

# CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM

## MARKETING COMPLETION FUND, LLC

---

\$10,000,000 Maximum Offering Amount  
No Minimum Offering Amount

---

8% Fixed Rate Notes at \$1,000 Per Note  
Minimum Purchase: 25 Notes (\$25,000)  
Includes Preferred Membership at No Par  
No Maximum 8% Fixed Rate Notes Offering Amount

---

MARKETING COMPLETION FUND, LLC (the "Company"), a California limited liability company, has been formed to acquire and develop certain electronic games from GAMES, LLC (the "Property"). See "DESCRIPTION OF THE PROPERTY." This is a private offering (the "Offering") of (i) 8% fixed rate, secured, Notes (the "Notes") with Preferred Participation to be issued by the Company on the terms and conditions contained in this Confidential Private Placement Memorandum (with Exhibits hereto, the "Memorandum"). The Company intends to sell the Notes and Preferred Interests until it reaches the targeted Offering amount of \$ \_\_,000,000 (the "Targeted Offering Amount"), but reserves the right to raise up to the maximum Offering amount of \$ \_\_,000,000 (the "Maximum Offering Amount"). There is no minimum Offering amount. The Preferred Interests and Notes (collectively, the "Securities") are being offered to accredited investors to fund the development of the Property. See "TERMS OF THE OFFERING - Suitability Standards." Completion Fund, LLC, a California limited liability Company, is the sponsor of this Offering (the "Sponsors"). For purposes hereof, an "Affiliate" of any Person (i.e., a natural person, corporation, partnership, trust, unincorporated association or other legal entity) shall be any Person directly or indirectly controlling, controlled by or under common control with, another Person.

(\*\*\*THE FOLLOWING IS AN EXAMPLE ONLY\*\*\*)

---

	Price to Investors	Selling Commissions, Due Diligence Reimbursements and Marketing and Wholesaling Expenses <sup>(1)</sup>	Proceeds to Company <sup>(2)</sup>
Per Note	\$ 1,000	\$ 100	\$ 1,000
Per Preferred Interest	\$ -0-	\$	\$
Targeted Offering <sup>(3)</sup>	\$ 5,000,000	\$ 520,000	\$ 4,480,000
Maximum Offering <sup>(3)</sup>	\$ 8,000,000	\$ 820,000	\$ 7,180,000

