Pink (Over the Counter: PINK) times the amount of stock held by the transfer agent. Dilution is detailed in the following graph:

The current dilution of the company is the result of a reverse stock split authorized by board resolution in 2014 (Exhibit 7) ... The reverse split resulted in an outstanding stock total of 15,501,243 shares. The stock is currently trading on the OTC: PINK at \$0.0166 putting the total value of outstanding stock at \$256,546. The outstanding debt of the company stands at \$25,000 which will result in available proceeds of about \$19,975,000. Spotlight Capital Holdings, Inc holds 484,498,757 shares of common stock in the company treasury for a total current dilution of 0.00%. The projected dilution of the company after a completed offering as detailed herein is expected to be 6.41%...

### Item 5. Plan of Distribution and Selling Security holders

(a) If the securities are to be offered through underwriters, give the names of the principal underwriters, and state the respective amounts underwritten. Identify each such underwriter having a material relationship to the issuer and state the nature of the relationship. State briefly the nature of the underwriters' obligation to take the securities.

This securities offering is expected to last until all authorized stock is liquidated, starting from date of qualification. At this time; No securities will be offered through underwriters as a part of this offering.

(b) State briefly the discounts and commissions to be allowed or paid to dealers, including all cash, securities, contracts or other consideration to be received by any dealer in connection with the sale of the securities.

Not Applicable

(c) Outline briefly the plan of distribution of any securities being issued that are to be offered through the selling efforts of brokers or dealers or otherwise than through underwriters.

*Although there are no securities being offered through brokers or dealers, the Company expects to raise funds pursuant to this offering by presenting the offering to a number of accredited investors. Once the Company is qualified to use the benefits of the Reg. A Plus exemption, the Company would seek to work with private investment companies and with a number of private accredited investors who are willing to provide the necessary funds for stock in the Company.*

*Note: Mr. Deshorn King is the person designated by the Issuer to present the Preliminary Offering Statement and, if qualified, the Qualified Offering Statement to any interested party. The Issuer has determined through examination of the facts that Mr. King qualifies for exemption from Registration as a Broker or Dealer of Securities and will follow all the limitations and exemptions as laid out under Section 3(a)39 of the Securities Exchange Act of 1934 and every other such statute governing any exemption or limitation. Aaron C Johnson – Chief Executive Officer*

*The Company believes that once it is properly funded and operations are in full swing, meaning that the business plan is being executed as it relates to music, comedy/music concerts, and/or real estate holdings are acquired, the Company's stock would be attractive enough to sell on the open market. Once the Company has what it believes is sufficient activity, management would then begin to seek out brokers, dealers, and maybe underwriters to meet the Company additional financial goals under this exemption, if needed.*

*In this plan of distribution, the Company expects to sell the stock directly to accredited investors interested in raising Capital for the Company. All of the funds raised through this plan of distribution, will be immediately available for use by the Company, unless terms of the individual accredited investor indicate otherwise.*

(d) If any of the securities are to be offered for the account of security holders, identify each selling security holder, state the amount owned by the security holder prior to the offering, the amount offered for his or her account and the amount to be owned after the offering. Provide such disclosure in a tabular format. At the bottom of the table, provide the total number of securities being offered for the account of all security holders and describe what percent of the pre-offering outstanding securities of such class the offering represents.

*None of the securities offered through this statement will be offered for the benefit of any security holders. The securities offered under this statement, will be offered to the public and not through a security holder.*

(e) Describe any arrangements for the return of funds to subscribers if all of the securities to be offered are not sold. If there are no such arrangements, so state.

*There are no such arrangements*

(f) If there will be a material delay in the payment of the proceeds of the offering by the underwriter to the issuer, the salient provisions in this regard and the effects on the issuer must be stated.

*There are no underwriters or offering through underwriters.*

(g) Describe any arrangement to (1) limit or restrict the sale of other securities of the same class as those to be offered for the period of distribution, (2) stabilize the market for any of the securities to be offered, or (3) withhold commissions, or otherwise to hold each underwriter or dealer responsible for the distribution of its participation.

*There are no such arrangements*

(h) Identify any underwriter that intends to confirm sales to any accounts over which it exercises discretionary authority and include an estimate of the amount of securities so intended to be confirmed.

*There are no underwriters*

In addition, stock markets have experienced extreme price and volume fluctuations that have affected and continue to affect the market prices of equity securities of many companies in our industry. In the past, stockholders have instituted securities class action litigation following periods of market volatility. If we were involved in securities litigation, we could incur substantial costs and our resources and the attention of management could be diverted from our business.

*Substantial future sales of our common stock, or the perception in the public markets that these sales may occur, may depress our stock price.*

Sales of substantial amounts of our common stock in the public market after this offering, or the perception that these sales could occur, could adversely affect the price of our common stock and could impair our ability to raise capital through the sale of additional shares. The shares of common stock offered in this offering will become freely trade-able without restriction under the Securities Act.

*We will continue to incur certain costs as a result of being a public company and in the administration of our organizational structure.*

After the offering, we may incur higher legal, accounting, insurance and other expenses than at the level that we are currently experiencing. We also have incurred and will continue to incur costs associated with the Sarbanes-Oxley Act and related rules implemented by the Securities and Exchange Commission ("SEC"). We will continue to incur ongoing periodic expenses in connection with the administration of our organizational structure. The expenses incurred by public companies generally for reporting and corporate governance purposes have been increasing. We expect these rules and regulations to increase our legal and financial compliance costs and to make some activities more time-consuming and costly, although we are currently unable to estimate these costs with any degree of certainty. These laws and regulations could also make it more difficult or costly for us to obtain certain types of insurance, including director and officer liability insurance, and we may be forced to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. These laws and regulations could also make it more difficult for us to attract and retain qualified persons to serve on our Board of Directors, our board committees or as our executive officers. Furthermore, if we are unable to satisfy our obligations as a public company, we could be subject to delisting of our common stock, fines, sanctions and other regulatory action and potentially civil litigation.

*This is a fixed price offering and the final offering price may not accurately represent the current value of the company or its assets at any particular time. Therefore, the purchase price paid for our shares may not be supported by the value of our assets at the time of your purchase.*

*This is a fixed price offering, which means that the offering price for our shares is determined by the Board of Directors and is reasonably expected to be the market*

trading price should the objectives of the company be realized, and may not be based on the underlying value of our assets at any time. The offering price for our shares has not been based on appraisals of any assets we own or may own, or of our company as a whole, nor do we intend to obtain such appraisals. Therefore, the offering price determined for our shares may not be supported by the current value of our company or our assets at any particular time.

We do not currently pay any cash dividends.

As we grow our company and become a successful Digital Marketing company, we expect to be in position to generate earnings and cash flow that will enable us to begin paying dividends, however, the projected timing of reaching that point is presently uncertain. Any determination to pay dividends in the future will be at the discretion of our Board of Directors and will depend upon results of operations, financial condition, contractual restrictions, restrictions imposed by applicable law and other factors our Board of Directors deems relevant. Our ability to pay dividends may also be restricted by the terms of any future credit agreement or any future debt or preferred equity securities of ours or of our subsidiaries. Accordingly, if you purchase shares in this offering, realization of a gain on your investment will depend on the appreciation of the price of our common stock, which may never occur. Investors seeking cash dividends in the foreseeable future should not purchase our common stock.

#### Item 6. Use of Proceeds to Issuer

State the principal purposes for which the net proceeds to the issuer from the securities to be offered are intended to be used and the approximate amount intended to be used for each such purpose. If the issue will not receive any of proceeds from the offering, so state.

The net proceeds obtained from this offering are going to be used to set the foundation for Spotlight to become a major player in the entertainment industry, which includes but is not limited to Movie/Film production, editing and distribution, music production and distribution. Spotlight has expanded the vision as of October 2019 to include "SPoTNIC©, JukeBox Swap, Cinema House, and IEG Entertainment." The plans for funds will be used for the Company's benefit as follows:

##### 6a. Real Property Acquisitions - Projected Use of Proceeds from Exempt Offering for this entry is estimated to be \$5,000,000

The company plans to use some of the proceeds to acquire or build a movie studio in the State of Texas. The company has looked at two locations in order to build a 100,000 sq foot studio. The plans for the studio, will include an area for the actual filming of projects, building sets for scenes, the storage of cameras, editing equipment and all other necessary moving parts needed to produce a movie project from the first time that the director states, "Roll Em" to an edited project being placed in the can, (Ready for Distribution.)

The administrative offices for the Company will also be located at this studio.

The company decided to choose Texas as the location for its movie studio because the land in which the studio will be located is relatively inexpensive in relation to other locations and currently Texas is offering attractive Tax Credits that will help to subsidize the cost of films and other projects.

Because the Company is primarily involved in the entertainment business, the Company also intends to acquire property in Los Angeles California. Although the Company maintains a leased property in Los Angeles, having a building in the city, will give the company the credibility it needs to acquire the numerous entertainment projects that it intends to invest in in 2016.

Acquisition of Real Property:

Office Building for Headquarters: \$1,000,000

Movie Studio, (Texas): \$4,000,000.00

Note: The Four Million USD projected for the Company's Movie studio, includes, the land, Building, and equipment needed to produce and edit any product created by the Company and/or product the Company acquires.

##### 6b. Movie Production and Distribution - Projected Use of Proceeds from the Exempt Offering for this entry is estimated to be \$7,000,000

The Company intends to utilize the connection it has in the entertainments business to purchase films already made by A list and B List actors that have never been released. The company intends to acquire those films, documentaries and other projects that have been already been produced and edited and sitting in a can, but have not been released because of no distribution. The Company will be able to acquire those films, documentaries, and other projects, at a discount because Spotlight currently has domestic and foreign distribution partners who are willing to share in the costs of the acquisition to realize the profits on the distribution of those projects domestically and in the foreign markets.

In addition to investing in completed projects, Spotlight will invest in the production of low-budget, high quality, genre pictures with recognizable name talent. Our strategy is to work with highly skilled producers and directors who have a new approach to risk assessment and management, fulfilled by designing a production pipeline that maintains quality while taking advantage of new technologies, production efficiency and value- added enhancements such as new marketing strategies. We will utilize our relationships, experience and in-depth knowledge of the industry to produce a product with a certain high standard aesthetics and content from a wide variety of subjects. For example, action films, horror films and documentaries concerning high profile individuals and/or groups. These projects will realize profits from the Company's ability to distribute the finished projects in the domestic and foreign markets.

All of the potential projects mentioned above will be owned by the Company and become intangible assets that will benefit the Company and its shareholders.

Movie Production and Distribution:

The company is contracted to produce several films, within the next few years. The projects that the Company is looking to produce will need an investment of:

\$4,000,000 Complete Costs to Film from script to the can. This figure includes the script, talent, and editing cost.

\$500,000 Administrative Costs. (Legal Fees, permits, etc.)

\$2,500,000 **Held for future projects and acquisitions. The Company plans to use a major part of this amount to acquire project(s) that have already been completed and in the can. There are large numbers of product that have been films and completed but don't have the distribution that is available to the Company. The Company can use this budget to seek out numerous quality films and documentaries and distribute them in short amounts of time, which would expedite return to investors.**

**\$7,000,000 – Total for this Category**

**6c. Music Production and Distribution - Projected Use of Proceeds from Exempt Offering for this entry is estimated to be \$2,000,000**

Mr. Johnson, Chairman and President of the Company, has negotiated and executed distribution channels for any movies and music produced by the company. The distribution agreements will allow the Company to distribute its products domestically in the U.S., via movie theater chains, Red Box, and other media outlets whose business is showing products to the U.S. consumer, whose appetite for new movies and film products are growing at significant numbers each year.

In addition to distribution domestically, the Company also has methods to distribute its products in the foreign markets. Management has foreign distributors that are ready to pay top dollar for U.S. films the moment they are completed, edited, and in the can. Spotlight plans to use its foreign distribution to recoup the costs of the movie/film product prior to its release in the U.S. The foreign distribution model will reduce the financial risks of investing in projects, by guaranteeing the Company monies before any projects are released or shortly after the release ..

The Company's distribution model, will make most if not all, projects profitable, which will result in a higher stock price and increase shareholders' equity.

The Spotlight Music Division will offer music and videos by some of the industry's most sought-after artists and accomplished talents. Since the music industry has changed, Spotlight's distribution model will change to meet the new music needs of consumers. In the future we plan to provide exclusive, never seen or heard music and videos, only to be released through our distribution partners and offered through the Company's website, and online distributors in which consumers can download, if they like or listen to all the music on the site for a small monthly fee. The products available for download will be priced below many of our competitors at just 69¢, 99¢, or \$1.29 each. Visitors to the website can download the Spotlight Music application and browse around and preview a song before you buy it. Spotlight Music will also offer a community for recommendations from other viewers based on music everyone loves to listen to, and all music distribution will go through Bungalo-Universal Music Distribution.

Because the Company is a full-service entertainment Company, its music distribution model will also involve creating soundtracks for the movies or films that it acquires and/or creates and produces on its own. This will give artists doing business with the Company greater exposure, which will increase the number of downloads and/or subscriptions to the Company's music site(s)/ This model will also spill over to the Company's concert division, which will promote and finance tours and shows for its artist. That added exposure to the world, via our distribution model, will result in millions using the Company's music site for a small fee, which will equate to large profits for the Company.

Music Production and Distribution:

Development of Music Studio: \$500,000 The Company plans to set up two music studios, one in the Company's headquarters and another in the movie studio, mentioned above.

Concert Division:

The Company has contracts with several BigName artist, who have agreed to work with the Company, once the Company is funded. The Company plans on using the budget for this division launch several tours at the beginning of the 2021. The concerts will not be limited to just music, but comedy as well.

Projected funding for the Concert Division: \$1,000,000.00

Projected Funding amount used to seek out artist and venues willing to work with the Company - \$500,000

6d. **Spotlight Capital Holdings to present Social Media Platform.** Just a little over a year ago, Spotlight Capital Holdings, Inc. acquired a 12-year-old cyber-security software company that has developed a cross-platform software which is compatible in the Windows, MacOS and soon to be Linux environments. The platform is interoperable with all forms of E-Commerce and also is enhanced by a cyber security component as well as a robust, fully operational payment system that can process multiple international currencies and cryptocurrencies. This custom-built cross-platform application software can be deployed, implemented and operational on multiplatform hardware computing systems as well as with Blockchain technology. Along with this new company acquisition and its multi-component software applications, Spotlight has already moved toward finalizing the marketing plan for this software platform with a unique identification within the "Social Media" computing, device and technology environments. Spotlight has given its newly acquired Digital Business Platform a name. It is called "SPoTNIC©." SPoTNIC© means Social Platform of Things Networking Internet Commerce.

Projected Funding for SPoTNic: \$3,000,000

**6e. Payment of Debt - Projected Use of Proceeds from Exempt Offering for this entry is estimated to be \$330,949**

The Company intends to use some of the net proceeds to pay some of the debt acquired by the Company that the previous management acquired. In addition, new management acquired debt, while setting up the foundation for the company. The Company's debts are approximately \$330,949.00

Management expects to satisfy the debts listed below within the first quarter after this offering is approved and funding pursuant to this offering is received. Afterward, the Company plans to operate the company with minimal debt. The debt due and payable is as follows:

Ken Farino	\$230,000.00
Administration Costs	
Administrative Fees (Invoiced)	\$2,200.00
Loan Payable	\$78,760.00

All debts mentioned above, will be paid out in an settlement agreement(Part F/S Balance Sheet) with the debtor as Spotlight receives funds from this offering, prior to making any investments mentioned above in item 6 of this offering circular.

**6e. Balance - Projected Use of Proceeds from Exempt Offering for this entry is estimated to be \$1,634,051**

The balance of any funds acquired pursuant to this offering will be used by the Company for promotion of Cinema House, estimated at \$300,000. The remaining will be used for salaries for future staff, investments in future projects, and investments in other companies that will enhance the current business plan. Estimated Amount - \$1,034,051

**Item 7. Description of Business**

(a) Narrative description of business.

Management has retained seasoned actors, directors and technical personnel familiar and experienced with the entertainment industry. Spotlight Capital Holdings, Inc. is primarily comprised of three separate divisions: films, music, & Concert Promotions. The three divisions provide synergy, with specific emphasis on profitability and vertical integration.

The Spotlight Film Division ("Spotlight Films"), is engaged in the production of low- budget, high quality, genre pictures with recognizable name talent. The Company's Management Team and Board of Directors will be comprised of industry professionals, whose experience spans decades in the industry. Our strategy is to work with highly skilled producers and directors who have a new approach to risk assessment and management, fulfilled by designing a production pipeline that maintains quality while taking advantage of new technologies, production efficiency and value-added enhancements such as new marketing strategies. We will utilize our relationships, experience and in-depth knowledge of the industry to produce a product with a certain high standard aesthetics and content. Spotlight Films provides only a quality product produced by veterans, directed by experienced and successful directors, featuring well-known as well as up-and-coming premier talent actors.

At Spotlight Films, we have put together a sound and solid strategy in place before starting any film project. The company intends to create, (write), produce, film, edit and distribute its own products. The company's products as it relates to this division will consists of movies from all genres, including but not limited to action, horror, comedy, and documentary film projects. We also have a distribution model that will sale each product produced at Spotlight in the domestic and foreign markets. Our team of experienced professionals contributes from start-to-finish with all their abilities to shape the framework for project's execution and success.

The Spotlight Music Division ("Spotlight Music") offers music and videos by some of the industry's most sought-after artists and accomplished talents. In the future we plan to provide exclusive, never seen or heard music and videos. These products will be priced below many of our competitors at just 69¢, 99¢, or \$1.29 each. Visitors to the website can download the Spotlight Music application and browse around and preview a song before you buy it. Spotlight Music will also offer a community for recommendations from other viewers based on music everyone loves to listen to.

The Spotlight Concert Division ("Spotlight Concerts") offer music performances of the industry's most popular artists in various venues in the continental United States. Because of the arrangements with the artists, venues, and concert promoters, the issuer will be able to maximize profits with minimal expenses.

In addition to the above, the company has entered into negotiation with several business entities that will assist the, issuer in the development, and distribution of entertainment products, including but not limited to movies, music videos, concert promotions, and E- Books and E-commerce. Once these agreements are memorialized in firm agreements, the partnerships with those entities will help to implement its business model but requires funding to bring those contracts to a viable stage and will be disclosed at a later date.

In addition to that, the Company has entered negotiations to acquire a transportation company. Once the Company obtains the financing that it needs to acquire the targeted transportation acquisition, the Company will purchase the transportation company's assets and transportation routes. This acquisition is currently under negotiations pending the funds needs to purchase the transportation company's assets and contracts.

In order to effectively execute this business plan, the company expects to expand its current work force, to approximately 20 full time employees. That number will increase on a project-to-project basis, depending on the needs of the project.

(1) Describe the business done and intended to be done by the issuer and its subsidiaries and the general development of the business during the past three years or such shorter period as the issuer may have been in business. Such description must include, but not be limited to, a discussion of the following factors if such factors are material to an understanding of the issuer's business:



(i). The principal products and services of the issuer and the principal market for and method of distribution of such products and services.

The Company over the past two years has made numerous developments for the execution of its business plan. Spotlight is an entertainment company whose plans include the production, editing, distribution of movies, films, music and music videos.

Over the past two years, management has obtained methods of domestic and foreign distribution of its movies and music. Management has arranged avenues for products that it produces, to be sold in the foreign markets, prior to release for the film in the U.S. The foreign distribution model that will be utilized by the Company, will reduce the risks associated with producing any film projects, financed or produced by the Company.

In addition, for setting up the revenue stream for any film produced by the Company, management has found locations for its movies studios. The approximate land costs are approximately \$250,000.00 for the location in Texas. The company expects to build a 100,000 sq foot movie studio to house its movie studios, music and editing facilities.

The Company has contracted with several major music artists, and they have committed to tours domestically and abroad.

The Spotlight Application division ("Spotlight App") for music and film:

The music app will allow consumers to download the app and upload their product for sale, trade, or swap; this includes CD's, vinyl albums, and/or track tapes, cassette tapes, music and recording equipment. 8

The film App will be an Application for independent film makers that can upload their films to the application and potentially get their investment back and perhaps profit from their independent project.

The Athletic & Recreational division is a skate board company that has created interchangeable skate board wheels for long and short boards.

Additionally, Spotlight has entered negotiations to acquire a trucking transportation company. Once the Company obtains the financing that it needs to acquire the targeted trucking transportation acquisition, the Company will purchase the transportation company's assets and transportation routes. This acquisition is currently under negotiations pending the funds needed to purchase the transportation company's assets and contracts.

The Company has also contracted to acquire music catalogs and other intellectual entertainment property.

The Company has also contracted to acquire income producing companies that are looking to sell off its assets at a discount. Most of the contracts will relate to transportation companies.

(ii). The status of a product or service if the issuer has made public information about a new product or service that would require the investment of a material amount of the assets of the issuer or is otherwise material.

