

GreenLine BDC, INC.
September 4, 2018

GreenLine BDC plans to be the First Business Development Company Focused on the Underserved U.S. Cannabis-Related Financing and Consulting Market. This Market is Large and Rapidly Growing and Lacks a Mature Finance Industry.

**Strong
Speculative
Buy**

Brian Connell, CFA
 Senior Research Analyst
 bconnell@harbingerresearch.com

Summary and Investment Opportunity

- U.S. is Legalizing Cannabis Quickly, with 2017 sales of \$9.2B, forecast to hit \$47.3B by 2027**

The rapid growth in this sector is creating a "green rush" for cannabis producers and the technology, biotech, service, and equipment companies that serve them. However, partially due to the lingering stigma associated with non-legal cannabis, but mostly because of the hypergrowth of this sector, the financial institutions available to cannabis-focused enterprises are extremely limited. Proprietors of both private and public cannabis companies in some cases cannot even access basic business banking services – much less institutional financing - and are forced to keep large quantities of cash on hand, hampering their ability to function normally. Without a doubt, the cannabis sector is in dire need of institutional financing options.

- GreenLine BDC intends to be the first BDC primarily focused on U.S. Cannabis Companies**

Because of the specialized needs of cannabis and other related enterprises in this sector, GreenLine BDC executives feel that their focus on this sector will give them a significant market advantage, allowing them to build a successful business development company far more quickly and with less risk than might otherwise be possible. Management also believes that the Company's shareholders will benefit from what amounts to an arbitrage of sorts between public company valuations and private company valuations.

- GreenLine BDC Brings Institutional Funding to Cannabis and Private Equity to Every Investor**

GreenLine BDC offers investors the opportunity to participate in the private equity portion of the burgeoning U.S. cannabis sector through a public vehicle. Investments in private companies typically offer higher long-term returns than do investments in public companies, but access to such investments is usually limited to professional investors (e.g. hedge fund / private equity investors) and very wealthy "angel investors." The Company also offers financing to private companies in the form of a bridge loan / equity line combination, which both gives the private company immediate access to crucial funding via a bridge loan, and also the know-how, industry-contacts, and experience to help that same company become public in the U.S. and begin accessing capital more cost-effectively as a public company, thus helping it grow more quickly.

- GreenLine BDC Plans to be First BDC Focused on the Hyper-growing Cannabis Sector**

The Company believes that its greatest appeal to prospective non-institutional investors is the access that these investors would get to private company investments as a GreenLine BDC shareholder. Because private equity investment returns are not highly correlated with public equity returns, this should offer GreenLine BDC investors both risk reduction and potentially higher total returns. We believe that private companies in the Cannabis sector are hungry for new and superior financing options, and thus the Company's offering should be well-received in the hot cannabis sector. The Company has seasoned leadership, a solid vision, and operates in a sector likely to grow by some 500% over the next five to seven years. Furthermore, the Company is built on a scalable, repeatable, and highly lucrative business model that could allow early investors to experience solid price appreciation as well as a healthy periodic yield. *Therefore we rate the shares of GreenLine BDC a Strong Speculative Buy, and set our 12-month price target at \$1.75 per share.*

Recent Price	N/A
Market Capitalization (mln)*	N/A
Enterprise Value (mln)*	N/A
Institutional Ownership	N/A
Insider Ownership	79.9%
Regular Shares Outstanding (000s)*	12,262
Fully Dil. Shares Outstanding (000s)*	12,262
Average Daily Trading Vol (30 day)	N/A
Exchange	N/A

*Assumes 1M shares issued in \$500K SAFE (simple agreement for future equity) financing in Q3 '18. The Company plans to follow the SAFE with a \$5M E-1 equity offering in Q1 of 2019.

Balance Sheet Data

Shareholders' Equity (mln)	unknown
Price/Book Value	N/A
Cash (000s)	N/A
Net Working Capital (000s)	N/A
Long-Term Debt (000s)	0
Total Debt to Equity Capital	N/A

Company Overview

GreenLine BDC is a business development company primarily focused on the legal U.S. Cannabis Sector, helping worthy companies become adequately financed, public, and ultimately, niche-dominating organizations. The Company's primary sources of revenues are consulting fees and shares that it acquires from its clients, and in some cases, interest and other fees associated with registered public equity financings.