---

The date of this Memorandum is \_\_\_\_\_, 2010

- 
- (1) Offers and sales of Notes and Preferred Interests will be made on a “best efforts” basis by broker-dealers (“Broker-Dealers,” collectively the “Selling Group”) who are members of the National Association of Securities Dealers, Inc. (“NASD”). The Selling Group members will receive commissions (“Selling Commissions”) of up to 8% of the gross proceeds of the Offering (the “Offering Proceeds”). In addition, a non-accountable expense reimbursement of up to 1% of the Offering Proceeds may be paid in each case to reimburse such parties for due diligence and marketing expenses, travel costs, legal and accounting fees, and other out-of-pocket expenses incurred in connection with the sale of the Notes and Preferred Interests, and certain due diligence costs will be paid to various other parties performing due diligence on behalf of the Selling Group members that are likely to approximate an additional 0.40% of the Offering Proceeds if the Targeted Offering Amount is sold (0.25% of the Offering Proceeds if the Maximum Offering Amount is sold) (collectively, the “Due Diligence Reimbursements”). Further, certain Broker-Dealers, including Affiliates of the Company, will receive compensation and reimbursement for marketing and wholesaling services rendered in conjunction with the Offering in an amount equal to up to \_\_\_% of the Offering Proceeds (“Marketing and Wholesaling Expenses”). The total aggregate amount of Selling Commissions, Due Diligence Reimbursements and Marketing and Wholesaling Expenses, therefore, should not exceed approximately 10.40% of the Offering Proceeds if the Targeted Offering Amount is sold (\_\_\_% of the Offering Proceeds if the Maximum Offering Amount is sold). Acquisitions and the Company reserve the right, in their sole discretion, to pay reduced Selling Commissions and/or Due Diligence Reimbursements and/or Marketing and Wholesaling Expenses or waive such sums with respect to the Securities purchased by certain Affiliates and other persons. See “PLAN OF DISTRIBUTION” and “ESTIMATED USE OF PROCEEDS.” Finally, CSI Service Corporation, an Affiliate of Chauner Securities, Inc., which is a member of the Selling Group, will receive an initial servicing fee equal to 0.50% of the outstanding principal balance of the Notes at closing and an annual note servicing fee equal to 0.00% of the outstanding principal balance of the Notes. See “TERMS OF THE OFFERING.”
  - (2) Amounts shown are proceeds after deducting Selling Commissions, Due Diligence Reimbursements and Marketing and Wholesaling Expenses, but before deducting organization and offering expenses and fees and expenses incurred in connection with the development of the Property and closing the Loan, including fees payable to the Sponsors, the Manager and their Affiliates. See “ESTIMATED USE OF PROCEEDS.”
  - (3) Assumes only Preferred Interests are sold. There is no minimum Offering amount for the Securities. The Company intends to sell the Notes and Preferred Interests until it reaches the Targeted Offering Amount of \$\_\_,000,000, but reserves the right to raise up to the Maximum Offering Amount of \$\_\_,000,000. The minimum purchase for the Notes is 25 Notes for a total purchase price of \$25,000. The Company has the right, in its sole discretion, to waive the minimum purchase requirement for either of the Notes or the Preferred Interests. See “WHO MAY INVEST.”

---

Notes. The Company is offering 8% fixed rate notes (the “Notes”) at \$1,000 per Note. The Notes will be an secured obligation of the Company subordinate to the Loan. The Notes will mature four years from their date of issuance, subject to being extended by the Company for up to four additional one-year extensions (with any extensions, the “Maturity Date”). The Company will issue Notes on a monthly basis for subscriptions received and accepted during such month. The Notes will have two interest components, the first of which is regular interest at 8% per annum, paid quarterly in arrears to the extent of available funds, and if not paid, compounding quarterly, and the second of which is additional bonus interest at \_\_\_% per annum, non-compounding, each component accruing through the Maturity Date (as such date may be extended as described below). **Investors should note that the Company does not expect to make any interest payments on the Notes for at least the first \_\_ months after the start of acquisition of the Property, as the Property will be in its development stage.** With respect to Cash from Capital Transactions prior to the Maturity Date, the Company shall use such funds to pay the then outstanding principal amount of the Notes, together with accrued interest. If the Company elects to extend the Maturity Date, the interest rate will increase to \_\_\_\_\_% per annum for the first one-year extension, \_\_\_\_\_% per annum for the second one-year extension, \_\_\_\_\_% per annum for the third one-year extension, and \_\_\_% per annum for the fourth one-year extension, with each 1% annual increase being attributable to the bonus (i.e., non-compounding) portion of the two interest components under the Notes. See “SUMMARY OF THE NOTES AND NOTE ADMINISTRATION AGREEMENT” and “FORM OF NOTE” attached as Exhibit C. GAMES, LLC, a California limited liability company will guarantee the principal amount of the Notes sold in this Offering. The guaranty as to

any Notes purchased by Affiliates of the Manager will be subordinated to the guaranty of Notes purchased by non-Affiliated investors.

Preferred Interests. The Company is also offering preferred membership interests in the Company as a part of the \$1,000 minimum Note investment. (\*\*TO BE DETERMINED\*\*)

Maximum Offering. The Maximum Offering Amount is \$\_\_,000,000 from the aggregate sale of Preferred Interests and Notes. The Targeted Offering Amount is \$\_\_,000,000, although the Company reserves the right to raise the Maximum Offering Amount. There is no minimum Offering amount.