Although the Company has not made public information concerning the Company's a new products or services that would require the investment of a material amount, the Company would refer any prospective investor to section 6 and section 7 of this statement.

(iii). If material, the estimated amount spent during each of the last two fiscal years on company-sponsored research and development activities determined in accordance with generally accepted accounting principles. In addition, state, if material, the estimated dollar amount spent during each of such years on material customer-sponsored research activities relating to the development of new products, services or techniques or the improvement of existing products, services or techniques.

There has been no amount of funds spent towards, research, there has been monies and huge expenditures of time spent in the development of the distribution model mentioned above and meeting with actors, artists, movie producer, and musicians.

(iv). The total number of persons employed by the issuer, indicating the number employed full time.

Currently the Company has four full time employees, but will have several contract employees depending on the project that the Company is involved in. For example, if the Company acquires a film that has been completed, the Company would retain a team to edit the produce, which would vary depending on the number of projects the Company is involved in at one time, but would be between 3 - 5 persons. While the editing process in ongoing, the company would retain the musician, or musicians to record the soundtrack for the each project, which could vary depending on the person or persons retained for the soundtrack.

The reason that the Company has decided to operate in that manner is that it keeps costs down and labor costs are only incurred when the company is expecting a profit from the project or projects that it is invested in.

(v). Any bankruptcy, receivership or similar proceeding.

None

(vi). Any legal proceedings material to the business or financial condition of the issuer.

**None**

(vii) Any material reclassification, merger, consolidation, or purchase or sale of a significant amount of assets not in the ordinary course of business.

**None**

(2) The issuer must also describe those distinctive or special characteristics of the issuer's operation or industry that are reasonably likely to have a material impact upon the issuer's future financial performance. Examples of factors that might be discussed include dependence on one or a few major customers or suppliers (including suppliers of raw materials or financing), effect of existing or probable governmental regulation (including environmental regulation), material terms of and/or expiration of material labor contracts or patents, trademarks, licenses, franchises, concessions or royalty agreements, unusual competitive conditions in the industry, typicality of the industry, and anticipated raw material or energy shortages to the extent management may not be able to secure a continuing source of supply.

**Please refer to section 6a-6e & 7 of this offering statements**

**Item 8. Description of Property**

State briefly the location and general character of any principal plants or other material physical properties of the issuer and its subsidiaries. If any such property is not held in fee or is held subject to any major encumbrance, so state and briefly describe how held. Include information regarding the suitability, adequacy, productive capacity, and extent of utilization of the properties and facilities used in the issuer's business.

**The issuer intends to acquire real property with the funds acquired as a result of this offering. The property that the issuer intends to acquire is mentioned in section 6 of this offering statement.**

**Item 9. Management's Discussion and Analysis of Financial Condition and Results of Operations**

Discuss the issuer's financial condition, changes in financial condition and results of operations for each year and interim period for which financial statements are required, including the causes of material changes from year to year or period to period in financial statement line items, to the extent necessary for an understanding of the issuer's business as a whole. Information provided also must relate to the segment information of the issuer. Provide the information specified below as well as such other information that is necessary for an investor's understanding of the issuer's financial condition, changes in financial condition and results of operations.

(a) Operating results. Provide information regarding significant factors, including unusual or infrequent events or transactions or new developments, materially affecting the issuer's income from operations, and, in each case, indicating the extent to which income was so affected. Describe any other significant component of revenue or expenses necessary to understand the issuer's results of operations. To the extent that the financial statements disclose material changes in net sales or revenues, provide a narrative discussion of to the extent to which such changes are attributable to changes in prices or to changes in the volume or number of products or services being sold or to the introduction of new products or services.

**The Company has changed its primary business from aviation to entertainment in order to organize a successful entertainment holding company that expects to be involved in all facets of the business, management has been involved making preparations for business in the beginning of 2021. The issuer has contracted with successful people in the entertainment business to head its film and music division. The issuer has located prospective locations for movie and music studio locations in Texas, to take advantage of Tax Credits, and a location in Los Angeles. Management decided to also have a base in Los Angeles, because it is the heart of the entertainment business. Management of the issuer has negotiated several distribution avenues, so that once a film is produced, edited, and in the can (a completed project), the company can distribute any completed project in the U.S. and abroad.**

**A more detailed explanation is contained in section(s) 6 & 7 of this statement.**

(b) Liquidity and capital resources. Provide information regarding the following:

the issuer's liquidity (both short and long term), including a description and evaluation of the internal and external sources of liquidity and a brief discussion of any material unused sources of liquidity. If a material deficiency in liquidity is identified, indicate the course of action that the issuer has taken or proposes to take to remedy the deficiency.

(1) the issuer's material commitments for capital expenditures as of the end of the latest fiscal year and any subsequent interim period and an indication of the general purpose of such commitments and the anticipated sources of funds needed to fulfill such commitments.

**The Company has access to capital resources through its authorized stock. Currently the company has only approximately fifteen million, five hundred thousand of its authorized five hundred million shares of stock outstanding. Because of the fact that the company's stock is not currently diluted in the market, the selling of the company's stock through this offering will be a source of liquidity and capital resource. In considering the current lack of liquid capital available in the company's treasury, we believe that this offering of capital stock, at this price, will be enticing to any potential accredited investor or Investment Company, and the stock, once it is sold, will be a significant source of liquidity, but it is important to note:**

There is no guarantee the company will sell its stock and it is therefore uncertain if the company will be able to raise capital in any of these transactions.

There were no major capital expenditures at the end of the last fiscal year. The company plans to use the funds from this offering to make the acquisitions mentioned in sections 6 & 7 of this offering statement.

(c) Plan of Operations. Issuers (including predecessors) that have not received revenue from operations during each of the three fiscal years immediately before the filing of the offering statement (or since inception, whichever is shorter) must describe, if formulated, their plan of operation for the 12 months following the commencement of the proposed offering. If such information is not available, the reasons for its unavailability must be stated. Disclosure relating to any plan must include, among other things, a statement indicating whether, in the issuer's opinion, the proceeds from the offering will satisfy its cash requirements or whether it anticipates it will be necessary to raise additional funds in the next six months to implement the plan of operations.

The Company's plan for operation in described above in section 6 & 7 of this offering statement. The plan also describes the use of funds obtained through the use of the exemptions provided by this offering statement. To supplement what has been described above the plan of operations will be to initially fund projects that will bring immediate cash to the Company. The company will invest in two music and comedy tours, that are expected to perform in at least five venues in the U.S. The purpose for getting those two projects off the ground is that the company will be able to make a return on it invests within the first 90 days creating a must needed cash flow, news for investors, increase the company's stock price.

After funding the concerts division of the company, the Company expects to purchase movies/documentaries that has already been completed. Management has numerous films/documentaries that has been completed and waiting to be purchased. The company will be looking to purchase approximately three completed products and distribute them in the U.S. and abroad. The reason behind taking this action instead of producing or investing in a new film projects is that the Company is looking for projects that will have the opportunity make money for the Company immediately as opposed to waiting two years to receive profits from a new project. Although the Company expects to invest in new projects, in the short term, the Company will use the funds raised pursuant to this exemption to build a foundation to become a long-time player in the entertainment business.

After investing or funding the music, concert division, and obtaining finished product, the Company plans to make a real estate purchase in Los Angeles, California. In expectation of approval of this offering, management has looked for a Company headquarters, in the entertainment capital of the world. Acquiring a location in L.A. will put us in the heart of the entertainment capital, will centralize the Company's operations, being that the majority of the artists, comedians, and actors, either reside in LA or have a presence in the city. Once the Company has located a building to acquire, we plan to acquire a staff of approximately 10 people. Some would head up the respective divisions, and also look for projects, or concerts to invest in. In addition to staffing the company, management would expand its board of directors, to assist in the management of the company. The prospective members would be entertainment legends from film, music and other facets of the entertainment industry.

The Company expect that this foundation plan would be in place within 6 months after receiving the first two million dollars of the capital requested in this offering. The second phase of operations, would not begin until approximately one year from that date that this offering is approved. The Company would expect to build a movie production studio, in the south. The Company expects that the studio will be in Texas, in order to take advantage of the tax credits offered by the state along with the relatively inexpensive cost of real estate, as compared to other parts of the country. Upon completion of the movie studio, the Company will then look to invest in new products. The company has contracted with several investment groups, that are willing to invest in new products, share the costs of production, once the company is funded and showing activity.

Upon the exhaustion of the \$20,000,000 allowed by this exemption, management believes that amount will meet the Company's capital requirements, because Spotlight believes that its projects, once funded will maintain the Company and its expenses.

The reason that there have not been any revenues in the years prior to this offering statement, is that the Company has decided to change its business from aviation to entertainment. The change in the primary business of the company required management to shut down operations of the aviation company and reorganize the company to make preparation for the business plan mentioned in this offering statement.

Trend information. The issuer must identify the most significant recent trends in production, sales and inventory, the state of the order book and costs and selling prices since the latest financial year. The issuer also must discuss, for at least the current financial year, any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the issuer's net sales or revenues, income from continuing operations, profitability, liquidity or capital resources, or that would cause reported financial information not necessarily to be indicative of future operating results or financial condition.

Because of the change in business operations, the issuer has no trend information to provide in this statement.

#### **Item 10. Directors, Executive Officers and Significant Employees**

(a) For each of the directors, persons nominated or chosen to become directors, executive officers, persons chosen to become executive officers, and significant employees, provide the information specified below in substantially the following tabular form

Name	Position:	Age	Term of Office (1)	Approximate hours per week for part-time employees (2)
------	-----------	-----	-----------------------	---

Executive Officers:				
Aaron C. Johnson	Chief Executive Officer, Director & Board Member	62	n/a	At least 40 hours
Bishop T. Perkins	Director of Administration	61	n/a	30 to 40 hours - supervisory position
Directors:				
Aaron Johnson	Chairman of the Board	62	n/a	40 Hours
Bishop T. Perkins	Director of Administration & Board Member	61	n/a	40 Hours

(1) Provide the month and year of the start date and, if applicable, the end date. To the extent you are unable to provide specific dates, provide such other description in the table or in an appropriate footnote clarifying the term of office.

If the person is a nominee or chosen to become a director or executive officer, it must be indicated in this column or by footnote.

(2) For executive officers and significant employees that are working part-time, indicate approximately the average number of hours per week or month such person works or is anticipated to work. This column may be left blank for directors. The entire column may be omitted if all those listed in the table work full time for the issuer.

(3) Family relationship . State the nature of any family relationship between any director, executive officer, person nominated or chosen by the issuer to become a director or executive officer or any significant employee.

**There are no family relationships between the officers of this company**

**Business experience.** Give a brief account of the business experience during the past five years of each director, executive officer, person nominated or chosen to become a director or executive officer, and each significant employee, including his or her principal occupations and employment during that period and the name and principal business of any corporation or other organization in which such occupations and employment were carried on. When an executive officer or significant employee has been employed by the issuer for less than five years, a brief explanation must be included as to the nature of the responsibilities undertaken by the individual in prior positions to provide adequate disclosure of this prior business experience. What is required is information relating to the level of the employee's professional competence, which may include, depending upon the circumstances, such specific information as the size of the operation supervised.

**Aaron C. Johnson**

**Mr. Johnson has over 30 years in the music business. During the beginning of his music career, he started at an early age playing several instruments and writing and producing music. His career lead him to Los Angeles, where he continued to write, produce, and perform at various venues. Afterwards he became an executive with Universal/Bungalo Records, where he managed, produced and promoted numerous artists and entertainers. It was through Bungalo, that he obtained distribution contacts that are being utilized by Spotlight.**

**Being in L.A., the entertainment capital of the world, Mr. Johnson met and became familiar with the movie and music business and he has brought that experience and relationships to Spotlight.**

**Spotlight Capital Holdings has eliminated the General Counsel Position for the Company**

(b) Involvement in certain legal proceedings. Describe any of the following events which occurred during the past five years and which are material to an evaluation of the ability or integrity of any director, person nominated to become a director or executive officer of the issuer:

A petition under the federal bankruptcy laws or any state insolvency law was filed by or against, or a receiver, fiscal agent or similar officer was appointed by court for the business or property of such person, or any partnership in which he was general partner at or within two years before the time of such filing, or any corporation or business association of which he was an executive officer at or within two years before the time of such filing; or

(1) Such person was convicted in a criminal proceeding (excluding traffic violations and other minor offenses).

**No director, officer, or manager associated with this Company has any legal proceedings responsive to this request.**

**Item 11. Compensation of Directors and Executive Officers**

(a) Provide, in substantially the tabular format indicated, the annual compensation of each of the three highest paid persons who were executive officers or directors during the issuer's last completed fiscal year.

Name	Capacities in which compensation was received (e.g., Chief Executive Officer,	Cash compensation (\$)	Other compensation (\$)	Total compensation (\$)

Aaron C. Johnson	Chairman & President	None	None	None
Bishop T Perkins	Director of Administration	None	None	None

(b) Provide the aggregate annual compensation of the issuer's directors as a group for the issuer's last completed fiscal year. Specify the total number of directors in the group.

**The company has not made any payments to its officers at this time. Management, the persons identified above, has gone through the re-structuring process by investing their personal funds to secure a new business plan and direction for the company. Initially the company was an aviation company that was involved in private flights for corporate employees, entertainers, and other high worth individuals. Now the company is an entertainment company involved mainly in the production and distribution of movies and music in the U.S. and Foreign markets.**

**The company has plans to reimburse management for its capital investments and time invested in the company.**

Briefly describe all proposed compensation to be made in the future pursuant to any ongoing plan or arrangement to the individuals specified in paragraphs (a) and (b) of this item. The description must include a summary of how each plan operates, any performance formula r measure in effect (or the criteria used to determine payment amounts), the time periods over which the measurements of benefits will be determined, payment schedules, and any recent material amendments to the plan. Information need not be included with respect to any group life, health, hospitalization, or medical reimbursement plans that do not discriminate in scope, terms or operation in favor of executive officers or directors of the issuer and that are available generally to all salaried employees.

**Management proposed compensation in the future will be based on future earning of the company. Management will be compensated every quarter, depending on the revenues of the company per quarter. After management will be reimbursed for the time and expenditures incurred over the past fiscal year, each person listed above will receive compensation based on the company's performance, which will be a fair amount based on the work and time.**

#### Item 12. Security Ownership of Management and Certain Security-holders

(a) Include the information specified in paragraph (b) of this item as of the most recent practicable date (stating the date used), in substantially the tabular format indicated, with respect to voting securities beneficially owned by:

- (1) all executive officers and directors as a group, individually naming each director or executive officer who beneficially owns more than 10% of any class of the issuer's voting securities;
- (2) any other security holder who beneficially owns more than 10% of any class of the issuer's voting securities as such beneficial ownership would be calculated if the issuer were subject to Rule 13d-3(d)(1) of the Securities Exchange Act of 1934.

(b) Beneficial Ownership Table:

Title of class	Name and address of beneficial owner (1)	Amount and nature of beneficial ownership (2)	Amount and nature of beneficial ownership acquirable	Total Percent of class (3)
Preferred	Aaron C. Johnson	5,100,000 shares of the 10,000,000 preferred stock issued	4,900,000 shares of preferred stock which is outstanding	51%

(1) The address given in this column may be a business, mailing, or residential address. The address may be included in an appropriate footnote to the table rather than in this column.

(2) This column must include the amount of equity securities each beneficial owner has the right to acquire using the manner specified in Rule 13d-3(d)(1) of the Securities Exchange Act of 1934. An appropriate footnote must be included if the column heading does not sufficiently describe the circumstances upon which such securities could be acquired.

(3) This column must use the amounts contained in the two preceding columns to calculate the percent of class owned by such beneficial owner.

#### Item 13. Interest of Management and Others in Certain Transactions

(a) Describe briefly any transactions or any currently proposed transactions during the issuer's last two completed fiscal years and the current fiscal year, to which the issuer or any of its subsidiaries was or is to be a participant and the amount involved exceeds \$50,000 for Tier 1 or the lesser of \$120,000 and one percent of the average of the issuer's total assets at year-end for the last two completed fiscal years for Tier 2, and in which any of the following persons had or is to have a direct or indirect material interest, naming the person and stating his or her relationship to the issuer, the nature of the person's interest in the transaction and, where practicable, the amount of such interest:

- (1) Any director or executive officer of the issuer;
- (2) Any nominee for election as a director;
- (3) Any security holder named in answer to Item 12(a)(2);
- (4) If the issuer was incorporated or organized within the past three years, any promoter of the issuer; or
- (5) Any immediate family member of the above persons. An "immediate family member" of a person means such person's child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, or any person (other than a tenant or employee) sharing such person's household.

**Management of the issuer is not involved in any transactions, either directly or indirectly with the issuer, other than the following:**

**Within the past four years, Andre' L. Ligon - formerly General Counsel and Treasurer for the Company, initially was contracted to handle compliance filings for OTC markets, because the issuer is currently listed and traded on the OTC markets under symbol SLCH.**

**The amount of the transaction is \$350,000.00 for legal services rendered to the issuer at managements request. This amount is under negotiation and Mr. Ligon has resigned his position.**

If any expert named in the offering statement as having prepared or certified any part of the offering statement was employed for such purpose on a contingent basis or, at time of such preparation or certification or at any time thereafter, had a material interest in the issuer or any of its parents or subsidiaries or was connected with the issuer or any of its subsidiaries as a promoter, underwriter, voting trustee, director, officer or employee, describe the nature of such contingent basis, interest or connection.

**The are no experts named in this offering statement.**

#### **Item 14. Securities Being Offered**

- (a) If capital stock is being offered, state the title of the class and furnish the following information regarding all classes of capital stock outstanding:

**The stock being offered by this statement, is the company's common stock: The stock had no dividends, nor voting rights pursuant to the Articles of Incorporation, which is attached to the offering statement as Exhibit 1. These securities are going to be offered at three dollars per share (\$3.00 per share) to potential private investors. There will be no restrictions on the selling of these securities by potential investors.**

- (1) Briefly describe potential liabilities imposed on security holders under state statutes or foreign law, for example, to employees of the issuer, unless such disclosure would be immaterial because the financial resources of the issuer or other factors are such as to make it unlikely that the liability will ever be imposed.

**The issuer does not foresee any potential liabilities imposed on security holders under state statutes and/or foreign law.**

- (2) If preferred stock is to be offered or is outstanding, describe briefly any restriction on the repurchase or redemption of shares by the issuer while there is any arrears in the payment of dividends or sinking fund installments. If there is no such restriction, so state.

**No Preferred stock is being offered in this Regulation A plus offering.**

- (b) If debt securities are being offered, outline briefly the following:

- (1) Provisions with respect to interest, conversion, maturity, redemption, amortization, sinking fund or retirement.
- (2) Provisions with respect to the kind and priority of any lien securing the issue, together with a brief identification of the principal properties subject to such lien.
- (3) Material affirmative and negative covenants.

**No Debt securities are being offered by the company in this statement.**

- (c) If securities described are to be offered pursuant to warrants, rights, or convertible securities, state briefly:

- (1) the number of securities issuable upon the exercise or conversion of such warrants, convertible securities or rights;
- (2) the period during which and the price at which the warrants, convertible securities or rights are exercisable;

(3) the amounts of warrants, convertible securities or rights outstanding; and

(4) any other material terms of such securities.

No Securities are being offered by the Company, that would require a response to this section.

(d) In the case of any other kind of securities, include a brief description with comparable information to that required in (a), (b) and (c) of Item 14.

No other kinds of securities are being offered by the Company in this offering.