P&L (000s)	FY 2017A	FY '18 H1A	FY '18 H2E	FY '19 H1E	FY '19 H2E	FY '20 H1E	FY '20 H2E	FY '21 H1E
Revenues, cash	80		65	947	2,070	3,066	4,414	4,415
Revenues, equity			450	1,350	1,350	1,800	2,025	2,025
Operating expenses	5	65	795	545	604	604	695	695
Operating Income	75	(65)	(280)	1,752	2,816	4,262	5,744	5,745
Operating Margin	94%	N/A	N/A	76%	82%	88%	89%	89%
Net Income	63.2	(65)	(280)	1,752	2,816	4,262	5,744	5,745
Earnings per Share	0.005	(0.006)	(0.023)	0.10	0.16	0.25	0.33	0.33
Basic Shares Out. (mln)*	11,262	11,262	12,262	17,262	17,262	17,262	17,262	17,262

* Assumes 1M shares issued in \$500K SAFE financing in Q3 '18 and Q4 '18. The Company plans to follow the SAFE offering with a \$5M E-1 or S-1 equity offering in Q1 of 2019.

Company Contact Information

Ted Herman
 President and CEO
 therman@greenlinebdc.com

John Genesi
 Chief Financial Officer
 jgenes@greenlinebdc.com

Matthew Mera
 VP of Investor Relations
 ir@greenlinebdc.com

GreenLine BDC, Inc.
 99 Wall Street, Suite 1029,
 New York, NY 10005
 www.greenlinebdc.com
 (845) 271-1732

Please see analyst certification and required disclosures on page 15 of this report.

Industry Background – BDCs and the U.S. Cannabis Sector

Business Development Companies - Structure and Its Advantages

GreenLine BDC, Inc. (“GreenLine BDC”) is a startup-stage business that intends to register as a business development company (BDC) that operates under 1980 amendments to the Investment Company Act of 1940, which also governs mutual fund companies and several other corporate structures in the investment management industry. The salient feature of a business development company is that it allows all investors including non-accredited investors to participate in the typically higher returns available in the private equity market. BDCs are a special type of closed-end fund¹ that must invest a minimum of 70% of assets in the securities of private or public companies with a total market capitalization of \$250 million or less.

Like most BDCs, GreenLine BDC plans to be taxed as a regulated investment company (RIC) under the U.S. Internal Revenue Code. Similar to real estate investment trusts (REITs), as long as a RIC meets certain income, diversity, and income-distribution requirements, it pays little or no corporate income tax, instead passing all income through to shareholders without a corporate taxation layer. This means that operating income of the BDC is taxed at each shareholder's regular income taxation rate, and capital gains earned by the BDC is taxed at each investor's capital gains tax rate. While RICs must distribute a minimum of 90% of income to shareholders under section 851 of the Internal Revenue Code, most BDCs distribute 98% of all income to shareholders, making it entirely tax-free at the corporate level.

Although some BDCs choose to remain private, most are listed on a national stock exchange such as the NYSE or Nasdaq, and in some cases, initially on the over-the-counter market (OTC-QB or OTC-QX). Regardless of whether they are private or publicly traded, BDCs must comply with all provisions of the ICA of 1940, which:

- Limits the amount of debt that the BDC can incur
- Prohibits most affiliated transactions
- Requires a comprehensive compliance program based on both securities law and an internal code of ethics
- Requires regulation by the Securities Exchange Commission, including the filing of quarterly and annual reports and proxy statements with the SEC
- Requires the BDC to maintain an independent board of directors
- Mandates the use of a custodian for all investor funds, which functions similarly to an escrow agent

Much like private equity firms (including venture capital firms), business development companies typically invest in debt, convertible debt, common and preferred shares of private (and in some cases) smaller public companies. As an asset class, the returns of private equity securities are not highly correlated with those of public equity, giving BDC investors added diversification and thus reduced portfolio risk, in addition to the potentially higher long-term returns associated with private equity investing.