The Property. (\*\*GAMES PROPERTY TO BE DETERMINED\*\*)

## SUMMARY OF THE OFFERING

The following summary is intended to provide selected limited information regarding the Company, the Property and the Offering and should be read in conjunction with, and is qualified in its entirety by, the detailed information appearing elsewhere in this Memorandum. **EACH PROSPECTIVE PURCHASER OF PREFERRED INTERESTS OR NOTES (COLLECTIVELY, "SECURITIES") IS URGED TO READ THE ENTIRE MEMORANDUM BEFORE INVESTING.**

- Securities Offered:** COMPLETION FUND, LLC (the "Company"), a California limited liability company, has been formed to acquire and develop certain GAMES Property. The securities being offered hereby (collectively, the "Securities") are (i) preferred membership interests (the "Preferred Interests") in the Company and (ii) 8% fixed rate, secured notes (the "Notes") to be issued by the Company, on the terms and conditions contained in this Confidential Private Placement Memorandum (with Exhibits hereto, the "Memorandum").
- Offering:** The Company is hereby offering Notes at \$1,000 per Note plus a Preferred Member interest. The Maximum Offering Amount is \$\_\_,000,000 from the aggregate sale of Notes. There is no Minimum Offering Amount for the Securities. The Company intends to sell the Notes and Preferred Interests until it reaches the targeted Offering amount of \$\_\_,000,000 (the "Targeted Offering Amount"), but reserves the right to raise up to the maximum Offering amount of \$\_\_,000,000 (the "Maximum Offering Amount"); Regard Note security, GAMES, LLC has covenanted in the Subscription Agreement as a third party obligor to maintain cash, marketable securities or other liquid assets in an amount equal to \$\_\_,000,000 less the then current total gross proceeds of the Offering, at all times during the Offering. Following the acceptance of all funds, \_\_\_\_\_, an Affiliate of the Manager, will also covenant that, to the extent that the liquid assets of GAMES, LLC fall below such level, he will make a cash capital contribution to a third-party trustee for the difference between the current amount and required amount of liquid assets of See "RISK FACTORS - Offering Risks - No Contingency Offering." The Manager and its Affiliates further reserve the right to purchase Securities. See "RISK FACTORS - Offering Risks" and "PLAN OF DISTRIBUTION."
- Organization:** The Company was formed on \_\_\_\_\_, 2010. The Manager of the Company is Completion Fund, LLC, a California limited liability company. The Manager and/or its Affiliates will be Subordinated Members of the Company.
- Notes:** The Company also is offering 8% fixed rate notes (the "Notes") at \$1,000 per Note. The Notes will be an secured obligation of the Company. The Notes will mature four years from their date of issuance, subject to being extended by the Company for up to four additional one-year extensions (with any extensions, the "Maturity Date"). The Company will issue Notes on a monthly basis for subscriptions received and accepted during such month. The Notes will have two interest components, the first of which is regular interest at 8% per annum, paid quarterly in arrears to the extent of available funds, and if not paid, compounding quarterly, and the second of which is additional bonus interest at \_\_\_% per annum, non-compounding, each component accruing through the Maturity Date (as such date may be extended as described below). **Investors should note**

**that the Company does not expect to make any interest payments on the Notes for at least the first \_\_ months after the closing, as the Property will be in its development stage.** With respect to Cash from Capital Transactions prior to the Maturity Date, the Company shall use such funds to pay the then outstanding principal amount of the Notes, together with accrued interest, before making any distributions of Cash from Capital Transactions to the Preferred Accounts. If the Company elects to extend the Maturity Date, the interest rate will increase to \_\_\_\_% per annum for the first one-year extension, \_\_\_\_% per annum for the second one-year extension, \_\_\_\_% per annum for the third one-year extension, and 1\_\_% per annum for the fourth one-year extension, with each 1% annual increase being attributable to the bonus (i.e., non-compounding) portion of the two interest components under the Notes. See “SUMMARY OF THE NOTES AND NOTE ADMINISTRATION AGREEMENT” and “FORM OF NOTE” attached as Exhibit C. GAMES, LLC, an California limited liability company and an Affiliate of the Manager and \_\_\_\_\_, will guarantee the principal amount of the Notes.