## Part F/S

### SPOTLIGHT CAPITAL HOLDINGS, INC. Balance Sheets

	For the Years Ended December 31	
	2018	2017
ASSETS		
OTHER ASSETS		
Aircraft	\$ -	\$ 439,169
Total other assets	-	439,169
Total assets	<u>\$ -</u>	<u>\$ 439,169</u>
LIABILITIES AND STOCKHOLDERS' DEFICIT		
CURRENT LIABILITIES		
Accounts payable	\$ -	\$ 1,200,000
Accrued interest	154,027	118,372
Settlement agreement payable	230,000	230,000
Related party loan	72,960	72,960
Total current liabilities	<u>456,987</u>	<u>1,621,332</u>
STOCKHOLDERS' DEFICIT		
Preferred stock, \$0.001 par value; 10,000,000 shares authorized; 4,900,000 issued and outstanding at December 31, 2018 and 2017.	4,900	4,900
Common stock, \$0.001 par value; 500,000,000 shares authorized; 281,501,243 and 15,501,243 issued and outstanding at December 31, 2018 and 2017 respectively	15,501	15,501
Additional paid-in capital	23,158,339	23,158,339
Accumulated deficit	<u>(23,635,727)</u>	<u>(24,360,903)</u>
Total stockholders' deficit	<u>(456,987)</u>	<u>(1,182,163)</u>
	<u>\$ -</u>	<u>\$ 439,169</u>

(the accompanying notes are an integral part of these financial statements)

Part F/S

SPOTLIGHT CAPITAL HOLDINGS, INC.  
STATEMENTS OF OPERATIONS

	For the Years Ended December 31	
	2018	2017
OVERHEAD		
General and administrative	\$ -	\$ -
Total overhead	<u>-</u>	<u>-</u>
OTHER INCOME AND EXPENSES		
Interest expense	35,655	32,331
Impairment of fixed asset	439,169	-
Accounts payable cancelled	(1,200,000)	-
Total other (income) expense	<u>(725,176)</u>	<u>32,331</u>
(INCOME) LOSS FOR THE YEARS	<u>\$ (725,176)</u>	<u>\$ 32,331</u>
NET INCOME PER COMMON SHARE BASIC AND DILUTED	<u>\$ (0.05)</u>	<u>\$ 0.00</u>
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING - BASIC AND DILUTED	<u>15,501,243</u>	<u>15,501,243</u>

(the accompanying notes are an integral part of these financial statements)



SPOTLIGHT CAPITAL HOLDINGS, INC  
STATEMENTS OF STOCKHOLDERS' EQUITY  
FOR THE YEARS ENDED DECEMBER 31, 2018 and AND 2017

	Preferred Stock		Common Stock		Additional Paid in Capital	Accumulated Deficit	Total
	Shares	Amount	Shares	Amount			
Balances, December 31, 2016	4,900,000	\$ 4,900	15,501,243	\$ 15,501	\$23,158,339	\$(24,328,572)	\$(1,149,832)
Loss for the year ended December 31, 2017	-	-	-	-	-	(32,331)	(32,331)
Balances, December 31, 2017	4,900,000	4,900	15,501,243	15,501	23,158,339	(24,360,903)	(1,182,163)
Income for the year ended December 31, 2018	-	-	-	-	-	725,176	725,176
Balances, December 31, 2018	4,900,000	\$ 4,900	15,501,243	\$ 15,501	\$23,158,339	\$(23,635,727)	\$ (456,987)

(the accompanying notes are an integral part of these financial statements)

SPOTLIGHT CAPITAL HOLDINGS, INC.  
STATEMENTS OF CASH FLOW

	For the Years Ended December 31	
	2018	2017
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income (loss)	\$ 725,176	\$ (32,331)
Adjustments to reconcile net loss to net cash used in operating activities:		
Impairment of fixed asset	439,169	-
Accrued interest	35,655	32,331
Changes in operating assets and liabilities		
Write off of undocumented Accounts payable	(1,200,000)	-
<b>NET CASH FLOWS USED IN IPERATING ACTIVITIES</b>	-	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>NET CASH FLOWS USED IN INVESTING ACTIVITIES</b>	-	-
<b>CASH FLOWS FROM FINANCING ACTIVITES</b>		
<b>NET CASH PROVIDED BY FINANCING ACTIVITIES</b>	-	-
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	-	-
<b>CASH AND CASH EQUIVALENTS - beginning of period</b>	-	-
<b>CASH AND CASH EQUIVALETS - end of period</b>	\$ -	\$ -
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>		
Cash paid for:		
Interest	\$ -	\$ -
Income taxes	\$ -	\$ -

(the accompanying notes are an integral part of these financial statements)

SPOTLIGHT CAPITAL HOLDINGS, INC.  
Notes to Financial Statements  
For the Years Ended December 31, 2018 and 2017

**NOTE 1 - ORGANIZATION AND BASIS OF PRESENTATION**

The Company was incorporated, in the State of Colorado, on March 11, 1997, as Peak Vista Capital, Inc. After several other businesses, the new management of Spotlight Capital Holdings, Inc. has developed a business plan, which will include three operating divisions; production of films, production of music and concert promotion.

***Basis of Presentation***

The accompanying unaudited financial statements and related footnotes have been presented on a comparative basis in accordance with accounting principles generally accepted in the United States of America (or U.S. GAAP).

***Going Concern***

The accompanying financial statements have been prepared assuming the Company will continue as a going concern, which contemplates, among other things, the realization of assets and satisfaction of liabilities in the normal course of business. The Company had an accumulated deficit, of \$23,635,727 on December 31, 2018 compared to an accumulated deficit of \$24,360,903 on December 31, 2017, and income of \$725,176 and a loss of \$32,331 for the years ended December 31, 2018 and 2017 respectively. The 2018 net income was the result of writing off an insufficiently documented and recorded, \$1,200,000, payable for management and legal fees, less the impairment of an asset carried at a cost of \$439,169 plus accrued interest of \$35,655. These matters, among others, raise substantial doubt about the Company's ability to continue as a going concern.

While the Company is attempting to generate revenues, the Company's cash position may not be significant enough to support the Company's daily operations. If the Company is unable to obtain additional financing through the issuance of debt or equity, the Company may be unable to continue as a going concern. While the Company believes in the viability of its strategy to generate additional revenues and in its ability to raise additional funds, there can be no assurances to that effect. The financial statements do not include any adjustments relating to the recoverability and classification of assets or the amounts and classifications of liabilities that may result should the Company be unable to continue as a going concern.

**NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES**

This summary of significant accounting policies is presented to assist the reader in understanding and evaluating the Company's financial statements. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

***Use of Estimates***

The preparation of the financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. The more significant estimates and assumptions made by management include allowance for doubtful accounts, inventory valuation, and provision for excess or expired inventory, depreciation of property and equipment, realization of long-lived assets and fair market value of equity instruments issued for goods or services.

***Cash and Cash Equivalents***

As of December 31, 2018, and 2017 the Company had no cash on hand.

#### ***Accounts Receivable and Allowance for Doubtful Accounts***

As of December 31, 2018, and 2017 the Company had no accounts receivable and therefore no need to record an allowance for doubtful accounts.

#### ***Fair Value of Financial Instruments***

The Company's financial instruments consist of accounts payable, accrued expenses and shareholder loans. The carrying amount of these financial instruments approximates fair value due either to length of maturity or interest rates that approximate prevailing market rates unless otherwise disclosed in these financial statements.

#### ***Accounting for Derivative Liabilities***

The Company evaluates stock options, stock warrants or other contracts to determine if those contracts or embedded components of those contracts qualify as derivatives to be separately accounted for under the relevant sections of ASC Topic 815-40, *Derivative Instruments and Hedging: Contracts in Entity's Own Equity*. The result of this accounting treatment could be that the fair value of a financial instrument is classified as a derivative instrument and is marked-to-market at each balance sheet date and recorded as a liability. In the event that the fair value is recorded as a liability, the change in fair value is recorded in the statement of operations as other income or other expense. Upon conversion or exercise of a derivative instrument, the instrument is marked to fair value at the conversion date and then that fair value is reclassified to equity. Financial instruments that are initially classified as equity that become subject to reclassification under ASC Topic 815-40 are reclassified to a liability account at the fair value of the instrument on the reclassification date. The Company determined that it has no financial instruments that meet the criteria for derivative accounting as of October 31, 2018 nor as of October 31, 2017.

#### ***Beneficial Conversion Features***

The Company, may, from time to time issue convertible notes that may have conversion prices that create an embedded liability pursuant to accounting guidance. A beneficial conversion feature exists on the date a convertible note is issued when the fair value of the underlying common stock to which the note is convertible into is in excess of the remaining unallocated proceeds of the note after first considering the allocation of a portion of the note proceeds to the fair value of any attached equity instruments, if any related equity instruments were granted with the debt. In accordance with this guidance, the intrinsic value of the beneficial conversion feature is recorded as a debt discount with a corresponding amount to additional paid in capital. The debt discount is amortized to interest expense over the life of the note using the effective interest method. The Company determined that it has no financial instruments that meet the criteria for beneficial conversion as of October 31, 2018 nor as of October 31, 2017.

#### ***Share-Based Compensation***

The Company accounts for stock-based compensation to employees in accordance with FASB ASC 718 Compensation—Stock Compensation. Stock-based compensation to employees is measured at the grant date, based on the fair value of the award, and is recognized as expense over the requisite employee service period. The Company accounts for stock-based compensation to other than employees in accordance with FASB ASC 505-50. Equity instruments issued to other than employees are valued at the earlier of a commitment date or upon completion of the services, based on the fair value of the equity instruments and is recognized as expense over the service period. The Company estimates the fair value of stock-based payments using the Black-Scholes option-pricing model for common stock options and warrants and the latest fair market price of the Company's common stock for common share issuances.

#### ***Property and Equipment***

The Company owned one long term asset which was utilized by previous management to produce revenue. That asset was

appraised by current management and deemed to not be suitable for their business model and was therefore fully impaired after December 31, 2017.

### ***Long-lived Assets***

The Company does not possess any long-lived assets.

### ***Revenue Recognition***

The Company, although not yet generating revenue, adopted Accounting Standards Update (“ASU”) No. 2014-09, *Revenue from Contracts with Customers*, effective March 1, 2018 using the cumulative effect transition method. Two core principles of this new guidance, which was codified into Accounting Standards Codification (“ASC”) Topic 606, *Revenue from Contracts with Customers*, are that an entity should (a) measure revenue in connection with its sale of goods and services to a customer based on the consideration to which the entity expects to be entitled in exchange for each of those goods and services and (b) recognize revenue upon satisfaction of its performance obligations under the contract. An entity’s performance obligation is considered satisfied when (or as) control of the promised goods and services are transferred to the customer.

### ***Income Taxes***

The Company uses the liability method of accounting for income taxes under the asset and liability method prescribed under ASC 740, *Income Taxes*. The liability method measures deferred income taxes by applying enacted statutory rates in effect at the balance sheet date to the differences between the tax basis of assets and liabilities and their reported amounts on the financial statements. The resulting deferred tax assets or liabilities have been adjusted to reflect changes in tax laws as they occur. A valuation allowance is provided when it is more likely than not that a deferred tax asset will not be realized.

The Company expects to recognize the financial statement benefit of an uncertain tax position only after considering the probability that a tax authority would sustain the position in an examination. For tax positions meeting a “more-likely-than-not” threshold, the amount to be recognized in the financial statements will be the benefit expected to be realized upon settlement with the tax authority. For tax positions not meeting the threshold, no financial statement benefit is recognized. As of December 31, 2018, and 2017, the Company had no uncertain tax positions. The Company recognizes interest and penalties, if any, related to uncertain tax positions as general and administrative expenses. The Company currently has no federal tax examinations nor has it had any federal income tax penalties since its inception.

### ***Net Income (Loss) Per Share***

Basic net income (loss) per share is calculated by dividing net income (loss) by the weighted-average common shares outstanding. Diluted net income per share is calculated by dividing net income by the weighted-average common shares outstanding during the period using the treasury stock method. No potentially dilutive securities were included in the calculation of diluted earnings per share as the impact would have been anti-dilutive. Therefore, basic and dilutive net income (loss) per share were the same.

### ***New Accounting Pronouncements***

The Financial Accounting Standards Board, or FASB, has issued Accounting Standards Update No. 2014-09, *Revenue from contracts with Customers (Topic 606)*, or ASU 606. ASU 606 provides guidance outlining a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers in an amount that supersedes most current revenue recognition guidance. This guidance requires us to recognize revenue when we transfer promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. We are required to adopt ASU 606 at the beginning of our first quarter of fiscal 2019. The new guidance requires enhanced disclosures, including revenue recognition policies to identify performance obligations to customers and significant judgments in measurement and recognition. The new guidance may be applied retrospectively to each prior period presented or retrospectively with the cumulative effect recognized as of the date of the adoption. We will apply the guidance when adopted, and provide the relevant disclosures in the first interim and annual periods in which we adopt the

guidance. We do not expect the adoption of this guidance to have a material impact on our financial statements within any accounting period presented. Starting in the second quarter of 2014, the FASB issued guidance applicable to revenue recognition that will be effective for the Company for the year ending December 31, 2019. The new guidance must be adopted using either a full retrospective approach for all periods presented or a modified retrospective approach. The Company believes that there will not be a material impact on its financial statements.

The FASB issued ASU No. 2014-15, *Presentation of Financial Statements—Going Concern, Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern*. The core principle of the new guidance is that management of public and private companies is required to evaluate whether there are conditions and events that raise substantial doubt about the entity's ability to continue as a going concern within one year after the financial statements are issued (or available to be issued when applicable) and, if so, disclose that fact. Management will be required to make this evaluation.

In March 2016, the FASB issued ASU No. 2016-09, *Compensation—Stock Compensation (Topic 718): Improvements to Employee Share-Based Payment Accounting*. The new standard requires recognition of the income tax effects of vested or settled awards in the income statement and involves several other aspects of the accounting for share-based payment transactions, including the income tax consequences, classification of awards as either equity or liabilities and classification on the statement of cash flows. This new standard was effective for the Company on January 31, 2017. The adoption of this standard is not expected to have a material impact on its financial position, results of operations or statements of cash flows upon adoption.

In August 2016, the FASB issued Accounting Standards Update No. 2016-15, *Classification of Certain Cash Receipts and Cash Payments (a consensus of the Emerging Issues Task Force)* (“ASU 2016-15”). The amendments in ASU 2016-15 address eight specific cash flow issues and apply to all entities that are required to present a statement of cash flows under ASC Topic 230, *Statement of Cash Flows*. The amendments in ASU 2016-15 are effective for public business entities for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. Early adoption is permitted, including adoption during an interim period. The Company has not yet completed the analysis of how adopting this guidance will affect its consolidated financial statements.

In October 2016, the FASB issued ASU No. 2016-16, *Income Taxes (Topic 740): Intra-Entity Transfer of Assets Other Than Inventory*. This new standard eliminates the exception for an intra-entity transfer of an asset other than inventory. Under the new standard, entities should recognize the income tax consequences on an intra-entity transfer of an asset other than inventory when the transfer occurs. This new standard will be effective for the Company on February 1, 2018 and will be applied on a modified retrospective basis through a cumulative effect adjustment directly to retained earnings as of the beginning of the period of adoption. The Company is currently evaluating the potential impact this standard may have on its financial position and results of operations.

In November 2016, the FASB issued Accounting Standards Update No. 2016-18, *Restricted Cash (a consensus of the FASB Emerging Issue Task Force)* (“ASU 2016-18”). This new standard addresses the diversity that exists in the classification and presentation of changes in restricted cash on the statement of cash flows. The amendments in ASU 2016-18 require that a statement of cash flows explain the change during the period in the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. Therefore, amounts generally described as restricted cash and restricted cash equivalents should be included with cash and cash equivalents when reconciling the beginning of period and end of period total amounts shown on the statement of cash flows. This guidance is effective for fiscal years beginning after December 15, 2017, including interim periods within the year of adoption, with early adoption permitted. The Company does not expect that the adoption of ASU 2016-18 will have a material impact on its financial statements.

In January 2017, the FASB issued ASU No. 2017-01, *Business Combinations (Topic 805): Clarifying the Definition of a Business*. This new standard clarifies the definition of a business and provides a screen to determine when an integrated set of assets and activities is not a business. The screen requires that when substantially all of the fair value of the gross assets acquired (or disposed of) is concentrated in a single identifiable asset or a group of similar identifiable assets, the set is not a business. This new standard will be effective for the Company on February 1, 2018; however, early adoption is permitted with prospective application to any business development transaction.

In January 2017, the FASB issued Accounting Standards Update No. 2017-04, *Simplifying the Test for Goodwill*

*Impairment* (“ASU 2017-04”). ASU 201704 simplifies the accounting for goodwill impairment by removing Step 2 of the goodwill impairment test, which requires a hypothetical purchase price allocation. ASU 2017-04 is effective for annual or interim goodwill impairment tests in fiscal years beginning after December 15, 2019 and should be applied on a prospective basis. Early adoption is permitted for interim or annual goodwill impairment tests performed on testing dates after January 1, 2017. The Company does not anticipate the adoption of ASU 2017-04 will have a material impact on its financial statements for both annual and interim reporting periods, if applicable. Management also is required to evaluate and disclose whether its plans alleviate that doubt. The standard is effective for the Company on February 1, 2018 and will be implemented using the modified retrospective approach. The Company does not expect the adoption of this guidance to have a material effect on the Company’s financial statements.

In November 2015, the FASB issued Accounting Standards Update No. 2015-17, *Balance Sheet Classification of Deferred Taxes* (“ASU 2015-17”). ASU 2015-17 requires companies to classify all deferred tax assets and liabilities as noncurrent on the balance sheet instead of separating deferred taxes into current and noncurrent amounts. The guidance is effective for financial statements issued for annual periods beginning after December 15, 2016, and interim periods within those annual periods. Early adoption is permitted. The guidance may be adopted on either a prospective or retrospective basis. The Company does not expect the adoption of this guidance to have a material effect on the Company’s financial statements

### **NOTE 3 – INVENTORY**

The Company had no inventory on hand on December 31, 2018 and 2017.

### **NOTE 4 – NOTES PAYABLE**

On September 5, 2013 the Company entered into a Confidential Settlement Agreement to settle a litigation issue. The amount of settlement was \$230,000 with annual interest of 10%, a nine month maturity date and secured by a number of preferred shares with a value of \$230,000. No demand for payment has been made.

During 2015 Company borrowed \$72,600 from our President. The note is non-interest bearing, unsecured and repayable, on demand. To date, no demand has been made.

### **NOTE 5 – RELATED PARTY DEBT AND TRANSACTIONS**

During 2015, the Company borrowed \$75,000 and repaid \$2,400, from a related party. The note is unsecured, bears no interest and is repayable on demand. 36 equal monthly payments of \$154 principal and interest. On October 31, 2018 the balance was reduced by \$505.

### **NOTE 6 – STOCKHOLDER'S EQUITY**

#### ***Preferred Stock***

The Company is authorized to issue 10,000,000 shares of preferred stock, par value of \$0.001. There are 4,900,000 issued and outstanding.

#### ***Common Stock***

The Company is authorized to issue 10,000,000 shares of common stock, \$0.001 par value. There are 15,501,243 common shares outstanding on December 31, 2018.

### **NOTE 7 – INCOME TAXES**

The Company has not been able to determine its net operating loss carryover. Due to the change in ownership provisions

of the Tax Reform Act of 1986, net operating loss carry forward for Federal income tax reporting purposes are subject to annual limitations. If a change in ownership occurs, net operating loss carry forward may be limited as to its use in future years. The Company is presently attempting to determine when its last tax returns were filed.

On December 22, 2017, the Tax Act was signed into law making significant changes to the Internal Revenue Code. Changes include, but are not limited to, a corporate tax rate decrease from 35% to 21%, effective for tax years beginning after December 31, 2017. We use the asset and liability method of accounting for income taxes. Under this method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to reverse. As a result of the reduction in the U.S. corporate income tax rate from 35% to 21% under the Tax Act, we revalued our ending net deferred tax assets at October 31, 2018, which were fully offset by a valuation allowance.

Future tax benefits for these net operating loss carry-forwards are recognized to the extent that realization of these benefits is considered more likely than not. To the extent that we will not realize a future tax benefit, a valuation allowance is established. The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities are presented below:

The Company is not able to calculate the cumulative tax effect at the expected rate of 34%.