Also like private equity firms², BDCs help advise the management of the companies in which they invest, and often offer an array of other services and expertise that assists smaller enterprises with their growth and maturation process. Although not always, a major milestone in this process is usually a go-public event, typically an initial public offering (IPO). In the case of GreenLine BDC's planned operating model, these go-public events are central to the Company's capital appreciation and total investment return strategies.

GreenLine BDC is positioned to be the first BDC primarily focused on the legal U.S. cannabis sector, which is comprised of agricultural firms, distributors and retailers, and a variety of technology, service, and equipment companies that serve them. This industry is in the midst of an extremely rapid growth cycle, and in our view the financing options currently available to companies in this space have not yet matured to a level commensurate with the current size and growth of the sector. This is a market vacuum that GreenLine BDC intends to fill.

¹Unlike a typical (open-end) mutual fund, where shares are bought and redeemed at Net Asset Value (NAV), a closed-end fund raises capital through one or more rounds of equity financing, and that capital remains in the fund unless/until the fund is liquidated. Investors in closed-end funds may liquidate their investment by selling their shares in the fund on the open market, if one exists. Because of this structure, shares in closed-end funds can sometimes trade at a significant premium or a discount to NAV.

²Notably, unlike most private equity / venture capital firms, BDCs do not typically participate in the governance of portfolio companies, which allows them to operate without the conflicts of interest that can sometimes limit private equity / venture capital firms.

The U.S. Cannabis Sector - Domestic Cannabis Industry Size and Segmentation

The U.S. cannabis sector is growing extremely rapidly and has been since the first wave of legalization and decriminalization began back in late 2012. If looked at broadly, the cannabis industry has three primary categories of participants.

The U.S. Cannabis Ecosystem and the Companies and Entities that Operate Within It