**Preferred Members:**

The purchasers of the Notes will become Preferred Members of the Company (the “Preferred Members”) in accordance with the Company’s LLC Agreement. Each Preferred Member’s liability will be limited to the amount of their initial Capital Contribution to the Company (i.e., up to \$1,000 per Note and including, in some instances, distributions made to such Preferred Member), plus undistributed profits. Preferred Interests are transferable only upon the satisfaction of certain requirements, including obtaining the Manager’s prior written consent, which consent may be withheld in its sole discretion. See ‘SUMMARY OF PREFERRED INTERESTS” and form of LLC Agreement attached as Exhibit B.

**Term of the Company:**

The Company will terminate on the earlier of (a) December 31, 20\_\_, or (b) such time as it is dissolved or terminated in accordance with the LLC Agreement. See the form of LLC Agreement attached hereto as Exhibit B.

**Property Description:**

(\*\*TO BE DETERMINED\*\*) There is no assurance that the Company will achieve these objectives. See “RISK FACTORS.”

**Asset Management:**

Completion Fund Managers will serve as the asset manager of the Property. Completion Fund Managers will be paid a separate annual asset management fee equal to 1.5% of the gross revenues of the Property, payable monthly in arrears. The Asset Management Agreement is currently being negotiated and may not be available for investors to review prior to investment.

**Property - Sale:**

The Company intends, subject to market conditions, to hold its ownership interest in the Property for approximately \_\_ to \_\_ years, which is the estimated useful economic life of similar properties. However, no assurance can be given that the Company will be able to sell the Property

for a satisfactory price at such time or at any time. See “RISK FACTORS.” Except with regard to a sale pursuant to the purchase option under the Mutual Right of First Offer and Purchase Option Agreement discussed below, the Manager will be required to obtain the approval of a Majority Vote of the Noteholders that are not affiliated with the Manager (i) prior to deciding to sell the Property and (ii) to the terms of sale; provided, however, if the sale of the Property is to other than an Affiliate of the Manager or its Affiliates, the Manager and its Affiliates will be entitled to vote in regards to the sale. See “MUTUAL RIGHT OF FIRST OFFER AND PURCHASE OPTION AGREEMENT” and “SUMMARY OF LLC AGREEMENT.” Completion Fund Managers will be responsible for brokering any future financial, acquisition or disposition transactions on behalf of the Company. Pursuant to the Asset Management Agreement, any fee associated with such a transaction will be paid by the Company two-thirds to Completion Fund Managers and one-third to Place Properties.

**Company Objectives:**

The principal objectives of the Company will be to: (i) preserve the investment of the Noteholders; (ii) realize income through the development, operation, financing and sale of the Company’s interest in the Property; (iii) once the Property is developed, make quarterly interest payments to the Noteholders and periodic distributions towards the Preferred Accounts from Cash Flow (i.e., the Company’s net cash flow) in an amount estimated to equal a 8% non-compounded annual return on their Adjusted Investment (as defined in the LLC Agreement), which should be passive income; (iv) pay off the principal and interest on the Notes on or before the Maturity Date; and (v) market the Property for sale or otherwise seek to provide liquidity for Preferred Members and, subject to market conditions, realize income likely to be taxable in part at capital gains tax rates on sale of the Property by the Company. The Company intends to provide its equity investors with a combination of steady (following completion of the construction of the improvements) cash flow and potential for capital appreciation on future sale of the Property. **THERE IS NO ASSURANCE THAT ANY OF THESE OBJECTIVES WILL BE ACHIEVED.**

**Management of the Company:**

The Manager will manage and control the affairs of the Company. The Property Manager will manage and control the Property. The investors will not be involved in the management or day-to-day affairs of the Company or the Property. See “THE MANAGER.”