SPOTLIGHT CAPITAL HOLDINGS, INC.  
Balance Sheets  
(unaudited)

		For the Years Ended December 31	
		2019	2018
<b>ASSETS</b>			
<b>OTHER ASSETS</b>			
Cash and cash equivalents		\$ -	\$ -
Total other assets		-	-
Total assets		\$ -	\$ -
<b>LIABILITIES AND STOCKHOLDERS' DEFICIT</b>			
<b>CURRENT LIABILITIES</b>			
Related party loan		\$ 72,960	\$ 72,960
Accrued interest		193,303	154,027
Settlement agreement		230,000	230,000
Total current liabilities		496,263	456,987
<b>STOCKHOLDERS' DEFICIT</b>			
Preferred stock, \$0.001 par value; 10,000,000 shares authorized; 4,900,000 issued and outstanding at December 31, 2019 and 2018.		4,900	4,900
Common stock, \$0.001 par value; 500,000,000 shares authorized; 15,501,243 issued and outstanding at December 31, 2019 and 2018 respectively		15,501	15,501
Additional paid-in capital		23,158,339	23,158,339
Accumulated deficit		(23,675,003)	(23,635,727)
Total stockholders' deficit		(496,263)	(456,987)
		\$ -	\$ -

(the accompanying notes are an integral part of these unaudited financial statements)

SPOTLIGHT CAPITAL HOLDINGS, INC.  
STATEMENTS OF OPERATIONS  
(unaudited)

	For the Years Ended December 31	
	2019	2018
GENERAL AND ADMINISTRATIVE		
General and administrative	\$ -	\$ -
Total overhead	-	-
OTHER (INCOME) AND EXPENSES		
Interest	39,276	35,655
Impairment of fixed asset	-	439,169
Gain on cancelation of accounts payable debt	-	(1,200,000)
Total other income (expense)	(39,276)	(725,176)
INCOME FOR THE YEARS	\$ (39,276)	\$ 725,176
NET INCOME PER COMMON SHARE BASIC AND DILUTED	\$ (0.00)	\$ 0.05
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING - BASIC AND DILUTED	15,501,243	15,501,243

(the accompanying notes are an integral part of these unaudited financial statements)

SPOTLIGHT CAPITAL HOLDINGS, INC  
STATEMENTS OF STOCKHOLDERS' EQUITY  
FOR THE YEARS ENDED DECEMBER 31, 2019 AND 2018  
(unaudited)

	Preferred Stock		Common Stock		Additional Paid in Capital	Accumulated Deficit	Total
	Shares	Amount	Shares	Amount			
Balances, December 31, 2017	4,900,000	\$ 4,900	15,501,243	\$ 15,501	\$23,158,339	\$(24,360,903)	\$(1,182,163)
Income for the year ended December 31, 2018	-	-	-	-	-	725,176	725,176
Balances, December 31, 2018	4,900,000	4,900	15,501,243	15,501	23,158,339	(23,635,727)	(456,987)
Loss for the year ended December 31, 2019	-	-	-	-	-	(39,276)	(39,276)
	<u>4,900,000</u>	<u>\$ 4,900</u>	<u>15,501,243</u>	<u>\$ 15,501</u>	<u>\$23,158,339</u>	<u>\$(23,675,003)</u>	<u>\$ (496,263)</u>

(the accompanying notes are an integral part of these unaudited financial statements)

SPOTLIGHT CAPITAL HOLDINGS, INC.  
STATEMENTS OF CASH FLOW  
(unaudited)

	For the Years Ended December 31	
	2019	2018
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income	\$ (39,276)	\$ 725,176
Adjustments to reconcile net loss to net cash used in operating activities:		
Accrued interest	39,276	35,655
Impairment of fixed asset	-	439,169
Changes in operating assets and liabilities		
Gain on cancellation of accounts payable debt	-	(1,200,000)
<b>NET CASH FLOWS USED IN OPERATING ACTIVITIES</b>	-	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
<b>NET CASH FLOWS USED IN INVESTING ACTIVITIES</b>	-	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
<b>NET CASH PROVIDED BY FINANCING ACTIVITIES</b>	-	-
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	-	-
<b>CASH AND CASH EQUIVALENTS - beginning of period</b>	-	-
<b>CASH AND CASH EQUIVALENTS - end of period</b>	\$ -	\$ -
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION</b>		
Cash paid for:		
Interest	\$ -	\$ -
Income taxes	\$ -	\$ -

(the accompanying notes are an integral part of these unaudited financial statements)

SPOTLIGHT CAPITAL HOLDINGS, INC.  
Notes to Financial Statements  
For the Years Ended December 31, 2019 and 2018

**NOTE 1 - ORGANIZATION AND BASIS OF PRESENTATION**

The Company was incorporated, in the State of Colorado, on March 11, 1997, as Peak Vista Capital, Inc. After several other businesses, the new management of Spotlight Capital Holdings, Inc. has developed a business plan, which will include three operating divisions; production of films, production of music and concert promotion.

***Basis of Presentation***

The accompanying unaudited financial statements and related footnotes have been presented on a comparative basis in accordance with accounting principles generally accepted in the United States of America (or U.S. GAAP).

***Going Concern***

The accompanying financial statements have been prepared assuming the Company will continue as a going concern, which contemplates, among other things, the realization of assets and satisfaction of liabilities in the normal course of business. The Company had an accumulated deficit, of \$23,675,003 on December 31, 2019 compared to an accumulated deficit of \$23,635,727 on December 31, 2018; a loss of \$39,276 and income of \$725,176 for the years ended December 31, 2019 and 2018 respectively. The loss, of \$39,276, for the year ended December 31, 2019 was the result of interest accrued on the settlement agreement, compared to the 2018 net income which was the result of writing off an insufficiently documented and recorded, \$1,200,000, payable for management and legal fees, less the impairment of an asset carried at a cost of \$439,169 plus accrued interest of \$35,655. These matters, among others, raise substantial doubt about the Company's ability to continue as a going concern.

While the Company is attempting to generate revenues, the Company's cash position may not be significant enough to support the Company's daily operations. If the Company is unable to obtain additional financing through the issuance of debt or equity, the Company may be unable to continue as a going concern. While the Company believes in the viability of its strategy to generate additional revenues and in its ability to raise additional funds, there can be no assurances to that effect. The financial statements do not include any adjustments relating to the recoverability and classification of assets or the amounts and classifications of liabilities that may result should the Company be unable to continue as a going concern.

**NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES**

This summary of significant accounting policies is presented to assist the reader in understanding and evaluating the Company's financial statements. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

***Use of Estimates***

The preparation of the financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. The more significant estimates and assumptions made by management include allowance for doubtful accounts, inventory valuation, and provision for excess or expired inventory, depreciation of property and equipment, realization of long-lived assets and fair market value of equity instruments issued for goods or services.

***Cash and Cash Equivalents***

As of December 31, 2019, and 2018 the Company had no cash on hand.

#### ***Accounts Receivable and Allowance for Doubtful Accounts***

As of December 31, 2019, and 2018 the Company had no accounts receivable and therefore no need to record an allowance for doubtful accounts.

#### ***Fair Value of Financial Instruments***

The Company's financial instruments consist of accounts payable, accrued expenses and shareholder loans. The carrying amount of these financial instruments approximates fair value due either to length of maturity or interest rates that approximate prevailing market rates unless otherwise disclosed in these financial statements.

#### ***Accounting for Derivative Liabilities***

The Company evaluates stock options, stock warrants or other contracts to determine if those contracts or embedded components of those contracts qualify as derivatives to be separately accounted for under the relevant sections of ASC Topic 815-40, *Derivative Instruments and Hedging: Contracts in Entity's Own Equity*. The result of this accounting treatment could be that the fair value of a financial instrument is classified as a derivative instrument and is marked-to-market at each balance sheet date and recorded as a liability. In the event that the fair value is recorded as a liability, the change in fair value is recorded in the statement of operations as other income or other expense. Upon conversion or exercise of a derivative instrument, the instrument is marked to fair value at the conversion date and then that fair value is reclassified to equity. Financial instruments that are initially classified as equity that become subject to reclassification under ASC Topic 815-40 are reclassified to a liability account at the fair value of the instrument on the reclassification date. The Company determined that it has no financial instruments that meet the criteria for derivative accounting as of December 31, 2019 nor as of December 31, 2018.

#### ***Beneficial Conversion Features***

The Company, may, from time-to-time issue convertible notes that may have conversion prices that create an embedded liability pursuant to accounting guidance. A beneficial conversion feature exists on the date a convertible note is issued when the fair value of the underlying common stock to which the note is convertible into is in excess of the remaining unallocated proceeds of the note after first considering the allocation of a portion of the note proceeds to the fair value of any attached equity instruments, if any related equity instruments were granted with the debt. In accordance with this guidance, the intrinsic value of the beneficial conversion feature is recorded as a debt discount with a corresponding amount to additional paid in capital. The debt discount is amortized to interest expense over the life of the note using the effective interest method. The Company determined that it has no financial instruments that meet the criteria for beneficial conversion as of December 31, 2019 nor as of December 31, 2018.

#### ***Share-Based Compensation***

The Company accounts for stock-based compensation to employees in accordance with FASB ASC 718 Compensation—Stock Compensation. Stock-based compensation to employees is measured at the grant date, based on the fair value of the award, and is recognized as expense over the requisite employee service period. The Company accounts for stock-based compensation to other than employees in accordance with FASB ASC 505-50. Equity instruments issued to other than employees are valued at the earlier of a commitment date or upon completion of the services, based on the fair value of the equity instruments and is recognized as expense over the service period. The Company estimates the fair value of stock-based payments using the Black-Scholes option-pricing model for common stock options and warrants and the latest fair market price of the Company's common stock for common share issuances.

#### ***Property and Equipment***

The Company owned one long term asset which was utilized by previous management to produce revenue. That asset was

appraised by current management and deemed to not be suitable for their business model and was therefore fully impaired after December 31, 2017.

### ***Long-lived Assets***

The Company does not possess any long-lived assets.

### ***Revenue Recognition***

The Company, although not yet generating revenue, adopted Accounting Standards Update (“ASU”) No. 2014-09, *Revenue from Contracts with Customers*, effective March 1, 2018 using the cumulative effect transition method. Two core principles of this new guidance, which was codified into Accounting Standards Codification (“ASC”) Topic 606, *Revenue from Contracts with Customers*, are that an entity should (a) measure revenue in connection with its sale of goods and services to a customer based on the consideration to which the entity expects to be entitled in exchange for each of those goods and services and (b) recognize revenue upon satisfaction of its performance obligations under the contract. An entity’s performance obligation is considered satisfied when (or as) control of the promised goods and services are transferred to the customer.

### ***Income Taxes***

The Company uses the liability method of accounting for income taxes under the asset and liability method prescribed under ASC 740, *Income Taxes*. The liability method measures deferred income taxes by applying enacted statutory rates in effect at the balance sheet date to the differences between the tax basis of assets and liabilities and their reported amounts on the financial statements. The resulting deferred tax assets or liabilities have been adjusted to reflect changes in tax laws as they occur. A valuation allowance is provided when it is more likely than not that a deferred tax asset will not be realized.

The Company expects to recognize the financial statement benefit of an uncertain tax position only after considering the probability that a tax authority would sustain the position in an examination. For tax positions meeting a “more-likely-than-not” threshold, the amount to be recognized in the financial statements will be the benefit expected to be realized upon settlement with the tax authority. For tax positions not meeting the threshold, no financial statement benefit is recognized. As of December 31, 2019, and 2018, the Company had no uncertain tax positions. The Company recognizes interest and penalties, if any, related to uncertain tax positions as general and administrative expenses. The Company currently has no federal tax examinations nor has it had any federal income tax penalties since its inception.

### ***Net Income (Loss) Per Share***

Basic net income (loss) per share is calculated by dividing net income (loss) by the weighted-average common shares outstanding. Diluted net income per share is calculated by dividing net income by the weighted-average common shares outstanding during the period using the treasury stock method. No potentially dilutive securities were included in the calculation of diluted earnings per share as the impact would have been anti-dilutive. Therefore, basic and dilutive net income (loss) per share were the same.

### ***New Accounting Pronouncements***

The Financial Accounting Standards Board, or FASB, has issued Accounting Standards Update No. 2014-09, *Revenue from contracts with Customers (Topic 606)*, or ASU 606. ASU 606 provides guidance outlining a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers in an amount that supersedes most current revenue recognition guidance. This guidance requires us to recognize revenue when we transfer promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. We are required to adopt ASU 606 at the beginning of our first quarter of fiscal 2019. The new guidance requires enhanced disclosures, including revenue recognition policies to identify performance obligations to customers and significant judgments in measurement and recognition. The new guidance may be applied retrospectively to each prior period presented or retrospectively with the cumulative effect recognized as of the date of the adoption. We will apply the guidance when adopted, and provide the relevant disclosures in the first interim and annual periods in which we adopt the

guidance. We do not expect the adoption of this guidance to have a material impact on our financial statements within any accounting period presented. Starting in the second quarter of 2014, the FASB issued guidance applicable to revenue recognition that will be effective for the Company for the year ending December 31, 2019. The new guidance must be adopted using either a full retrospective approach for all periods presented or a modified retrospective approach. The Company believes that there will not be a material impact on its financial statements.

The FASB issued ASU No. 2014-15, *Presentation of Financial Statements—Going Concern, Disclosure of Uncertainties about an Entity’s Ability to Continue as a Going Concern*. The core principle of the new guidance is that management of public and private companies is required to evaluate whether there are conditions and events that raise substantial doubt about the entity’s ability to continue as a going concern within one year after the financial statements are issued (or available to be issued when applicable) and, if so, disclose that fact. Management will be required to make this evaluation.

In March 2016, the FASB issued ASU No. 2016-09, *Compensation- Stock Compensation (Topic 718): Improvements to Employee Share-Based Payment Accounting*. The new standard requires recognition of the income tax effects of vested or settled awards in the income statement and involves several other aspects of the accounting for share-based payment transactions, including the income tax consequences, classification of awards as either equity or liabilities and classification on the statement of cash flows. This new standard was effective for the Company on January 31, 2017. The adoption of this standard is not expected to have a material impact on its financial position, results of operations or statements of cash flows upon adoption.

In August 2016, the FASB issued Accounting Standards Update No. 2016-15, *Classification of Certain Cash Receipts and Cash Payments (a consensus of the Emerging Issues Task Force)* (“ASU 201615”). The amendments in ASU 2016-15 address eight specific cash flow issues and apply to all entities that are required to present a statement of cash flows under ASC Topic 230, *Statement of Cash Flows*. The amendments in ASU 2016-15 are effective for public business entities for fiscal years beginning after December 15, 2017, and interim periods within those fiscal years. Early adoption is permitted, including adoption during an interim period. The Company has not yet completed the analysis of how adopting this guidance will affect its consolidated financial statements.

In October 2016, the FASB issued ASU No. 2016-16, *Income Taxes (Topic 740): Intra-Entity Transfer of Assets Other Than Inventory*. This new standard eliminates the exception for an intra-entity transfer of an asset other than inventory. Under the new standard, entities should recognize the income tax consequences on an intra-entity transfer of an asset other than inventory when the transfer occurs. This new standard will be effective for the Company on February 1, 2018 and will be applied on a modified retrospective basis through a cumulative effect adjustment directly to retained earnings as of the beginning of the period of adoption. The Company is currently evaluating the potential impact this standard may have on its financial position and results of operations.

In November 2016, the FASB issued Accounting Standards Update No. 2016-18, *Restricted Cash (a consensus of the FASB Emerging Issue Task Force)* (“ASU 2016-18”). This new standard addresses the diversity that exists in the classification and presentation of changes in restricted cash on the statement of cash flows. The amendments in ASU 2016-18 require that a statement of cash flows explain the change during the period in the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. Therefore, amounts generally described as restricted cash and restricted cash equivalents should be included with cash and cash equivalents when reconciling the beginning of period and end of period total amounts shown on the statement of cash flows. This guidance is effective for fiscal years beginning after December 15, 2017, including interim periods within the year of adoption, with early adoption permitted. The Company does not expect that the adoption of ASU 2016-18 will have a material impact on its financial statements.

In January 2017, the FASB issued ASU No. 2017-01, *Business Combinations (Topic 805): Clarifying the Definition of a Business*. This new standard clarifies the definition of a business and provides a screen to determine when an integrated set of assets and activities is not a business. The screen requires that when substantially all of the fair value of the gross assets acquired (or disposed of) is concentrated in a single identifiable asset or a group of similar identifiable assets, the set is not a business. This new standard will be effective for the Company on February 1, 2018; however, early adoption is permitted with prospective application to any business development transaction.

In January 2017, the FASB issued Accounting Standards Update No. 2017-04, *Simplifying the Test for Goodwill*



*Impairment* (“ASU 2017-04”). ASU 201704 simplifies the accounting for goodwill impairment by removing Step 2 of the goodwill impairment test, which requires a hypothetical purchase price allocation. ASU 2017-04 is effective for annual or interim goodwill impairment tests in fiscal years beginning after December 15, 2019 and should be applied on a prospective basis. Early adoption is permitted for interim or annual goodwill impairment tests performed on testing dates after January 1, 2017. The Company does not anticipate the adoption of ASU 2017-04 will have a material impact on its financial statements for both annual and interim reporting periods, if applicable. Management also is required to evaluate and disclose whether its plans alleviate that doubt. The standard is effective for the Company on February 1, 2018 and will be implemented using the modified retrospective approach. The Company does not expect the adoption of this guidance to have a material effect on the Company’s financial statements.

In November 2015, the FASB issued Accounting Standards Update No. 2015-17, *Balance Sheet Classification of Deferred Taxes* (“ASU 2015-17”). ASU 2015-17 requires companies to classify all deferred tax assets and liabilities as noncurrent on the balance sheet instead of separating deferred taxes into current and noncurrent amounts. The guidance is effective for financial statements issued for annual periods beginning after December 15, 2016, and interim periods within those annual periods. Early adoption is permitted. The guidance may be adopted on either a prospective or retrospective basis. The Company does not expect the adoption of this guidance to have a material effect on the Company’s financial statements

### **NOTE 3 – INVENTORY**

The Company had no inventory on hand on December 31, 2019 and 2018.

### **NOTE 4 – NOTES PAYABLE**

On September 5, 2013 the Company entered into a Confidential Settlement Agreement to settle a litigation issue. The amount of settlement was \$230,000 with annual interest of 10%, a nine month maturity date and secured by a number of preferred shares with a value of \$230,000. No demand for payment has been made.

During 2015 Company borrowed a net of \$72,960 from our President. The note is non-interest bearing, unsecured and repayable, on demand. To date, no demand has been made.

### **NOTE 5 – RELATED PARTY DEBT AND TRANSACTIONS**

During 2015, the Company borrowed \$75,000 and repaid \$2,040, from a related party. The note is unsecured, bears no interest and is repayable on demand. 36 equal monthly payments of \$154 principal and interest. On October 31, 2018 the balance was reduced by \$505.

### **NOTE 6 – STOCKHOLDER'S EQUITY**

#### ***Preferred Stock***

The Company is authorized to issue 10,000,000 shares of preferred stock, par value of \$0.001. There are 4,900,000 issued and outstanding.

#### ***Common Stock***

The Company is authorized to issue 10,000,000 shares of common stock, \$0.001 par value. There are 15,501,243 common shares outstanding on December 31, 2019.

### **NOTE 7– INCOME TAXES**

The Company has not been able to determine its net operating loss carryover. Due to the change in ownership provisions of the Tax Reform Act of 1986, net operating loss carry forward for Federal income tax reporting purposes are subject to annual limitations. If a change in ownership occurs, n years. The Company is presently attempting to determine when its last tax returns were filed. On December 22, 2017, the Tax Act was signed into law making significant changes to the Internal Revenue Code. Changes include, but are not limited to, a corporate tax rate decrease from 35% to 21%, effective for tax years beginning after December 31, 2017. We use the asset and liability method of accounting for income taxes. Under this method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to reverse. As a result of the reduction in the U.S. corporate income tax rate from 35% to 21% under the Tax Act, we revalued our ending net deferred tax assets at October 31, 2018, which were fully offset by a valuation allowance.

Future tax benefits for these net operating loss carry-forwards are recognized to the extent that realization of these benefits is considered more likely than not. To the extent that we will not realize a future tax benefit, a valuation allowance is established. The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities are presented below:

The Company is not able to calculate the cumulative tax effect at the expected rate of 21%.

#### **NOTE 8 – SUBSEQUENT EVENTS**

The Company has evaluated all other subsequent events through May 17, 2020, which is the date these consolidated financial statements were issued and found there are no other events to report.