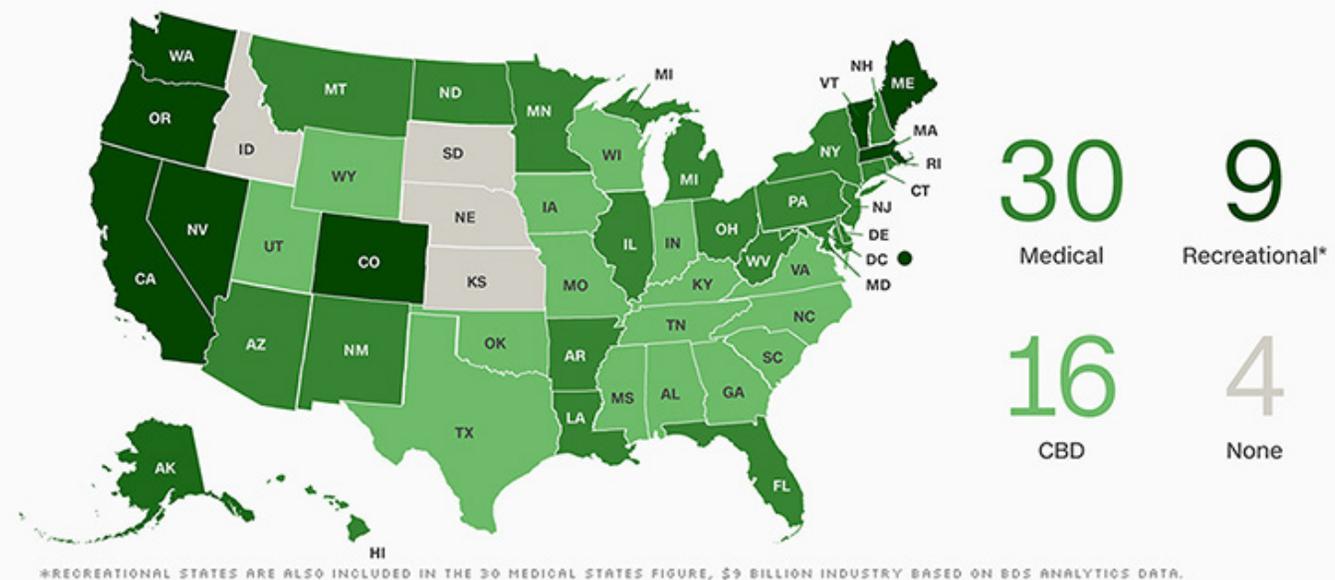
Group I	Directly Involved with Cannabis Plants
Biotech	Biotechnology is perhaps rivalled only by Robotics technology in terms of the likely greatest impact by the year 2100. Cannabis-focused biotech efforts typically focus on finding therapeutic value in the 115 or so cannabinoids found in cannabis sativa.
Plant Cultivation and Sales	These typically smaller organizations are your local growers and seed providers. The appetite for products offered by Group I companies vary widely on an individual basis.
Hemp Product Manufacturers	Hemp is one of the most versatile and useful plants known and is a primary ingredient in thousands of products manufactured around the world. Such products include paper, textiles, foods, beverages, biofuels, rope, and hemp is also the primary source of CBD, an important, non-intoxicating therapeutic compound.
Marijuana Product Producers	These are the companies that transform raw marijuana and its extracts into consumables such as candy, pastries, beverages, foodstuffs, baked goods, and other products such as smoke-able or vape products, or pharmaceutical products myriad chronic ailments.
Group II	Provide Support to Group I Companies
AgTech	Participants in the AgTech industry provide the high-tech equipment used to cultivate the highest quality marijuana buds, often derived from genetically-engineered seeds and grown in hydroponic environments. AgTech products can also be low-tech, such as lights, heating and cooling system, etc.
Real Estate	Finding real estate on which you can cultivate cannabis can be extremely challenging, unless you are with a firm with specialized local knowledge that helps you find, negotiate, acquire, and operate facilities without inviting unnecessary legal entanglements. Such firms are highly valuable.
Secondary Tertiary Services	Like high-growth businesses in any industry, cannabis cultivators, product manufacturers, and retailers are in need of specialized services such as branding, packaging, laboratory testing, online marketing, and other services that help them grow and prosper – especially financial services.
Group III	Cannabis May Not Constitute Entire Business
Finance	Finance firms help cannabis enterprises fund their growth and expansion, manage cash with services such as receivables factoring, and in the case of the investing public, to find suitable investments in the cannabis space. GreenLine BDC is just such a firm, primarily focused on the Cannabis industry and the first business development corporation in the sector.
Consumption Enabling Tools	The vendors make paraphernalia such as pipes, vape tubes, and other devices that help consumers of cannabis make use of the product.
Technology and Media	Although commonly grouped together, technology and media are only loosely associated in this context. As we have seen in more mature industries, we are now beginning to see seed-to-harvest “grow flow” management systems that help cut costs and improve yields. On the media side, we are seeing specialized newsletters, blogs, and more traditional news organizations cropping up to keep those interested in cannabis well-informed.
Other	Sometimes, companies just don’t fit into any real category, like those developing intoxication testing kits for the police. We place them here.

The cannabis industry is extremely young in the U.S., having legally existed for just over five years at the time of this writing. However, the industry has grown very rapidly during that time, as a groundswell of popular support has brought some form of legal marijuana to 39 of our 50 states. In terms of cannabis products, the most important segmentation is related to presence of THC, the primary source of the “high” pot users experience. Hemp, defined in the U.S. as cannabis sativa containing no more than 0.3% THC by weight, does not confer a “high,” whereas traditional marijuana, in which THC concentrations can approach as much as 20% by weight, does confer a high – in some cases a very strong one.

Whereas the traditional marijuana segment has both medicinal and solely recreational consumers, the hemp segment has only health, wellness, and medicinal consumers, mostly seeking to ingest a compound called cannabidiol (known as CBD). Cannabidiol can comprise as much as 40% of a hemp plants extractable material and has been shown anecdotally and in bona fide research to have relatively pronounced medicinal value for those with anxiety-related health issues, for sufferers of

United States of Marijuana

The state of the union is strong for marijuana, a \$9 billion industry. Recreational weed is legal in nine states and Washington, D.C. Medical marijuana is legal in 30 states, but it's still prohibited by the federal government.



Source: CNN Money

epilepsy and MS, and for those suffering with chronic pain (e.g. joint pain).