**Manager and its Authority:**

The Manager of the Company is Completion Fund Manager, LLC, a California limited liability company and an Affiliate of Place Properties, L.P. and Evergreen Realty Group, LLC. The Manager and/or its Affiliates will be Subordinated Members of the Company. Place Management Group, LLC (the “Property Manager”), will serve as property manager of the Property. See “MANAGEMENT.”

**Experience of Manager:**

The Manager’s Affiliates have substantial experience in the acquisition, development and sale of \_\_\_\_\_.

**Compensation to Manager and Others:**

The Manager and its Affiliates will receive substantial fees and compensation from the Offering and serving as Manager of the Company. See “COMPENSATION TO THE MANAGER AND OTHERS.”

<b>Investor Suitability Standards:</b>	Offering of the Securities by the Company is strictly limited to persons who are accredited investors, as defined under Regulation D of the Securities Act, and meet certain other minimum suitability requirements. Preferred Interests are not being offered to tax-exempt entities, including qualified plans and IRAs. See “TERMS OF THE OFFERING - Suitability Standards.”
<b>Use of Proceeds:</b>	The Offering Proceeds will be used to develop and market the Property. See “ESTIMATED USE OF PROCEEDS.”
<b>Minimum Purchase:</b>	A minimum purchase of 25 Notes (\$25,000) will be required. The Company reserves the right, in its sole discretion, to waive the minimum purchase requirement. See “SUMMARY OF INTERESTS” and “SUMMARY OF THE NOTES AND NOTES ADMINISTRATION AGREEMENT.”
<b>Cash Flow:</b>	Cash Flow (i.e., the Company’s operating revenues net of all costs and expenses, including interest payments on the Notes) will be distributed to the Members on a quarterly basis. Until such time as the Preferred Members shall have received their 8% Priority Return, all Cash Flow shall be shared ___% to Preferred Accounts and ___% to Subordinated Members (i.e., the Manager and/or its Affiliates). Once the 8% Priority Return is received by the Noteholder, Cash Flow shall be shared in an amount up to ___% to the Preferred Accounts.
<b>Cash from Capital Transactions:</b>	Cash from Capital Transactions (i.e., sales and refinancings of the Property net of all expenses, including principal and interest on the Notes) will be distributed 100% to the Preferred Members until such time as the Preferred Members will have received any unpaid portion of the 8% Priority Return. Thereafter, the Cash from Capital Transactions will be paid to the Preferred Accounts until the Preferred Members have received their entire Adjusted Investment. Any remaining Cash from Capital Transactions shall thereafter be divided between the Preferred Members and the Subordinated Members, up to ___% to the Preferred Members, determined in accordance with the amount of Preferred Interests sold in the Offering as discussed above and by Cash from Capital Transactions (excluding any amounts that represent payment of a deficiency in the 8% Priority Return) distributed to such Preferred Member under Section 5.2 of the LLC Agreement.
<b>Conclusion:</b>	The Company believes that the Property should provide the Noteholders with the stated Priority Return and return of the initial cash investment and provide the Preferred Member portion with the opportunity to obtain stable cash flow and the potential for future appreciation from the Property.
<b>Defined Terms:</b>	Terms having their first letter capitalized in this Memorandum not defined herein are defined in the LLC Agreement.

[BALANCE OF PAGE INTENTIONALLY LEFT BLANK]

## **HOW TO SUBSCRIBE**

Investors who would like to subscribe for the Securities must carefully read this Memorandum and the Exhibits hereto. Then, investors must complete, execute and deliver the Subscription Agreement attached hereto as Exhibit A along with their check payable to “COMPLETION FUND, LLC” in the amount of the purchase price for the Securities purchased. These documents should be mailed or delivered to:

COMPLETION FUND, LLC  
c/o  
Address

Upon receipt of the signed Subscription Agreement, verification of the investor’s investment qualifications, and acceptance of the subscription by the Company (in the Company’s sole discretion), the Company will notify each investor of receipt and acceptance of the subscription.

**[BALANCE OF PAGE INTENTIONALLY LEFT BLANK]**