SPOTLIGHT CAPITAL HOLDINGS, INC.  
BALANCE SHEETS  
(unaudited)

	September 30 2020	December 31 2019
<b>ASSETS</b>		
<b>OTHER ASSETS</b>		
Cash and cash equivalents	\$ 600	\$ -
Total other assets	600	-
Total assets	\$ 600	\$ -
<b>LIABILITIES AND STOCKHOLDERS' DEFICIT</b>		
<b>CURRENT LIABILITIES</b>		
Related party loan	\$ 78,760	\$ 72,960
Accrued interest	225,910	193,303
Settlement agreement	230,000	230,000
Total current liabilities	534,670	496,263
<b>STOCKHOLDERS' DEFICIT</b>		
Preferred stock, \$0.001 par value; 10,000,000 shares authorized; 4,900,000 issued and outstanding at September 30, 2020 and December 31, 2019	4,900	4,900
Common stock, \$0.001 par value; 500,000,000 shares authorized; 15,501,243 issued and outstanding at September 30, 2020 and December 31, 2019	15,501	15,501
Additional paid-in capital	23,158,339	23,158,339
Accumulated deficit	(23,712,810)	(23,675,003)
Total stockholders' deficit	(534,070)	(496,263)
	\$ 600	\$ -

**NOTE: In the opinion of management, all adjustments necessary in order to make the interim financial statements not misleading have been included**

(the accompanying notes are an integral part of these unaudited financial statements)

SPOTLIGHT CAPITAL HOLDINGS, INC.  
STATEMENTS OF OPERATIONS  
(unaudited)

	For the Three Months Ended September 30		For the Nine Months Ended September 30	
	2020	2019	2020	2019
GENERAL AND ADMINISTRATIVE				
General and administrative	\$ 3,000	\$ -	\$ 5,200	\$ -
Total overhead	3,000	-	5,200	-
OTHER EXPENSES				
Interest	11,218	9,373	32,607	28,434
Total other expense	11,218	9,373	32,607	28,434
LOSS FOR THE PERIODS	\$ 14,218	\$ 9,373	\$ 37,807	\$ 28,434
NET INCOME PER COMMON SHARE BASIC AND DILUTED	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING - BASIC AND DILUTED	15,501,243	15,501,243	15,501,243	15,501,243

NOTE: In the opinion of management, all adjustments necessary in order to make the interim financial statements not misleading have been included

(the accompanying notes are an integral part of these unaudited financial statements)

SPOTLIGHT CAPITAL HOLDINGS, INC  
STATEMENTS OF STOCKHOLDERS' EQUITY

For the Nine months ended September 30, 2020 and 2019 and the Years Ended December 31, 2019 and 2018

	Preferred Stock		Common Stock		Additional Paid in Capital	Accumulated Deficit	Total
	Shares	Amount	Shares	Amount			
Balances, December 31, 2017	4,900,000	\$4,900	15,501,243	\$15,501	\$23,158,339	\$(24,360,903)	\$ (1,182,163)
Income for the year ended December 31, 2018	-	-	-	-	-	725,176	725,176
Balances, December 31, 2018	4,900,000	4,900	15,501,243	15,501	23,158,339	(23,635,727)	(456,987)
Loss for the nine months ended September 30, 2019	-	-	-	-	-	(28,434)	(28,434)
Balances, September 30, 2019	4,900,000	4,900	15,501,243	15,501	23,158,339	(23,664,161)	(485,421)
Loss for the three months ended December 31, 2019	-	-	-	-	-	(10,842)	(10,842)
Balances, December 31, 2019	9,800,000	\$9,800	31,002,486	\$31,002	\$46,316,678	\$(47,339,164)	\$(981,684)
Loss for nine months ended September 30, 2020	-	-	-	-	-	(37,807)	(37,807)
Balances, Sept 30, 2020	9,800,000	\$9,800	31,002,486	\$31,002	\$46,316,678	\$(47,376,971)	\$(1,019,491)

**NOTE: In the opinion of management, all adjustments necessary in order to make the interim financial statements not misleading have been included**

(the accompanying notes are an integral part of these unaudited financial statements)

SPOTLIGHT CAPITAL HOLDINGS, INC.  
STATEMENTS OF CASH FLOW  
(unaudited)

	For the Nine Months Ended September 30	
	2020	2019
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Loss	\$ (23,589)	\$ (28,434)
Adjustments to reconcile net loss to net cash used in operating activities:		
Overhead paid to third parties by related party	2,200	-
Accrued interest	32,607	28,434
NET CASH FLOWS USED IN IPERATING ACTIVITIES	-	-
CASH FLOWS FROM INVESTING ACTIVITIES		
NET CASH FLOWS USED IN INVESTING ACTIVITIES	-	-
CASH FLOWS FROM FINANCING ACTIVITES		
NET CASH PROVIDED BY FINANCING ACTIVITIES	-	-
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	-	-
CASH AND CASH EQUIVALENTS - beginning of period	-	-
CASH AND CASH EQUIVALETS - end of period	\$ -	\$ -
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid for:		
Interest	\$ -	\$ -
Income Taxes	\$ -	\$ -

**NOTE: In the opinion of management, all adjustments necessary in order to make the interim financial statements not misleading have been included**

(the accompanying notes are an integral part of these unaudited financial statements)

SPOTLIGHT CAPITAL HOLDINGS, INC.  
Notes to Financial Statements  
For the Nine Months Ended September 30, 2020

**NOTE 1 - ORGANIZATION AND BASIS OF PRESENTATION**

The Company was incorporated, in the State of Colorado, on March 11, 1997, as Peak Vista Capital, Inc. After several other businesses, the new management of Spotlight Capital Holdings, Inc. has developed a business plan, which will include three operating divisions; production of films, production of music and concert promotion.

***Basis of Presentation***

The accompanying unaudited financial statements and related footnotes have been presented on a comparative basis in accordance with accounting principles generally accepted in the United States of America (or U.S. GAAP).

***Going Concern***

The accompanying financial statements have been prepared assuming the Company will continue as a going concern, which contemplates, among other things, the realization of assets and satisfaction of liabilities in the normal course of business. The Company had an accumulated deficit of \$23,712,810 as of September 30, 2020 and \$23,675,003 on December 31, 2019; losses of \$37,807 and \$28,434 for the nine months ended September 30, 2020 and, 2019 respectively. The losses are the result of interest accrued on the settlement agreement plus \$5,200 in administrative overhead. If the Company is unable to obtain additional financing through the issuance of debt or equity, the Company may be unable to continue as a going concern. While the Company believes in the viability of its strategy to generate additional revenues and in its ability to raise additional funds, there can be no assurances to that effect. The financial statements do not include any adjustments relating to the recoverability and classification of assets or the amounts and classifications of liabilities that may result should the Company be unable to continue as a going concern.

**NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES**

This summary of significant accounting policies is presented to assist the reader in understanding and evaluating the Company's financial statements. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

***Use of Estimates***

The preparation of the financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. The more significant estimates and assumptions made by management include allowance for doubtful accounts, inventory valuation, and provision for excess or expired inventory, depreciation of property and equipment, realization of long-lived assets and fair market value of equity instruments issued for goods or services.

***Cash and Cash Equivalents***

As of September 30, 2020, and December 31, 2019 the Company had \$600 and no cash on hand.

***Accounts Receivable and Allowance for Doubtful Accounts***

As of September 30, 2020, and December 31, 2019 the Company had no accounts receivable and therefore no need to record an allowance for doubtful accounts.





### ***Fair Value of Financial Instruments***

The Company's financial instruments consist of accounts payable, accrued expenses and shareholder loans. The carrying amount of these financial instruments approximates fair value due either to length of maturity or interest rates that approximate prevailing market rates unless otherwise disclosed in these financial statements.

### ***Accounting for Derivative Liabilities***

The Company evaluates stock options, stock warrants or other contracts to determine if those contracts or embedded components of those contracts qualify as derivatives to be separately accounted for under the relevant sections of ASC Topic 815-40, *Derivative Instruments and Hedging: Contracts in Entity's Own Equity*. The result of this accounting treatment could be that the fair value of a financial instrument is classified as a derivative instrument and is marked-to-market at each balance sheet date and recorded as a liability. In the event that the fair value is recorded as a liability, the change in fair value is recorded in the statement of operations as other income or other expense. Upon conversion or exercise of a derivative instrument, the instrument is marked to fair value at the conversion date and then that fair value is reclassified to equity. Financial instruments that are initially classified as equity that become subject to reclassification under ASC Topic 815-40 are reclassified to a liability account at the fair value of the instrument on the reclassification date. The Company determined that it has no financial instruments that meet the criteria for derivative accounting as of September 30, 2020.

### ***Beneficial Conversion Features***

The Company, may, from time-to-time issue convertible notes that may have conversion prices that create an embedded liability pursuant to accounting guidance. A beneficial conversion feature exists on the date a convertible note is issued when the fair value of the underlying common stock to which the note is convertible into is in excess of the remaining unallocated proceeds of the note after first considering the allocation of a portion of the note proceeds to the fair value of any attached equity instruments, if any related equity instruments were granted with the debt. In accordance with this guidance, the intrinsic value of the beneficial conversion feature is recorded as a debt discount with a corresponding amount to additional paid in capital. The debt discount is amortized to interest expense over the life of the note using the effective interest method. The Company determined that it has no financial instruments that meet the criteria for beneficial conversion as of September 30, 2020 nor December 31, 2019.

### ***Share-Based Compensation***

The Company accounts for stock-based compensation to employees in accordance with FASB ASC 718 Compensation—Stock Compensation. Stock-based compensation to employees is measured at the grant date, based on the fair value of the award, and is recognized as expense over the requisite employee service period. The Company accounts for stock-based compensation to other than employees in accordance with FASB ASC 505-50. Equity instruments issued to other than employees are valued at the earlier of a commitment date or upon completion of the services, based on the fair value of the equity instruments and is recognized as expense over the service period. The Company estimates the fair value of stock-based payments using the Black-Scholes option-pricing model for common stock options and warrants and the latest fair market price of the Company's common stock for common share issuances.

### ***Property and Equipment***

The Company owned one long term asset which was utilized by previous management to produce revenue. That asset was appraised by current management and deemed to not be suitable for their business model and was therefore fully impaired after December 31, 2017.

### ***Long-lived Assets***

The Company does not possess any long-lived assets.

### ***Revenue Recognition***

The Company, although not yet generating revenue, adopted Accounting Standards Update (“ASU”) No. 2014-09, *Revenue from Contracts with Customers*, effective March 1, 2018 using the cumulative effect transition method. Two core principles of this new guidance, which was codified into Accounting Standards Codification (“ASC”) Topic 606, *Revenue from Contracts with Customers*, are that an entity should (a) measure revenue in connection with its sale of goods and services to a customer based on the consideration to which the entity expects to be entitled in exchange for each of those goods and services and (b) recognize revenue upon satisfaction of its performance obligations under the contract. An entity’s performance obligation is considered satisfied when (or as) control of the promised goods and services are transferred to the customer.

### ***Income Taxes***

The Company uses the liability method of accounting for income taxes under the asset and liability method prescribed under ASC 740, *Income Taxes*. The liability method measures deferred income taxes by applying enacted statutory rates in effect at the balance sheet date to the differences between the tax basis of assets and liabilities and their reported amounts on the financial statements. The resulting deferred tax assets or liabilities have been adjusted to reflect changes in tax laws as they occur. A valuation allowance is provided when it is more likely than not that a deferred tax asset will not be realized.

The Company expects to recognize the financial statement benefit of an uncertain tax position only after considering the probability that a tax authority would sustain the position in an examination. For tax positions meeting a “more-likely-than-not” threshold, the amount to be recognized in the financial statements will be the benefit expected to be realized upon settlement with the tax authority. For tax positions not meeting the threshold, no financial statement benefit is recognized. As of March 31, 2020, and December 31, 2019, the Company had no uncertain tax positions. The Company recognizes interest and penalties, if any, related to uncertain tax positions as general and administrative expenses. The Company currently has no federal tax examinations nor has it had any federal income tax penalties since its inception.

### ***Net Income (Loss) Per Share***

Basic net income (loss) per share is calculated by dividing net income (loss) by the weighted-average common shares outstanding. Diluted net income per share is calculated by dividing net income by the weighted-average common shares outstanding during the period using the treasury stock method. No potentially dilutive securities were included in the calculation of diluted earnings per share as the impact would have been anti-dilutive. Therefore, basic and dilutive net income (loss) per share were the same.

### ***New Accounting Pronouncements***

The Financial Accounting Standards Board, or FASB, has issued Accounting Standards Update No. 2014-09, *Revenue from contracts with Customers (Topic 606)*, or ASU 606. ASU 606 provides guidance outlining a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers in an amount that supersedes most current revenue recognition guidance. This guidance requires us to recognize revenue when we transfer promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. We are required to adopt ASU 606 at the beginning of our first quarter of fiscal 2019. The new guidance requires enhanced disclosures, including revenue recognition policies to identify performance obligations to customers and significant judgments in measurement and recognition. The new guidance may be applied retrospectively to each prior period presented or retrospectively with the cumulative effect recognized as of the date of the adoption. We will apply the guidance when adopted, and provide the relevant disclosures in the first interim and annual periods in which we adopt the guidance. We do not expect the adoption of this guidance to have a material impact on our financial statements within any accounting period presented. Starting in the second quarter of 2014, the FASB issued guidance applicable to revenue recognition that will be effective for the Company for the year ending December 31, 2020. The new guidance must be adopted using either a full retrospective approach for all periods presented or a modified retrospective approach. The Company believes that there will not be a material impact on its financial statements.

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In January 2017, the FASB issued Accounting Standards Update No. 2017-04, *Simplifying the Test for Goodwill Impairment* ("ASU 2017-04"). ASU 2017-04 simplifies the accounting for goodwill impairment by removing Step 2 of the goodwill impairment test, which requires a hypothetical purchase price allocation. ASU 2017-04 is effective for annual or interim goodwill impairment tests in fiscal years beginning after December 15, 2019 and should be applied on a prospective basis. Early adoption is permitted for interim or annual goodwill impairment tests performed on testing dates after January 1, 2017. The Company does not anticipate the adoption of ASU 2017-04 will have a material impact on its financial

statements for both annual and interim reporting periods, if applicable. Management also is required to evaluate and disclose whether its plans alleviate that doubt. The standard is effective for the Company on February 1, 2018 and will be implemented using the modified retrospective approach. The Company does not expect the adoption of this guidance to have a material effect on the Company's financial statements.

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### **NOTE 3 – INVENTORY**

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### **NOTE 4 – NOTES PAYABLE**

On September 5, 2013 the Company entered into a Confidential Settlement Agreement to settle a litigation issue. The amount of settlement was \$230,000 with annual interest of 10%, a nine month maturity date and secured by a number of preferred shares with a value of \$230,000. No demand for payment has been made.

During 2015 Company borrowed a net of \$72,960 from our President. The note is non-interest bearing, unsecured and repayable, on demand. To date, no demand has been made.

### **NOTE 5 – RELATED PARTY DEBT AND TRANSACTIONS**

During 2015, the Company borrowed \$75,000 and repaid \$2,040, from a related party. The note is unsecured, bears no interest and is repayable on demand. During the three months ended September 30, 2020, the related party contributed \$3,500 as an working capital loan and paid \$2,200 directly to third parties.

### **NOTE 6 – STOCKHOLDER'S EQUITY**

#### ***Preferred Stock***

The Company is authorized to issue 10,000,000 shares of preferred stock, par value of \$0.001. There are 4,900,000 issued and outstanding at June 30, 2020.

#### ***Common Stock***

The Company is authorized to issue 10,000,000 shares of common stock, \$0.001 par value. There are 15,501,243 common shares outstanding on June 30, 2020.

### **NOTE 7– INCOME TAXES**

The Company has not been able to determine its net operating loss carryover. Due to the change in ownership provisions of the Tax Reform Act of 1986, net operating loss carry forward for Federal income tax reporting purposes are subject to annual limitations. If a change in ownership occurs, net operating loss carry forward may be limited as to its use in future years. The Company is presently attempting to determine when its last tax returns were filed.

On December 22, 2017, the Tax Act was signed into law making significant changes to the Internal Revenue Code. Changes

include, but are not limited to, a corporate tax rate decrease from 35% to 21%, effective for tax years beginning after December 31, 2017. We use the asset and liability method of accounting for income taxes. Under this method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to reverse. As a result of the reduction in the U.S. corporate income tax rate from 35% to 21% under the Tax Act, we revalued our ending net deferred tax assets at March 31, 2020, which were fully offset by a valuation allowance.

Future tax benefits for these net operating loss carry-forwards are recognized to the extent that realization of these benefits is considered more likely than not. To the extent that we will not realize a future tax benefit, a valuation allowance is established. The tax effects of temporary differences that give rise to significant portions of the deferred tax assets and deferred tax liabilities are presented below:

The Company is not able to calculate the cumulative tax effect at the expected rate of 21%.

#### **NOTE 8 – SUBSEQUENT EVENTS**

The Company has evaluated all other subsequent events through October 26, 2020, which is the date these financial statements were issued and found there are no other events to report.

##### **Item 16. Index to Exhibits**

Exhibit 1.2a - Charter and By-Laws  
Exhibit 1.7 - Plan of Re-Organization/Arrangement  
Exhibit 1.12 - Opinion re Legality  
Exhibit 1.16 - Additional Exhibit “Resignation of General Counsel”

##### **Item 17. Descriptions of Exhibits**

Exhibit 1A - 2a is the latest amended articles of incorporation and the By-Laws of the corporation. The articles of incorporation attached changes the name of the company from AvStar Aviation Group, Inc. to Spotlight Capital holdings, Inc. The bylaws outline the working rules of the corporation.

Exhibit 1A - 7 Is a resolution authorizing reverse split of common stock of the company, which results in the current attractive capital structure.

Exhibit 1A - 12 is the legal opinion of outside counsel that discusses the trade-ability of the stock being offered by the company pursuant to the JOBS Act.

Exhibit 1A - 16 is a resignation letter by former General counsel, Mr. Andre' L. Ligon, as accepted by the CEO, Mr. Johnson.

#### **SIGNATURES**

Pursuant to the requirements of Regulation A, the issuer certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form 1-A and has duly caused this offering statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Houston, in the State of Texas, on January 23<sup>rd</sup>, 2021. This offering statement has been signed by the following persons in the capacities and on the dates indicated.

(Exact name of issuer as specified in its charter) Spotlight Capital Holdings, Inc.

By (Signature and Title) /s/ Aaron C. Johnson February 9<sup>th</sup>, 2021

Printed Name, Position Aaron C. Johnson, Chief Executive Officer

By (Signature and Title) /s/ Aaron C. Johnson February 9<sup>th</sup>, 2021

Printed Name, Position Aaron C. Johnson, Chairman of the Board

By (Signature and Title) /s/ Aaron C. Johnson February 9<sup>th</sup>, 2021

Printed Name, Position Aaron C. Johnson, Treasurer

This document has been filed electronically to the STATE OF COLORADO Secretary of State.

Paper documents will not be accepted.

ID Number: 19971037266

Document number: 20141556954

FIRST AMENDED AND RESTATED ARTICLES OF INCORPORATION OF AVSTAR AVIATION GROUP, INC. (changing its name hereby to "Spotlight Capital Holdings, INC")

These Amended and Restated Articles of Incorporation correctly set forth, amend, and restate, the provisions of the Articles of Incorporation of Pangea Petroleum Corp., changing its name hereby to "Spotlight Capital Holdings, INC"(the "Corporation"), as amended and currently in effect. These Amended and Restated Articles of Incorporation contain amendments that were adopted by the board of directors of the Corporation. These Amended and Restated Articles of Incorporation supersede all other Articles of Incorporation of the Corporation and all amendments and Articles of Amendment thereto. The Articles of Incorporation of the Corporation are hereby amended and restated in the following manner:

ARTICLE 1

The name of the corporation shall be Spotlight Capital Holdings, NC.

ARTICLE 11

The purpose for which the corporation is organized is to transact all lawful business for which corporations may be incorporated pursuant to the Colorado Corporation Code. The corporation shall have the powers provided for in the Colorado Corporation Code with respect to corporations.

ARTICLE 111

The total number of shares of stock that the Corporation shall have authority to issue is Five Hundred and Ten Million (510,000,000) consisting of Five Hundred Million (500,000,000) shares of Common Stock, par value \$.001 per share ("Common Stock"), and Ten Million (10,000,000) shares of Preferred Stock, par value \$.001 per share ("Preferred Stock"). Shares of Preferred Stock of the Corporation may be issued from time to time in one or more series, each of which shall have such distinctive designation or title as shall be determined by the Board of Directors of the Corporation ("Board of Directors") prior to the issuance of any shares thereof. Preferred Stock shall have such voting powers, full or limited, or no voting powers, and such preferences and relative, participating, optional or other special rights and such qualifications, limitations or restrictions thereof, as shall be stated in such resolution or resolutions providing for the issue of such class or series of Preferred Stock as maybe adopted from time to time by the Board of Directors prior to the issuance of any shares thereof. The number of authorized shares of Preferred Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by the affirmative vote of the holders of a majority of the voting power of all the then outstanding shares of the capital stock of the corporation entitled to vote generally in the election of the Directors (the "Voting Stock"), voting together as

a single class, without a separate vote of the holders of the Preferred Stock, or any series thereof, unless a vote of any such holders is required pursuant to any Preferred Stock Designation.

Upon the effectiveness of the filing with the Secretary of the State of Colorado of this First Amended and Restated Articles of Incorporation adding this paragraph to the

Corporations Articles Of Incorporation each Fifty (50) Shares of Stock issued and outstanding immediately prior to the filing of such First Amended and Restated Articles of Incorporation as aforesaid shall be combined into one (1) share of validly issued fully paid and non-assessable Common stock. As soon as practicable after such date; the Corporation shall request holders of the Common Stock to be combined in accordance with the preceding to surrender certificates representing their Common Stock to the Corporation's authorized agent, and each such shareholder shall receive upon such surrender one or more stock certificates to evidence and represent the number of shares provided for herein; provided, however that this Corporation shall not issue fractional shares of Common Stock in connection with this combination, but all fractional shares that would otherwise result shall be rounded up to one whole share of Common Stock.

After the shares of common stock has been combined per the ratio described above, the Company will still have the authority to issue Five Hundred Million (500,000,000) shares of common stock.

#### ARTICLE IV

The corporation shall have perpetual existence.

#### ARTICLE V

The governing board of this corporation shall be known as the Board of Directors, and the number of directors may from time to time be increased or decreased in such manner as shall be provided by the By-laws of this corporation.

In furtherance and not in limitation of the powers conferred by statute, the Board of Directors is expressly authorized:

- a) To manage and govern the corporation by majority vote of members present at any regular or special meeting at which a quorum shall be present unless the act of a greater number is required by the laws of the state of incorporation, these Articles of Incorporation, or the Bylaws of the Corporation.
- b) To make, alter, or amend the Bylaws of the corporation at any regular or special meeting.
- c) To fix the amount to be reserved as working capital over and above its capital stock paid in.
- d) To authorize and cause to be executed mortgages and liens upon the real and personal property of this corporation.
- e) To designate one or more committees, each committee to consist of two or more of the directors of the corporation, which, to the extent provided by resolution or in the Bylaws of the corporation, shall have and may exercise the powers of the Board of Directors in the management of the business and affairs of the corporation. Such committee or committees shall have such name or names as may be stated in the Bylaws of the corporation or as may be determined from time to time by resolution adopted by the Board of Directors.