As is self-evident, the Cannabis industry is on the rise, growing in leaps and bounds with each new legalization and decriminalization, a trend that may see another major leap forward with this November's vote. GreenLine BDC is in the right place at the right time, and we feel quite sanguine about its short-term and long-term prospects.

Introduction – Legality and the Rapidly Changing Legal Landscape in the U.S.

Since the advent of widespread marijuana use in the United States during the 1960s, there has existed a vibrant “counter-culture” centered around researching the myriad putative health benefits of the 483 known compounds found in marijuana extract³. Over the ensuing 35-40 years, researchers did make great strides in educating the public about the potential benefits of some of these compounds, and even managed to get medical marijuana legalized in a few states for primarily “appetite-restoration” for those combating chronic low appetite and weight loss, such as advanced AIDS or later-stage cancer patients, where unintentional weight loss is a major problem.

³[https://en.wikipedia.org/wiki/Cannabis_\(drug\)](https://en.wikipedia.org/wiki/Cannabis_(drug))

Unfortunately for the many individuals who could have benefitted from the medicinal properties of the marijuana plant, access to marijuana-based medicines has historically remained largely out of reach; that is, unless the patient was willing to break the law to obtain marijuana illegally. But broad awareness of and support for legalizing medical marijuana and decriminalizing marijuana has been growing steadily, especially in the Western and Northeastern parts of the U.S.

More recently, however, we have seen a sea change in the laws governing marijuana and the potentially therapeutic compounds related to it. Beginning with the State of Colorado in November of 2012, we have witnessed an extremely rapid movement toward legalizing or at least decriminalizing the recreational and medicinal use of marijuana and its extracts. The plant and its buds can now be possessed for personal recreational use in nine states plus the District of Columbia (minimum age of 21 years), and marijuana is either fully legal or legal on a limited basis for medicinal use with a doctor's prescription in 37 more states, making it (under state law) completely illegal in just four U.S. States (Idaho, South Dakota, Nebraska, and Kansas). While this rapidly changing legal landscape does seem to suggest broader legal availability of marijuana in the future, there are currently concerning holdouts in the popular movement to legalize Marijuana: The U.S. Attorney General and the Federal laws of the United States of America, and in the federal agencies in charge of enforcing these laws, namely the DEA (Drug Enforcement Administration) and the FBI (Federal Bureau of Investigation).

Under U.S. Federal law, marijuana is still classified as a Schedule I substance, putting it on par with Heroin, LSD, and a whole host of other strong and (in some cases) dangerous drugs that have no documented clinical or medicinal use. Both cocaine and methamphetamine, two of the most addictive and dangerous drugs of the modern era, remain classified by the FDA as Schedule II, indicating that they do indeed have valid medical uses and hence are less harmful than marijuana. Based on years of research into cannabis toxicity and addictive potential, and now based on newer studies of "new addiction rates" in states where cannabis is newly legal for recreational use, the data strongly suggest that when compared to the universally legal drug ethanol (alcohol), marijuana is less addictive, less unhealthy, and causes far fewer violent and non-violent impairment-related incidents. Therefore, in our view, the decriminalization of marijuana will probably happen eventually in each and every state and under U.S. Federal Law, although it is impossible for us to know whether the current pace of decriminalization and legalization will continue.

Notably, within a month of this writing CNN reported that President Trump recently indicated that he would "probably" support legislation preventing enforcement of Federal anti-cannabis laws in locations where it is legal under state and local laws. If this indeed occurs, it will likely be viewed as a major reduction in regulatory risk, and we would expect at least a moderate strengthening of investor appetite upon such news.

However, unless there is a very unlikely reversal in current trends in U.S. laws pertaining to cannabis (both marijuana and hemp), we believe that this will remain a vibrant and exciting sector in which to invest for the foreseeable future.

Growth Trends in Cannabis Sector

Although nothing about the future is ever certain, we feel safe in saying that cannabis and its extracts are here to stay in the United States of America. In fact, according to Arcview Market Research and its research partner BDS Analytics, in the United States the adult-use recreational market alone will grow from \$9.2 billion in 2017 to \$47.3 billion a decade later. This data does not include the markets for medicinal marijuana but does include the market for derivative products such as edibles, oils, extracts, and other similar products.