The Board of Directors shall have power and authority to sell, lease, exchange or otherwise dispose of all or substantially all of the property and assets of the



corporation, if in the usual and regular course of its business, upon such terms and conditions as the Board of Directors may determine without vote or consent of its shareholders.

The Board of Directors shall have power and authority to sell, lease, exchange or otherwise dispose of all or substantially all the property or assets of the corporation, including its goodwill, if not in the usual and regular course of its business, upon such terms and conditions as the Board of Directors may determine, provided that such sale shall be authorized or ratified by the affirmative vote of the shareholders of at least a majority of the shares entitled to vote thereon at a shareholders' meeting called for that purpose, or when authorized or ratified by written consent of the shareholders. The Board of Directors shall have the power and authority to merge or consolidate the corporation upon such terms and conditions as the Board of Directors may authorize, provided that such merger or consolidation is approved or ratified by the affirmative vote of the shareholders of at least a majority of the shares entitled to vote thereon at a shareholders meeting called for that purpose, or when authorized or ratified by the written consent of the shareholders.

The corporation shall be dissolved upon the affirmative vote of the shareholders of at least a majority of the shares entitled to vote thereon at a meeting called for that purpose, or when authorized or ratified by the written consent of the shareholders.

The corporation shall revoke voluntary dissolution proceedings upon the affirmative vote of the shareholders of at least a majority of the shares entitled to vote at a meeting called for that purpose, or when authorized or ratified by the written consent of the shareholders.

## ARTICLE VI

The following provisions are inserted for the management of the business and for the conduct of the affairs of the corporation, and the same are in furtherance of and not in limitation of the powers conferred by law.

No contract or other transactions of the corporation with any other person, firm or corporation, or in which this corporation is interested, shall be affected or invalidated by (a) the fact that any one or more of the directors or officers of this corporation is interested in or is a director or officer of such other firm or corporation; or (b) the fact that any director or officer of this corporation, individually or jointly with others, may be a party to or may be interested in any such contract or transaction, so long as the contract or transaction is authorized, approved or ratified at a meeting of the Board of Directors by sufficient vote thereon by directors not interested therein, to whom such fact or relationship or interest has been disclosed, or so long as the contract or transaction is fair and reasonable to the corporation. Each person who may become a director or officer of the corporation is hereby relieved from any liability that might otherwise arise by reason of his contracting with the corporation for the benefit of himself or any firm or corporation in which he may be in any way interested.

The officers, directors and other members of management of this corporation shall be subject to the doctrine of corporate opportunities only in so far as it applies to business opportunities in which this corporation has expressed an interest as determined from time to time by the corporation's Board of Directors as evidenced by resolutions appearing in the corporation's minutes. When such areas of interest are delineated, all such business opportunities within such areas of interest which come to the attention of the officers, directors and other members of management of this corporation shall be disclosed promptly to this corporation and made available to it. The Board of Directors may reject any business opportunity presented to it and

thereafter any officer, director or other member of management may avail himself of such opportunity. Until such time as this corporation, through its Board of Directors, has designated an area of interest, the officers, directors and other members of management of this corporation shall be free to engage in such areas of interest on their own, and the provisions hereof shall not limit the rights of any officer, director or other member of management of this corporation to continue a business existing prior to the time that such area of interest is designated by this corporation. This provision shall not be construed to release any employee of the corporation (other than an officer, director or member of management) from any duties which he may have to the corporation.

## ARTICLE VII

Each director and officer of the corporation shall be indemnified by the corporation as follows:

a) The corporation shall indemnify any person who was or is a party, or is threatened to be made a party, to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation), by reason of the fact that he, or she, is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement, actually and reasonably incurred by him, or her, in connection with such action, suit or proceeding, if he, or she, acted in good faith and in a manner he, or she, reasonably believed to be in, or not opposed to, the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent, shall not of itself create a presumption that the person did not act in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the corporation and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

b) The corporation shall indemnify any person who was or is a party, or is threatened to be made a party, to any threatened, pending or completed action or suit by or in the right of the corporation, to procure a judgment in its favor by reason of the fact that he is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorney's fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit, if he acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the corporation, except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the corporation, unless, and only to the extent that, the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability, but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnification for such expenses which such court deems proper.

c) To the extent that a director, officer, employee or agent of the corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding

referred to -in Sections (a) and (b) of this Article, or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith.

d) Any indemnification under Section (a) or (b) of this Article (unless ordered by a court) shall be made by the corporation only as authorized in the specific case upon a determination that indemnification of the officer, director and employee or agent is proper in the circumstances, because he has met the applicable standard of conduct set forth in Section (a) or (b) of this Article. Such determination shall be made (i) by the Board of Directors by a majority vote of a quorum, consisting of directors who were not parties to such action, suit or proceeding, or (ii) if such quorum is not obtainable or, even if obtainable, if a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or (iii) by the affirmative vote of the holders of a majority of the shares of stock entitled to vote and represented at a meeting called for such purpose.

e) Expenses (including attorneys' fees) incurred in defending a civil or criminal action, suitor proceeding may be paid by the corporation in advance of the final disposition of such action, suit or proceeding, as authorized in Section of this Article, upon receipt of an undertaking by or on behalf of the director, officer, employee or agent to repay such amount, unless it shall ultimately be determined that he is entitled to be indemnified by the corporation as authorized in this Article.

f) The Board of Directors may exercise the corporation's power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the corporation would have the power to indemnify him against such liability under this Article.

g) The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under these Articles of Incorporation, the Bylaws, agreements, vote of the shareholders or disinterested directors, or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs and personal representatives of such a person.

#### ARTICLE VIII

The registered office of said corporation is Corporation Services Company 1560 Broadway ste.2090 Denver. Co 80202 registered agent of the corporation. Part or all of the business of said corporation may be carried on in the County of Denver, or any other place in the State of Colorado or beyond the limits of the State of Colorado, in other states or territories of the United States and in foreign countries.

#### ARTICLE IX

Whenever a compromise or arrangement is proposed by the corporation between it and its creditors or any class of them, and/or between said corporation and its shareholders or any class of them, any court of equitable jurisdiction may, on the application in a summary way by said corporation, or by a majority of its stock, or on the application of any receiver or receivers appointed for said corporation, or on the application of trustees in dissolution, order a meeting of the creditors or class of

creditors and/or of the shareholders or class of shareholders of said corporation, as the case may be, to be notified in such manner as the said court decides. If a majority in number, representing at least three-fourths in amount of the creditors or class of creditors, and/or the holders of a majority of the stock or class of stock of said corporation, as the case may be, agree to any compromise or arrangement and/or to any reorganization of said corporation, as a consequence of such compromise or arrangement, the said compromise or arrangement and/or the said reorganization shall, if sanctioned by the court to which the said application has been made, be binding upon all the creditors or class of creditors, and/or on all the shareholders or class of shareholders of said corporation, as the case may be, and also on said corporation.

#### ARTICLE X

No shareholder in the corporation shall have the preemptive right to subscribe to any or all additional issues of stock and/or other securities of any oral classes of this corporation or securities convertible into stock or carrying stock purchase warrants, options or privileges.

#### ARTICLE XI

Meetings of shareholders may be held at any time and place as the Bylaws shall provide. At all meetings of the shareholders, one-third of all shares entitled to vote shall constitute a quorum.

ARTICLE XII Cumulative voting shall not be allowed.

#### ARTICLE XIII

These Articles of Incorporation may be amended by resolution of the Board of Directors if no shares have been issued, and if shares have been issued, by affirmative vote of the shareholders of at least a majority of the shares entitled to vote thereon at a meeting called for that purpose, or, when authorized, when such action is ratified by the written consent of the shareholders.

#### ARTICLE XIV

Any action for which the laws of the State of Colorado require the approval of two-thirds of the shares of any class or series entitled to vote with respect thereto, unless otherwise provided in the Articles of Incorporation, shall require for approval the affirmative vote of a majority of the shares of any class or series outstanding and entitled to vote thereon.

Any action required by the Colorado Corporation Code to be taken at any annual or special meeting of shareholders, or any action which may be taken at any annual meeting or special meeting of the shareholders, may be taken without a meeting, without prior notice, and without a vote, if shareholders, holding 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 of the shares entitled to vote thereon were present and voted, consent to such action in writing.

#### ARTICLE XV

No director shall be personally liable to the corporation or any shareholder for monetary damages for breach of fiduciary duty as a director, except for any matter in respect of which such director shall be liable under Section 7-5-114 of the Colorado

Revised Statutes, or any amendment thereto or successor provision thereto and except for any matter in respect of which such director shall be liable by reason that he (i) has breached his duty of loyalty to the corporation or its shareholders, (ii) has not acted in good faith or, in failing to act, has not acted in good faith, (iii) has acted in a manner involving intentional misconduct or a knowing violation of law or, in failing to act, has acted in a manner involving intentional misconduct or a knowing violation of law, or (iv) has derived an improper personal benefit. Neither the amendment nor repeal of this Article XV, nor the adoption of any provision of the Articles of Incorporation inconsistent with this Article XV, shall eliminate or reduce the effect of this Article XV in respect of any matter occurring, or any cause of action, suit or claim that, but for this Article XV would accrue or arise prior to such amendment, repeal or adoption of an inconsistent provision.

Signed on August 2, 2014

By: s/Aaron C. Johnson

Aaron C. Johnson - Chief Executive Officer

**BYLAWS  
OF  
SPOTLIGHT CAPITAL HOLDINGS, INC.**

**ARTICLE I – OFFICES**

**1. REGISTERED OFFICE AND AGENT**

The registered office and registered agent of the Corporation shall be as set forth in the Corporation's Certificate of Formation. The registered office or the registered agent may be changed by resolution of the Board of Directors, upon making the appropriate filing with the Secretary of State.

**2. PRINCIPAL OFFICE**

The principal office of the Corporation shall be at 601 South Figueroa, Los Angeles, California 90017, provided that the Board of Directors shall have the power to change the location of the principal office.

**3. OTHER OFFICES**

The Corporation may also have other offices at such places, within the United States, or overseas, as the Board of Directors may designate, or as the business of the Corporation may require or as may be desirable.

**ARTICLE II – SHAREHOLDERS**

**1. PLACE OF MEETING**

Meetings of the shareholders shall be held either at the registered office of the Corporation or

at such other place, as shall be designated in the notice of the meeting or executed waiver of notice. The Board of Directors may, in its discretion, determine that the meeting may be held solely by means of remote communication. If authorized by the Board of Directors, and subject to any guidelines and procedures adopted by the Board of Directors, shareholders not physically present at a meeting of shareholders, by means of remote communication may participate in a meeting of shareholders; and, may be considered present in person and may vote at a meeting of shareholders held at a designated place or held solely by means of remote communication, subject to the conditions imposed by law or subsequent agreement by the Board of Directors.

## **2. ANNUAL MEETING**

The annual meeting of shareholders shall be held on the date and time set by the Board of Directors.

The annual meeting may be called by resolution of the Board of Directors or by a writing filed with the Secretary signed either by a majority of the directors or by shareholders owning a majority of the shares entitled to vote at any such meeting.

## **3. NOTICE OF SHAREHOLDERS' MEETING**

Written or printed notice stating the place, day and hour of the meeting, the means of any remote communications by which shareholders may be considered present and may vote at the meeting, and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be given not less than ten (10) days nor more than sixty (60) days before the date of the meeting, personally, by electronic transmission, or by mail, by or at the direction of the President, the Secretary, or the officer or person calling the meeting, to each shareholder entitled to vote at such meeting. If mailed, such notice shall be deemed to be given when deposited in the United States mail addressed to the shareholder at the shareholder's address as it appears on the share transfer records of the Corporation, with postage thereon prepaid.

The Corporation shall notify each shareholder, whether or not entitled to vote, of any meeting of shareholders at which a plan of merger or exchange is to be submitted for approval in accordance with the laws of the State of Colorado and/or Federal law that applies. The notice shall be given at least twenty (20) days before the meeting and shall state that the purpose, or one of the purposes, of the meeting is to consider the plan of merger or exchange and shall contain or be accompanied by a copy or summary of the plan.

Written or printed notice setting forth any proposed amendment to the Certificate of Formation or a summary of the changes to be effected thereby shall be given to each shareholder of record entitled to vote thereon within the time and in the manner provided by the laws of the State of Colorado, for the giving of notice of meetings of shareholders. If the meeting be an annual meeting, the proposed amendment or such summary may be included in the notice of such annual meeting.

Any notice required to be given to any shareholder, under any provision of the Certificate of Formation or these Bylaws, need not be given to the shareholder if (1) notice of two consecutive annual meetings and all notices of meetings held during the period between those annual meetings, if any, or (2) all (but in no event less than two) payments (if sent by first class mail) of distributions or interest on securities during a 12 month period have been mailed to that person, addressed at the shareholder's address as shown on the share transfer records of the Corporation, and have been returned undeliverable. Any action or meeting taken or held without notice to such a person shall have the same force and effect as if the notice had been duly given. If such a person delivers to the Corporation a written notice

setting forth the shareholder's then current address, the requirement that notice be given to that person shall be reinstated.

Notice by Electronic Transmission: On consent of a shareholder, notice from the Corporation under any provision of the Texas Business Organizations Code, the Certificate of Formation, or these Bylaws may be given to the shareholder by electronic transmission. The shareholder may specify the form of electronic transmission to be used to communicate notice. The shareholder may revoke this consent by written notice to the Corporation. The shareholder's consent is deemed to be revoked if the Corporation is unable to deliver by electronic transmission two consecutive notices, and the secretary, assistant secretary, or transfer agent of the Corporation, or another person responsible for delivering notice on behalf of the Corporation knows that delivery of these two electronic transmissions was unsuccessful. The inadvertent failure to treat the unsuccessful transmissions as a revocation of shareholder consent does not invalidate a meeting or other action.

Notice by electronic transmission is deemed given when the notice is: (1) transmitted to a facsimile number provided by the shareholder for the purpose of receiving notice; (2) transmitted to an electronic mail address provided by the shareholder for the purpose of receiving notice; (3) posted on an electronic network and a message is sent to the shareholder at the address provided by the shareholder for the purpose of alerting the shareholder of a posting; or (4) communicated to the shareholder by any other form of electronic transmission consented to by the shareholder.

An affidavit of the Secretary, Assistant Secretary, transfer agent, or other agent of the Corporation that notice has been given by electronic transmission is, in the absence of fraud, prima facie evidence that the notice was given.

#### **4. SPECIAL SHAREHOLDERS' MEETINGS**

Special meetings of the shareholders may be called (1) by the President, any Vice President, the Board of Directors, or (2) by the holders of at least thirty (30) percent of all the shares entitled to vote at the proposed special meeting, unless the Corporation's Certificate of Formation provides for a number of shares greater than or less than thirty (30) percent, in which event special meetings of the shareholders may be called by the holders of at least the percentage of shares so specified in the Certificate of Formation, but in no event shall the Certificate of Formation provide for a number of shares greater than fifty (50) percent. The record date for determining shareholders entitled to call a special meeting is the date the first shareholder signs the notice of that meeting.

Only business within the purpose or purposes described in the notice or executed waiver of notice may be conducted at a special meeting of the shareholders.

Any person or persons entitled hereunder to call a special meeting of shareholders may do so only by written request sent by certified mail or delivered in person to the President or Secretary. The officer receiving the written request shall within ten (10) days from the date of its receipt cause notice of the meeting to be given in the manner provided by these Bylaws to all shareholders entitled to vote at the meeting. If the officer does not give notice of the meeting within ten (10) days after the date of receipt of the written request, the person or persons calling the meeting may fix the time of meeting and give the notice in the manner provided in these Bylaws. Nothing contained in this section shall be construed as limiting, fixing, or affecting the time or date when a meeting of shareholders called by action of the Board of Directors may be held.

#### **5. VOTING OF SHARES, ENTITLED TO VOTE.**

According to the articles of formation, the Company has two classes of Stock: Preferred and Common Stock. The Company is currently authorized to issue TEN MILLION SHARES (10,000,000) of preferred stock that contains voting rights. The Company is authorized to issue FIVE HUNDRED MILLION (500,000,000) SHARES of common stock that contains no voting rights. Section 5 of these By-Laws apply to the voting rights of Preferred Shares of the Company, which are the only type of shares authorized to vote.

Each outstanding share of the company's preferred stock, shall be entitled to one vote on each matter submitted to a vote at a meeting of shareholders, except: (a) to the extent that the Certificate of Formation of the Corporation provides for more or less than one vote per share or limit or deny voting rights to the holders of the preferred shares or (b) as otherwise provided by the State or Federal law.

Shares of its own stock, entitled to vote that is owned by the Corporation or by another domestic or foreign corporation or other entity, if a majority of the voting stock or voting interest of the other corporation or other entity is owned or controlled by the Corporation, shall not be voted, directly or indirectly, at any meeting, and shall not be counted in determining the total number of outstanding shares at any given time. Nothing in this section shall be construed as limiting the right of the Corporation or any domestic or foreign corporation or other entity to vote stock, held or controlled by it in a fiduciary capacity, or with respect to which it otherwise exercises voting power in a fiduciary capacity.

Any shareholder, entitled to vote, may vote either in person or by proxy executed in writing by the shareholder. A telegram, telex, cablegram, or other form of electronic transmission, including telephone transmission, by the shareholder, or a photographic, photostatic, facsimile, or similar reproduction of a writing executed by the shareholder, shall be treated as an execution in writing for purposes of this section. Any electronic transmission must contain or be accompanied by information from which it can be determined that the transmission was authorized by the shareholder. No proxy shall be valid after eleven (11) months from the date of its execution unless otherwise provided in the proxy. A proxy shall be revocable unless the proxy form conspicuously states that the proxy is irrevocable and the proxy is coupled with an interest. Proxies coupled with an interest include the appointment as proxy of: (1) a pledgee; (2) a person who purchased or agreed to purchase, or owns or holds an option to purchase, the shares; (3) a creditor of the Corporation who extended it credit under terms requiring the appointment; (4) an employee of the Corporation whose employment contract requires the appointment; or (5) a party to a voting agreement.

An irrevocable proxy, if noted conspicuously on the certificate representing the shares that are subject to the irrevocable proxy or, in the case of uncertificated shares, if notation of the irrevocable proxy is contained in the notice sent pursuant to these by-laws with respect to the shares that are subject to the irrevocable proxy, shall be specifically enforceable against the holder of those shares or any successor or transferee of the holder. Unless noted conspicuously on the certificate representing the shares that are subject to the irrevocable proxy or, in the case of uncertificated shares, unless notation of the irrevocable proxy is contained in the notice sent pursuant to these by-laws with respect to the shares that are subject to the irrevocable proxy, an irrevocable proxy, even though otherwise enforceable, is ineffective against a transferee for value without actual knowledge of the existence of the irrevocable proxy at the time of the transfer or against any subsequent transferee (whether or not for value), but such an irrevocable proxy shall be specifically enforceable against any other person who is not a transferee for value from and after the time that the person acquires actual knowledge of the existence of the irrevocable proxy.

At each election for directors every shareholder entitled to vote at such election shall have the right (a) to vote the number of shares owned by such shareholder for as many persons as there are directors to be elected and for whose election the shareholder has a right to vote or (b)



only if expressly permitted by the Certificate of Formation (in general or with respect to a specified class or series of shares or group of classes or series of shares) to cumulate such shareholder's votes by giving one candidate as many votes as the number of such directors multiplied by such shareholder's shares shall equal, or by distributing such votes on the same principle among any number of such candidates. Cumulative voting shall not be allowed in an election of directors unless the Certificate of Formation expressly grants that right, and a shareholder who intends to cumulate his or her votes as herein authorized shall have given written notice of such intention to the Secretary of the Corporation on or before the day preceding the election at which such shareholder intends to cumulate his or her votes. All shareholders entitled to vote cumulatively may cumulate their votes if any shareholder gives the written notice provided for herein.

Shares held by an administrator, executor, guardian, or conservator may be voted by him or her so long as such shares forming a part of an estate are in the possession and forming a part of the estate being served by him or her, either in person or by proxy, without a transfer of such shares into his or her name. Shares standing in the name of a trustee may be voted by him or her, either in person or by proxy, but no trustee shall be entitled to vote shares held by him or her without a transfer of such shares into his or her name as trustee.

Shares standing in the name of a receiver may be voted by such a receiver, and shares held by or under the control of a receiver may be voted by such receiver without the transfer thereof into his or her name if authority so to do be contained in an appropriate order of the court by which such receiver was appointed.

A shareholder whose shares are pledged shall be entitled to vote such shares until the shares have been transferred into the name of the pledgee, and thereafter the pledgee shall be entitled to vote the shares so transferred, subject to any agreements containing restrictions on the hypothecation, assignment, pledge or voluntary or involuntary transfer of shares.

With respect to any matter, other than the election of directors or a matter for which the affirmative vote of the holders of a specified portion of the shares entitled to vote is required by the Texas Business Organizations Code, the affirmative vote of the holders of a majority of the shares entitled to vote on, and that voted for or against or expressly abstained with respect to, that matter at a meeting of shareholders at which a quorum is present shall be the act of the shareholders, unless otherwise provided in the Certificate of Formation or these Bylaws.

Unless otherwise provided in the Certificate of Formation or these Bylaws, directors shall be elected by a plurality of the votes cast by the holders of shares entitled to vote in the election of directors at a meeting of shareholders at which a quorum is present.

Any vote may be taken by voice or show of hands unless a shareholder entitled to vote, either in person or by proxy objects, in which case written ballots shall be used.

## **6. QUORUM OF SHAREHOLDERS**

With respect to any meeting of shareholders, a quorum shall be present for any matter to be presented at that meeting if the holders of a majority of the shares entitled to vote at the meeting are represented at the meeting in person or by proxy, unless otherwise provided by law or the Certificate of Formation. Notwithstanding anything to the contrary in these Bylaws or the Certificate of Formation, in no event shall a quorum of the shareholders consist of less than one-third (1/3) of the shares entitled to vote.

Unless otherwise provided in the Certificate of Formation or these Bylaws, once a quorum is present at a meeting of shareholders, the shareholders represented in person or by proxy at the

meeting may conduct such business as may be properly brought before the meeting until it is adjourned, and the subsequent withdrawal from the meeting of any shareholder or the refusal of any shareholder represented in person or by proxy to vote shall not affect the presence of a quorum at the meeting. Unless otherwise provided in the Certificate of Formation or these Bylaws, the shareholders represented in person or by proxy at a meeting of shareholders at which a quorum is not present may adjourn the meeting until such time and to such place as may be determined by a vote of the holders of a majority of the shares represented in person or by proxy at that meeting.

#### **7. FIXING RECORD DATES FOR MATTERS OTHER THAN CONSENTS TO ACTION**

For the purpose of determining shareholders entitled to notice of or to vote at any meeting of shareholders or any adjournment thereof, or entitled to receive a distribution by the Corporation (other than a distribution involving a purchase or redemption by the Corporation of any of its own shares) or a share dividend, or in order to make a determination of shareholders for any other proper purpose (other than determining shareholders entitled to consent to action by shareholders proposed to be taken without a meeting of shareholders), the Board of Directors of the Corporation may provide that the share transfer records shall be closed for a stated period but not to exceed, in any case, sixty (60) days. If the share transfer records shall be closed for the purpose of determining shareholders entitled to notice of or to vote at a meeting of shareholders, such records shall be closed for at least ten (10) days immediately preceding such meeting. In lieu of closing the share transfer records, the Bylaws, or in the absence of an applicable bylaw the Board of Directors, may fix in advance a date as the record date for any such determination of shareholders, such date in any case shall not be earlier than the 60th day before the date the action requiring the determination of shareholders is originally to be taken. If the share transfer records are not closed and no record date is fixed for the determination of shareholders entitled to notice of or to vote at a meeting of shareholders, or shareholders entitled to receive a distribution (other than a distribution involving a purchase or redemption by the Corporation of any of its own shares) or a share dividend, the date on which notice of the meeting is mailed or the date on which the resolution of the Board of Directors declaring such distribution or share dividend is adopted, as the case may be, shall be the record date for such determination of shareholders. When a determination of shareholders entitled to vote at any meeting of shareholders has been made as provided in this section, such determination shall apply to any adjournment thereof except where the determination has been made through the closing of the share transfer records and the stated period of closing has expired.

#### **8. FIXING RECORD DATES CONSENTS TO ACTION**

Unless a record date shall have previously been fixed or determined pursuant to this section, whenever action by shareholders is proposed to be taken by consent in writing without a meeting of shareholders, the Board of Directors may fix a record date for the purpose of determining shareholders entitled to consent to that action, which record date shall not precede, and shall not be more than ten (10) days after, the date upon which the resolution fixing the record date is adopted by the Board of Directors. If no record date has been fixed by the Board of Directors and the prior action of the Board of Directors, the record date for determining shareholders entitled to consent to action in writing without a meeting shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the Corporation. Delivery shall be by hand or by certified or registered mail, return receipt requested. Delivery to the Corporation's principal place of business shall be addressed to the President or the principal executive officer of the Corporation.

#### **9. VOTING LISTS**

The officer or agent having charge of the share transfer records for shares of the Corporation shall make, at least ten (10) days before each meeting of shareholders, a complete list of the shareholders entitled to vote at such meeting or any adjournment thereof, arranged in alphabetical order, with the address of and the number of shares held by each, which list, for a period of ten (10) days prior to such meeting, shall be kept on file at the registered office or principal place of business of the Corporation and shall be subject to inspection by any shareholder at any time during usual business hours. Alternatively, the list of the shareholders may be kept on a reasonably accessible electronic network, if the information required to gain access to the list is provided with the notice of the meeting. This does not require the Corporation to include any electronic contact information of any shareholder on the list. If the Corporation elects to make the list available on an electronic network, the Corporation shall take reasonable steps to ensure that the information is available only to shareholders of the Corporation, that are entitled to vote. Such list shall also be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any shareholder, entitled to vote, during the whole time of the meeting. If the meeting is held by means of remote communication, the list must be open to the examination of any shareholder, entitled to vote, for the duration of the meeting on a reasonably accessible electronic network, and the information required to access the list must be provided to shareholders with the notice of the meeting. The original share transfer records shall be prima-facie evidence as to who are the shareholders entitled to examine such list or transfer records or to vote at any meeting of shareholders. However failure to prepare and make the list available in the manner provided above shall not affect the validity of any action taken at the meeting.

#### **10. ACTION BY SHAREHOLDERS WITHOUT MEETING**

Any action required by to be taken at any annual or special meeting of shareholders, or any action which may be taken at any annual or special meeting of shareholders, may be taken without a meeting, without prior notice, and without a vote, if a consent or consents in writing, setting forth the action so taken, shall have been signed by the holder or holders of all the shares entitled to vote with respect to the action that is the subject of the consent.

If the Corporation's Certificate of Formation so provides, any action required by the to be taken at any annual or special meeting of shareholders, or any action which may be taken at any annual or special meeting of shareholders, may be taken without a meeting, without prior notice, and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the holder or holders of shares having not less than the minimum number of votes that would be necessary to take such action at a meeting at which holders of all shares entitled to vote on the action were present and voted.

Every written consent signed by the holders of less than all the shares entitled to vote with respect to the action that is the subject of the consent shall bear the date of signature of each shareholder who signs the consent. No written consent signed by the holder of less than all the shares entitled to vote with respect to the action that is the subject of the consent shall be effective to take the action that is the subject of the consent unless, within sixty (60) days after the date of the earliest dated consent delivered to the Corporation in a manner required by these Bylaws, a consent or consents signed by the holder or holders of shares having not less than the minimum number of votes that would be necessary to take the action that is the subject of the consent are delivered to the Corporation by delivery to its registered office, registered agent, principal place of business, transfer agent, registrar, exchange agent or an officer or agent of the Corporation having custody of the books in which proceedings of meetings of shareholders are recorded. Delivery shall be by hand or certified or registered mail, return receipt requested. Delivery to the Corporation's principal place of business shall be addressed to the President or principal executive officer of the Corporation.

A telegram, telex, cablegram, or other electronic transmission by a shareholder consenting to an action to be taken is considered to be written, signed, and dated for the purposes of this section if the transmission sets forth or is delivered with information from which the Corporation can determine that the transmission was transmitted by the shareholder and the date on which the shareholder transmitted the transmission. The date of transmission is the date on which the consent was signed. Consent given by telegram, telex, cablegram, or other electronic transmission may not be considered delivered until the consent is reproduced in paper form and the paper form is delivered to the Corporation at its registered office in this state or its principal place of business, or to an officer or agent of the Corporation having custody of the book in which proceedings of shareholder meetings are recorded. Notwithstanding the preceding paragraph of this section, consent given by telegram, telex, cablegram, or other electronic transmission may be delivered to the principal place of business of the Corporation or to an officer or agent of the Corporation having custody of the book in which proceedings of shareholder meetings are recorded to the extent and in the manner provided by resolution of the Board of Directors of the Corporation.

Any photographic, photostatic, facsimile, or similarly reliable reproduction of a consent in writing signed by a shareholder may be substituted or used instead of the original writing for any purpose for which the original writing could be used.

Prompt notice of the taking of any action by shareholders without a meeting by less than unanimous written consent shall be given to those shareholders who did not consent in writing to the action.

### **ARTICLE III – DIRECTORS**

#### **1. BOARD OF DIRECTORS**

To the extent not limited or prohibited by law, the Certificate of Formation or these Bylaws, the powers of the Corporation shall be exercised by or under the authority of, and the business and affairs of the Corporation shall be managed under the direction of the Board of Directors of the Corporation. Directors need not be residents of the State of Colorado or shareholders of the Corporation unless the Certificate of Formation or these Bylaws so require.

In the discharge of any duty imposed or power conferred upon a director, including as a member of a committee, a director, may in good faith and with ordinary care, rely on information referred by retained individuals, opinions, reports, or statements, including financial statements and other financial data, concerning the Corporation or another person, that were prepared or presented by: (1) one or more officers or employees of the Corporation; (2) legal counsel, public accountants, investment bankers, or other persons as to matters the director reasonably believes are within the person's professional or expert competence; or (3) a committee of the Board of Directors of which the director is not a member.

A director is not relying in good faith within the meaning of this section if the director has knowledge concerning the matter in question that makes reliance otherwise permitted by this section unwarranted.

#### **2. NUMBER AND ELECTION OF DIRECTORS**

The number of directors shall be two (2) provided that the number may be increased or decreased from time to time by an amendment to these Bylaws or resolution adopted by the Board of Directors or by the shareholders. No decrease in the number of Directors shall have the effect of shortening the term of any incumbent director.

At the first annual meeting of shareholders and at each annual meeting thereafter, the holders of shares entitled to vote in the election of directors shall elect directors to hold office until the next succeeding annual meeting.

### **3. REMOVAL**

Except as otherwise provided by the laws of the State of Colorado, these Bylaws or the Certificate of Formation, at any meeting of shareholders called expressly for that purpose any director or the entire Board of Directors may be removed, with or without cause, by a vote of the holders of a majority, of the shares then entitled to vote at an election of directors, subject to any further restrictions on removal that may be contained in the Bylaws. Whenever the holders of any class or series of shares or any such group are entitled to elect one or more directors by the provisions of the Certificate of Formation, only the holders of shares of that class or series or group shall be entitled to vote for or against the removal of any director elected by the holders of shares of that class or series or group. If the Certificate of Formation allows cumulative voting and if less than the entire board is to be removed, no one of the directors may be removed if the votes cast against his or her removal would be sufficient to elect him if then cumulatively voted at an election of the entire Board of Directors, or if there be classes of directors, at an election of the class of directors of which he or she is a part. If the directors have been classified as permitted by the laws of the State of Colorado, unless the Certificate of Formation otherwise provides, a director may not be removed except for cause.

### **4. RESIGNATION**

A director may resign by providing notice in writing or by electronic transmission of such resignation to the Corporation. The resignation shall be effective upon the date of receipt of the notice of resignation or the date specified in such notice. Acceptance of the resignation shall not be required to make the resignation effective.

### **5. VACANCIES AND INCREASE IN NUMBER OF DIRECTORS**

Any vacancy occurring in the Board of Directors may be filled by election at an annual or special meeting of shareholders called for that purpose or may be filled by the affirmative vote of a majority of the remaining directors though less than a quorum of the Board of Directors. A director elected to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office.

A directorship to be filled by reason of an increase in the number of directors may be filled by election at an annual or special meeting of shareholders called for that purpose or may be filled by the Board of Directors for a term of office continuing only until the next election of one or more directors by the shareholders; provided that the Board of Directors may not fill more than two such directorships during the period between any two successive annual meetings of shareholders.

Notwithstanding the above, whenever the holders of any class or series of shares or group of classes or series of shares are entitled to elect one or more directors by the provisions of the Certificate of Formation, any vacancies in such directorships and any newly created directorships of such class or series to be filled by reason of an increase in the number of such directors may be filled by the affirmative vote of a majority of the directors elected by such class or series, or by such group, then in office, or by a sole remaining director so elected, or by the vote of the holders of the outstanding shares of such class or series or of such group, and such directorships shall not in any case be filled by the vote of the remaining directors or the holders of the outstanding shares as a whole unless otherwise provided in the Certificate

of Formation.

#### **6. ANNUAL MEETING OF DIRECTORS**

Immediately following each annual meeting of shareholders, the Board of Directors elected at such meeting shall hold an annual meeting at which they shall elect officers and transact such other business as shall come before the meeting. The time and place of the annual meeting of the Board of Directors may be changed by resolution of the Board of Directors.

#### **7. REGULAR MEETING OF DIRECTORS**

Regular meetings of the Board of Directors may be held with or without notice at such time and place as may be from time to time determined by the Board of Directors.

#### **8. SPECIAL MEETINGS OF DIRECTORS**

The Secretary shall call a special meeting of the Board of Directors whenever requested to do so by the President or by one (1) or more directors. Such special meeting shall be held at the date and time specified in the notice of meeting.

#### **9. PLACE OF DIRECTORS' MEETINGS**

All meetings of the Board of Directors shall be held either at the principal office of the Corporation or at such other place, as shall be specified in the notice of meeting or executed waiver of notice.

#### **10. NOTICE OF DIRECTORS' MEETINGS**

All special meetings of the Board of Directors shall be held upon not less than one day's written notice stating the date, place and hour of meeting given to each director either personally or by mail or at the direction of the President or the Secretary or the officer or person calling the meeting. Annual and regular meetings of the Board of Directors may be held with or without notice.

In any case where all of the directors execute a waiver of notice of the time and place of meeting, no notice thereof shall be required, and any such meeting shall be held at the time and at the place specified in the waiver of notice. Attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except where the directors attend a meeting for the express purpose of objecting to the transaction of any business on the grounds that the meeting is not lawfully called or convened.

Neither the business to be transacted at, nor the purpose of, any meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

On consent of a director, notice of the date, time, place, or purpose of a regular or special meeting of the Board of Directors may be given to the director by electronic transmission. The director may specify the form of electronic transmission to be used to communicate notice. The director may revoke this consent by written notice to the Corporation. The director's consent is deemed to be revoked if the Corporation is unable to deliver by electronic transmission two consecutive notices and the Secretary of the Corporation or other person responsible for delivering the notice on behalf of the Corporation knows that the delivery of these two electronic transmissions was unsuccessful. The inadvertent failure to treat the unsuccessful transmissions as a revocation of the director's consent does not invalidate a meeting or other action. An affidavit of the Secretary or other agent of the Corporation that notice has been given by electronic transmission is, in the absence of fraud, prima facie evidence that the notice was given. Notice under this section is deemed given when the

notice is: (1) transmitted to a facsimile number provided by the director for the purpose of receiving notice; (2) transmitted to an electronic mail address provided by the director for the purpose of receiving notice; (3) posted on an electronic network and a message is sent to the director at the address provided by the director for the purpose of alerting the director of a posting; or (4) communicated to the director by any other form of electronic transmission consented to by the director.

## **11. QUORUM OF DIRECTORS**

A majority of the number of directors fixed by, or in the manner provided in, the Certificate of Formation or these Bylaws shall constitute a quorum for the transaction of business unless a different number or portion is required by law or the Certificate of Formation or these Bylaws. In no case may the Corporation's Certificate of Formation or these Bylaws provide that less than one-third of the number of directors so fixed constitute a quorum. The act of the majority of the directors present at a meeting at which a quorum is present at the time of the act shall be the act of the Board of Directors, unless the act of a greater number is required by law or the Certificate of Formation or these Bylaws.

## **12. COMPENSATION**

Directors, as such, shall not receive any stated salary for their services, but by resolution of the Board of Directors a fixed sum and expenses of attendance, if any, may be allowed for attendance at any meeting of the Board or Directors. A director shall not be precluded from serving the Corporation in any other capacity and receiving compensation for such services. Member of committees may be allowed similar compensation and reimbursement of expenses for attending committee meetings.

## **13. UNANIMOUS WRITTEN CONSENT OF DIRECTORS OR COMMITTEE MEMBERS**

Unless otherwise restricted by the Certificate of Formation or these Bylaws, any action required or permitted to be taken at a meeting of the Board of Directors or any committee may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all the members of the Board of Directors or committee, as the case may be. A telegram, telex, cablegram, or other electronic transmission by a director consenting to an action to be taken and transmitted by a director is considered written, signed, and dated for the purposes of this section if the transmission sets forth or is delivered with information from which the Corporation can determine that the transmission was transmitted by the director and the date on which the director transmitted the transmission. Such consent shall have the same force and effect as a unanimous vote at a meeting.

## **ARTICLE IV – OFFICERS**

### **1. NUMBER OF OFFICERS**

The officers of the Corporation shall consist of a President and a Secretary, each of whom shall be elected by the Board of Directors at such time and in such manner as may be prescribed by the Bylaws. Such other officers, including assistant officers, and agents as may be deemed necessary may be elected or appointed by the Board of Directors or chosen in such other manner as may be prescribed by these Bylaws. Any two (2) or more offices may be held by the same person.

### **2. ELECTION OF OFFICERS**

All officers shall be elected at the annual meeting of the Board of Directors. If any office is not filled at such annual meeting, it may be filled at any subsequent regular or special meeting of the board. The Board of Directors at such annual meeting, or at any subsequent regular or special meeting may also elect or appoint such other officers and assistant officers and agents as may be deemed necessary.

All officers and assistant officers shall be elected to serve until the next annual meeting of directors (following the next annual meeting of shareholders) or until their successors are elected; provided, that any officer or assistant officer elected or appointed by the Board of Directors may be removed with or without cause at any regular or special meeting of the Board of Directors whenever in the judgment of the Board of Directors the best interests of the Corporation will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Any agent appointed shall serve for such term, not longer than the next annual meeting of the Board of Directors, as shall be specified, subject to like right of removal by the Board of Directors. If any office becomes vacant for any reason, the vacancy may be filled by the Board of Directors.

### **3. POWERS OF OFFICERS**

Each officer shall have, subject to these Bylaws, in addition to the duties and powers specifically set forth herein, such powers and duties as are commonly incident to that office and such duties and powers as the Board of Directors shall from time to time designate. All officers shall perform their duties subject to the directions and under the supervision of the Board of Directors. The President may secure the fidelity of any and all officers by bond or otherwise.

All officers and agents of the Corporation, as between themselves and the Corporation, shall have such authority and perform such duties in the management of the Corporation as may be provided in these Bylaws, or as may be determined by resolution of the Board of Directors not inconsistent with these Bylaws.

In the discharge of any duty imposed or power conferred upon an officer of the Corporation, the officer may in good faith and ordinary care rely on information, opinions, reports, or statements, including financial statements and other financial data, concerning the Corporation or another person, that were prepared or presented by: (1) one or more other officers or employees of the Corporation including members of the Board of Directors; or (2) legal counsel, public accountants, investment bankers, or other persons as to matters the officer reasonably believes are within the person's professional or expert competence.

An officer is not relying in good faith within the meaning of this section if the officer has knowledge concerning the matter in question that makes reliance otherwise permitted by this subsection unwarranted.

### **4. PRESIDENT**

The President shall be the chief executive officer of the Corporation and shall preside at all meetings of all directors and shareholders. Such officer shall see that all orders and resolutions of the board are carried out, subject however, to the right of the directors to delegate specific powers, except such as may be by statute exclusively conferred on the President, or on any other officers of the Corporation.

The President or any Vice-President shall execute bonds, mortgages and other instruments requiring a seal, in the name of the Corporation. When authorized by the board, the President or any Vice-President may affix the seal to any instrument requiring the same, and the seal when so affixed shall be attested by the signature of either the Secretary or an



Assistant Secretary. The President or any Vice-President shall sign certificates of stock.

The President shall be ex-officio a member of all standing committees, if any.

The President shall submit a report of the operations of the Corporation for the year to the directors at their meeting next preceding the annual meeting of the shareholders and to the shareholders at their annual meeting.

## **5. VICE-PRESIDENTS**

The Vice-President, or Vice-Presidents in order of their rank as fixed by the Board of Directors, shall, in the absence or disability of the President, perform the duties and exercise the powers of the President, and they shall perform such other duties as the Board of Directors shall prescribe.

## **6. THE SECRETARY AND ASSISTANT SECRETARIES**

The Secretary shall attend all meetings of the Board of Directors and all meetings of the shareholders and shall record all votes and the minutes of all proceedings and shall perform like duties for the standing committees when required. The Secretary shall give or cause to be given notice of all meetings of the shareholders and all meetings of the Board of Directors and shall perform such other duties as may be prescribed by the Board of Directors. The Secretary shall keep in safe custody the seal of the Corporation, and when authorized by the Board of Directors, affix the same to any instrument requiring it, and when so affixed, it shall be attested by the Secretary's signature or by the signature of an Assistant Secretary.

The Assistant Secretaries shall in order of their rank as fixed by the Board of Directors, in the absence or disability of the Secretary, perform the duties and exercise the powers of the Secretary, and they shall perform such other duties as the Board of Directors shall prescribe.

In the absence of the Secretary or an Assistant Secretary, the minutes of all meetings of the board and shareholders shall be recorded by such person as shall be designated by the President or by the Board of Directors.

## **7. THE TREASURER AND ASSISTANT TREASURERS**

The Treasurer shall have the custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation and shall deposit all moneys and other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by the Board of Directors.

The Treasurer shall disburse the funds of the Corporation as may be ordered by the Board of Directors, taking proper vouchers for such disbursements. The Treasurer shall keep and maintain the Corporation's books of account and shall render to the President and directors an account of all of his or her transactions as Treasurer and of the financial condition of the Corporation and exhibit the books, records and accounts to the President or directors at any time.

The Treasurer shall disburse funds for capital expenditures as authorized by the Board of Directors and in accordance with the orders of the President, and present to the President for his or her attention any requests for disbursing funds if in the judgment of the Treasurer any such request is not properly authorized. The Treasurer shall perform such other duties as may be directed by the Board of Directors or by the President.

If required by the Board of Directors, the Treasurer shall give the Corporation a bond in such

sum and with such surety or sureties as shall be satisfactory to the Board of Directors for the faithful performance of the duties of the office and for the restoration to the Corporation, in case of death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind in the incumbent's possession or under the incumbent's control belonging to the Corporation.

The Assistant Treasurers in the order of their seniority shall, in the absence or disability of the Treasurer, perform the duties and exercise the powers of the Treasurer, and they shall perform such other duties as the Board of Directors shall prescribe.

**ARTICLE V - SHARES: STOCK CERTIFICATES, ISSUANCE, TRANSFER, ETC.**

**1. CERTIFICATES OF STOCK**

The Corporation shall deliver certificates representing shares to which shareholders are entitled, or the shares of the Corporation may be uncertificated shares. Unless otherwise provided by the Certificate of Formation or these Bylaws, the Board of Directors of the Corporation may provide by resolution that some or all of any or all classes and series of its shares shall be uncertificated shares, provided that such resolution shall not apply to shares represented by a certificate until such certificate is surrendered to the Corporation. Certificates representing shares shall be signed by such officer or officers as these Bylaws shall prescribe, and may be sealed with the seal of the Corporation or a facsimile thereof. The signatures of such officer or officers as these Bylaws shall prescribe upon a certificate may be facsimiles. In case any officer who has signed or whose facsimile signature has been placed upon such certificate shall have ceased to be such officer before such certificate is issued, it may be issued by the Corporation with the same effect as if he or she were such officer at the date of its issuance.

In the event the Corporation is authorized to issue shares of more than one class or series, each certificate representing shares issued by the Corporation (1) shall conspicuously set forth on the face or back of the certificate a full statement of all the designations, preferences, limitations, and relative rights of the shares of each class or series to the extent they have been fixed and determined and the authority of the Board of Directors to fix and determine the designations, preferences, limitations, and relative rights of subsequent series; or (2) shall conspicuously state on the face or back of the certificate that (a) such a statement is set forth in the Certificate of Formation on file in the office of the Secretary of State and (b) the Corporation will furnish a copy of such statement to the record holder of the certificate without charge on written request to the Corporation at its principal place of business or registered office.

Each certificate representing shares of the Corporation shall state upon the face thereof:

- (1) That the Corporation is organized under the laws of this State.
- (2) The name of the person to whom issued.
- (3) The number and class of shares and the designation of the series, if any, which such certificate represents.
- (4) The par value of each share represented by such certificate, or a statement that the shares are without par value.

In the event any restriction on the transfer, or registration of the transfer, of shares shall be imposed or agreed to by the Corporation, each certificate representing shares so restricted (1) shall conspicuously set forth a full or summary statement of the restriction on the face of the

certificate, or (2) shall set forth such statement on the back of the certificate and conspicuously refer to the same on the face of the certificate, or (3) shall conspicuously state on the face or back of the certificate that such a restriction exists pursuant to a specified document and (a) that the Corporation will furnish to the record holder of the certificate without charge upon written request to the Corporation at its principal place of business or registered office a copy of the specified document.

## **2. TRANSFERS OF SHARES**

Upon surrender to the Corporation or the transfer agent of the Corporation of a certificate for shares duly endorsed or accompanied by proper evidence of succession, assignment or authority to transfer, it shall be the duty of the Corporation to issue a new certificate to the person entitled thereto, cancel the old certificate, and record the transaction upon its books.

## **3. REGISTERED SHAREHOLDERS**

Unless otherwise provided in the Texas Business Organizations Code, and subject to the provisions of Chapter 8-Investment Securities of the Business & Commerce Code:

(1) The Corporation may regard the person in whose name any shares issued by the Corporation are registered in the share transfer records of the Corporation at any particular time (including, without limitation, as of a record date fixed pursuant to these Bylaws) as the owner of those shares at that time for purposes of voting those shares, receiving distributions thereon or notices in respect thereof, transferring those shares, exercising rights of dissent with respect to those shares, exercising or waiving any preemptive right with respect to those shares, entering into agreements with respect to those shares, or giving proxies with respect to those shares, if applicable; and

(2) Neither the Corporation nor any of its officers, directors, employees, or agents shall be liable for regarding that person as the owner of those shares at that time for those purposes, regardless of whether that person does not possess a certificate for those shares

## **4. LOST CERTIFICATES**

The Board of Directors may direct a new certificate or certificates to be issued in place of any certificate or certificates theretofore issued by the Corporation alleged to have been lost or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate to be lost. When authorizing such issue of a new certificate or certificates, the Board of Directors in its discretion and as a condition precedent to the issuance thereof, may require the owner of such lost or destroyed certificate or certificates or his or her legal representative to advertise the same in such manner as it shall require or to give the Corporation a bond with surety and inform satisfactory to the Corporation (which bond shall also name the Corporation's transfer agents and registrars, if any, as obligees) in such sum as it may direct as indemnity against any claim that may be made against the Corporation or other obligees with respect to the certificate alleged to have been lost or destroyed, or to advertise and also give such bond.

# **ARTICLE VI - DIVIDEND AND DISTRIBUTIONS**

## **1. DECLARATION**

The Board of Directors may declare at any annual, regular or special meeting of the Board of Directors and the Corporation may pay, dividends on the outstanding shares in cash, property or in the shares of the Corporation to the extent permitted by, and subject to the provisions of, the laws of the State of Colorado.

## **2. RESERVES**

The Board of Directors may by resolution, create a reserve or reserves out of the Corporation's surplus or designate or allocate any part or all of the Corporation's surplus in any manner for any proper purpose or purposes, including but not limited to creating a reserve fund to meet contingencies or for equalizing dividends or for repairing or maintaining any property of the Corporation, and may increase, decrease, or abolish any such reserve, designation, or allocation in the same manner.

## **ARTICLE VII - INDEMNIFICATION AND INSURANCE**

### **1. INDEMNIFICATION**

The Corporation shall have the full power to indemnify and advance or reimburse expenses to any person: (1) who is or was a director of the Corporation; (2) who, while a director of the Corporation, is or was serving at the request of the Corporation as a director, officer, partner, venturer, proprietor, trustee, employee, agent, or similar functionary of another foreign or domestic corporation, employee benefit plan, other enterprise, or other entity; (3) who is or was an officer of the Corporation; (4) who is or was an employee of the Corporation; (5) who is or was an agent of the Corporation; and (6) who is not or was not an officer, employee, or agent of the Corporation but who is or was serving at the request of the Corporation as a director, officer, partner, venturer, proprietor, trustee, employee, agent, or similar functionary of another foreign or domestic corporation, employee benefit plan, other enterprise, or other entity.

### **2. INSURANCE**

The Corporation may purchase and maintain insurance or another arrangement on behalf of any person who is or was a director, officer, employee, or agent of the Corporation or who is or was serving at the request of the Corporation as a director, officer, partner, venturer, proprietor, trustee, employee, agent, or similar functionary of another foreign or domestic corporation, employee benefit plan, other enterprise, or other entity, against any liability asserted against him or her and incurred by him or her in such a capacity or arising out of his or her status as such a person, whether or not the Corporation would have the power to indemnify him or her against that liability. If the insurance or other arrangement is with a person or entity that is not regularly engaged in the business of providing insurance coverage, the insurance or arrangement may provide for payment of a liability with respect to which the Corporation would not have the power to indemnify the person only if including coverage for the additional liability has been approved by the shareholders of the Corporation. Without limiting the power of the Corporation to procure or maintain any kind of insurance or other arrangement, the Corporation may, for the benefit of persons indemnified by the Corporation, (1) create a trust fund; (2) establish any form of self-insurance; (3) secure its indemnity obligation by grant of a security interest or other lien on the assets of the Corporation; or (4) establish a letter of credit, guaranty, or surety arrangement. The insurance or other arrangement may be procured, maintained, or established within the Corporation or with any insurer or other person deemed appropriate by the Board of Directors regardless of whether all or part of the stock or other securities of the insurer or other person are owned in whole or part by the Corporation. In the absence of fraud, the judgment of the Board of Directors as to the terms and conditions of the insurance or other arrangement and the identity of the insurer or other person participating in an arrangement shall be conclusive and the insurance or arrangement shall not be voidable and shall not subject the directors approving the insurance or arrangement to liability, on any ground, regardless of whether directors participating in the approval are beneficiaries of the insurance or arrangement.

**ARTICLE VIII – MISCELLANEOUS**

**1. INFORMAL ACTION**

Any action required to be taken or which may be taken at a meeting of the shareholders, directors or members of a Board of Directors' committee, may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all of the shareholders, directors, or members of a Board of Directors' committee, as the case may be, entitled to vote with respect to the subject matter thereof.

A telegram, telex, cablegram, or other electronic transmission by a shareholder, director or member of a Board of Directors' committee consenting to an action to be taken and transmitted by a shareholder, director or member of a Board of Directors' committee is considered written, signed, and dated for the purposes of this article if the transmission sets forth or is delivered with information from which the Corporation can determine that the transmission was transmitted by the shareholder, director or member of a Board of Directors' committee and the date on which the shareholder, director or member of a Board of Directors' committee transmitted the transmission. Such consent shall have the same force and effect as a unanimous vote at a meeting, and may be stated as such in any document or instrument filed with the Secretary of State.

**2. WAIVER OF NOTICE**

Whenever any notice is required to be given to any shareholder or director of the Corporation under the provisions of the Certificate of Formation or these Bylaws, a waiver thereof in writing signed by the person or persons entitled to such notice, or a waiver by electronic transmission by the person entitled to notice, whether before or after the time stated therein, shall be equivalent to the giving of such notice.

**3. USE OF ELECTRONIC TRANSMISSION**

The Corporation is authorized to use "electronic transmissions" as defined in the By-Laws and to the full extent thereby permitted, including, but not limited to the purposes of notices, proxies, waivers, resignations and any other purpose for which electronic transmissions are permitted.

"Electronic transmission" means a form of communication that: (a) does not directly involve the physical transmission of paper; (b) creates a record that may be retained, retrieved, and reviewed by the recipient; and (c) may be directly reproduced in paper form by the recipient through an automated process.

**4. MEETINGS BY TELEPHONE CONFERENCE, OR BY ELECTRONIC OR OTHER REMOTE COMMUNICATIONS TECHNOLOGY**

Subject to the provisions for notice required by these Bylaws for notice of meetings, directors and shareholders may participate in and hold a meeting by means of conference telephone or similar communications equipment, the Internet, or any combination thereof, by which all persons participating in the meeting can communicate with each other. Or, another suitable electronic communications system may be used including videoconferencing technology, but only if, each director or shareholder entitled to participate in the meeting consents to the meeting being held by means of that system and the system provides access to the meeting in a manner or using a method by which each director and shareholder participating in the meeting can communicate concurrently with each other participant. Participation in such meeting shall constitute attendance and presence in person at such meeting, except where a person participates in the meeting for the express purpose of objecting to the transaction of

any business on the ground that the meeting is not lawfully called or convened.

**5. SEAL**

The Corporation may adopt a corporate seal in such form as the Board of Directors may determine. The Corporation shall not be required to use the corporate seal and the lack of the corporate seal shall not affect an otherwise valid contract or other instrument executed by the Corporation.

**6. CHECKS, DRAFTS, ETC.**

All checks, drafts or other instruments for payment of money or notes of the Corporation shall be signed by such officer or officers or such other person or persons as shall be determined from time to time by Resolution of the Board of Directors.

**7. FISCAL YEAR**

The fiscal year of the Corporation shall be as determined by the Board of Directors.

**ARTICLE IX – CONSTRUCTION**

**1. PRONOUNS AND HEADINGS**

All personal pronouns used in these Bylaws shall include the other gender whether used in masculine or feminine or neuter gender, and the singular shall include the plural whenever and as often as may be appropriate. All headings herein are for the parties' convenience only and neither limit nor amplify the provisions of this Agreement.

**2. INVALID PROVISIONS**

If any one or more of the provisions of these Bylaws, or the applicability of any such provision to a specific situation, shall be held invalid or unenforceable, such provision shall be modified to the minimum extent necessary to make it or its application valid and enforceable, and the validity and enforceability of all other provisions of these Bylaws and all other applications of any such provision shall not be affected thereby.

**ARTICLE X - AMENDMENT OF BYLAWS**

The Board of Directors may amend or repeal these Bylaws, or adopt new Bylaws, unless the Certificate of Formation or the Texas Business Organizations Code reserves the power exclusively to the shareholders in whole or part, or the shareholders in amending, repealing, or adopting a particular bylaw expressly provide that the Board of Directors may not amend or repeal that bylaw. Unless the Certificate of Formation or a bylaw adopted by the shareholders provides otherwise as to all or some portion of these Bylaws, the shareholders may amend or repeal these Bylaws or adopt new Bylaws even though the Bylaws may also be amended, repealed, or adopted by the Board of Directors.

Adopted by the Board of Directors on October 5, 2016.

/s/Aaron C. Johnson  
Aaron C. Johnson - Secretary

**ATTEST:**

/s/ Aaron C. Johnson  
Aaron C. Johnson - Chairman of the Board

/s/ André L. Ligon  
Andre' L. Ligon - General Counsel/ Director

Exhibit 1-A - 7 Acq Agrmnt

RESOLUTION TO REVERSE SHARES OF COMMON STOCK OUTSTANDING AND TO CHANGE THE NAME OF THE CORPORATION

WHEREAS, the Board of Directors of the Corporation makes the following resolutions for the benefit of the Company and its shareholders:

RESOLVED, that the Board of Directors of the Corporation hereby decrees that each fifty (50) shares of Common Stock issued and outstanding immediately prior to the filing of such First Amended and Restated Articles of Incorporation as aforesaid shall be combined into one (1) share of validly issued, fully paid and non-assessable Common Stock. As soon as practicable after such date, the Corporation shall request holders of the Common Stock to be combined in accordance with the preceding to surrender certificates representing their Common Stock to the Corporation's authorized agent, and each such shareholder shall receive upon such surrender one or more stock certificates to evidence and represent the number of shares of Common Stock to which such shareholder is entitled after the combination of shares provided for herein; provided, however, that this Corporation shall not issue fractional shares of Common Stock in connection with this combination, but all fractional shares that would otherwise result shall be rounded up to one whole share of Common Stock.

BE IT FURTHER RESOVLED, the Board of Directors of the Corporation decrees that it is going to change the business objectives of the Company. To help achieve its new objectives, the name of the Company shall be changed from Avstar Aviation Group, Inc. to Spotlight Capital Holdings, Inc.

BE IT FURTHER RESOLVED that agents of the Company are to amend the articles of the Corporation, and take any actions necessary, to comply with the resolutions described above.

Date: Sept 8th, 2014

/s/Aaron C. Johnson

AARON C. JOHNSON, President and Chairman AvStar Aviation Group, Inc.

**CHADRICK S. HENDERSON**

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**Chadrick S. Henderson**  
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December 14<sup>th</sup>, 2020

Re: SPOTLIGHT CAPITAL HOLDINGS, INC. (Trading under Symbol: SLCH)  
Regulation A Plus Offering Statement Amendment as of December 14<sup>th</sup>, 2020

To Whom it May Concern:

My office has been retained as special outside counsel to Spotlight Capital Holdings, Inc., a corporation organized under the laws of the State of Colorado (the "Corporation"), in connection with the issuance of twenty million (20,000,000) dollars common stock of the company pursuant to Regulation A Plus, which is contained in Section 401 of the JOBS Act. This section amended section 3(b) of the Securities Act of 1933 (the "Act"), which increased the amounts that an issuer can raise under Regulation A, which is now Regulation A Plus. Pursuant to the current section 3(b)(2) of the Act, Spotlight can issue up to twenty million (20,000,000) dollars of its stock annually, without registering its stock with the Securities and Exchange Commission, pursuant to section 12(b) of the Act. In connection with the offering statement needed to apply for this exemption, I am of the opinion that: (i) effective upon filing and approval of the offering statement, upon which this opinion is based, the Company can issue up to twenty million (\$20,000,000) dollars of its stock on the open market or to private investors; and (ii) the aggregate amount of common stock may be sold by Spotlight, free of any restrictions on transfer, without registration under the Act, pursuant to an exemption from registration as set forth in section 3(b)(2) of the Act.

In connection with this opinion, I have examined the following:

1. Section 3(b)(2) of the Act.
2. The proposed offering statement of Spotlight Capital Holdings, Inc.
3. Previous filings of Spotlight Capital Holdings, Inc., with OTC Markets and this agency
4. Meetings with management, concerning the objectives of the Regulation A Plus offering
5. The current capital structure which consists of the following Common stock authorized and outstanding:

Total shares authorized: 500,000,000

Total shares outstanding: 15,501,243



I have also investigated such other matters, and examined such other documents, as I have deemed necessary in connection with the rendering of this opinion. In examining these documents, I have assumed the genuineness of the signatures not witnessed, the authenticity of documents submitted as originals, and the conformity to originals of documents submitted as copies. This opinion is based solely on the facts and assumptions as set forth in this opinion and is limited to the investigation and examinations and such other investigation as I deemed necessary. Based on the information provided and on my examination of the documents and the law previously discussed, I find as follows:

1. The Company qualifies as a Tier I Company pursuant to the exemptions created under Section 401, JOBS Act, which amended section, 3(b) of the Act.
2. The Company can raise up to Twenty Million Dollars (\$20,000,000) annually pursuant to the exemption provided by Regulation A plus.
3. The stock issued pursuant to this exemption shall be free from registration as required by the Act.
4. The stock issued pursuant to this exemption will be free trading according to the new Section, 3(b) of the Act.
5. The stock, when sold, will be legally (or validly) issued; fully paid; and non-assessable.

Based on the above, I am of the opinion that: (i) Spotlight can issue its stock pursuant to Regulation A Plus in order to raise money for the Company; (ii) as of the filing of the amended offering statement, which qualifies the Company for the Regulation A plus exemption and meets the requirements of section 3(b) of the Act any stock issued pursuant to the Regulation A Plus amended Offering Statement shall be exempt from the registration requirements of section 12(b) of the Act under the exemption set forth in the above mentioned section; and (iii) the shares of common stock may be sold or transferred by Spotlight free of any restrictions on transfer.

Any broker-dealer, any clearing firm, and/or any private investor(s) are hereby authorized to present this letter and to rely on this opinion in selling the shares of common stock and in registering transfer thereof. No other use of this opinion is authorized.

Respectfully yours,

*/s/ Chadrick S. Henderson*  
CHADRICK S. HENDERSON, Esq.

## Law Offices, Andre' L. Ligon P.C.

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Attorney at Law

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Wednesday, January 29, 2020

Aaron C. Johnson  
Spotlight Capital Holdings, Inc  
3723 San Gabriel River Pkwy, Suite A  
Pico Rivera, Ca. 90660

Re: Resignation as Securities General Counsel

Dear Mr. Johnson:

Considering the recent communications from OTC Markets, I am formally resigning as Spotlight's securities attorney. Within ten (10) days from the date of this letter, I will be returning any and all files containing previous filings made to OTC Markets on the company's behalf.

Thank you for the opportunity to represent Spotlight in this capacity and I wish you luck in your future endeavors.

Sincerely yours,

*/s/ Andre' L. Ligon*

Andre L. Ligon, Esq.  
Email: andre@andreligon.com

All/js