GrandView Research states that the legal U.S. marijuana market size is expected to grow at a compound annual growth rate of approximately 25% through at least 2025, at which time the U.S. medical marijuana market is forecast to have revenues of approximately \$100 billion. This is a very rapidly developing sector that is still characterized by large numbers of small and medium-sized private enterprises that are struggling to reach more dominant status levels in their operating segments.

For the Company, this means myriad high-quality investment opportunities involving private companies that want and need what GreenLine BDC has to offer.

Company Analysis

Introduction

Until now, GreenLine BDC has had only limited operations with total historical revenue of approximately \$100,000. Essentially a startup company, in 2015 GreenLine BDC started the due diligence process to capitalize on the rapid growth of U.S. companies that cultivate, distribute, or retail products derived from the cannabis plant, as well as those companies with agricultural, consulting, or technology products that serve them. The Company will invest in and help these companies grow and become public in the United States, and through these efforts will enrich its shareholders via current income and capital gains. It is the first business development company focused primarily on the legal domestic cannabis sector.

GreenLine BDC is for the time being a private company, although it plans to list first on the over the counter market in the U.S., followed at some point by an uplisting to either the NasdaqCM or the New York Stock Exchange (NYSE). The Company's offices are located at 99 Wall Street, Ste. 1029, New York, NY 10005, and at 304 South Jones Blvd., Ste. 3451, Las Vegas, NV 89107.

The Problem

As of mid-2018, the legal cannabis industry in the United States is in the throes of hyper-growth, as the state-level regulatory environment is literally changing on a month-by-month basis - in a manner that is entirely towards decriminalization and legalization of cannabis and products derived therefrom. Because of the high demand for cannabis-related products in a large percentage of the U.S. population of over 200 million adults⁴, companies operating in this sector are essentially in the midst of a massive land grab, as market leaders and contenders are establishing themselves by rapidly growing sales and the internal operational ability to support this.

More than any other thing, these companies find that their largest challenge is access to adequate capital. Although many factors are responsible for this, one of the most important is the lack of a mature cannabis-related equity-based funding industry. Despite the increasingly mainstream nature of the cannabis sector, many traditional lenders are still unwilling to finance its participants due to the lingering stigma of previously illegal "marijuana." Although traditional equity-based lenders and investors do operate in this sector, they mostly do so as generalists, meaning that they don't immediately nor thoroughly understand the sector-specific (e.g. regulatory) challenges these companies face. Additionally, these companies need strategic advisory and a host of other services best provided by a specialist firm such as GreenLine BDC.

The GreenLine BDC Solution

GreenLine BDC plans to offer a variety of services to help its client companies maximize their potential, both as operating enterprises, and as public companies. All clients of GreenLine BDC should benefit from some mix of the following services.

- **Financing.** GreenLine anticipates that nearly all of the companies with which it chooses to work will need some form of financing. For its standard private company client, GreenLine intends to offer a two-part financing solution in conjunction with a go-public initiative. The first of these two parts is a bridge loan, with fair but somewhat investor-favorable terms, that will give the client immediate access to capital. Secondly, over the coming months, GreenLine BDC intends to work with each client to help them become a publicly trading entity on a U.S. stock market while also providing some mix of the consulting services it offers. Once the client company becomes public and begins to develop an adequately liquid market for its shares, GreenLine BDC will begin to make additional financing available, generally in the form of an equity line. Quite common in the small public company finance industry, equity lines allow a company to "put" shares to the equity line originator at a certain date and time and the originator is obligated to purchase enough shares to meet the dollar value of the put. While somewhat complex, GreenLine BDC will be contractually obligated only to purchase shares at a significant discount to the recent share price, thus guaranteeing

⁴As of the 2010 Census, the U.S. population included 112.8 million persons aged 18 to 44 and 81.5 million persons aged 45 to 64.

it a profit on each put transaction, while also guaranteeing the client company access to the amount of funds it requests when it requests them, up to certain contractual limitations. Note that this financial package offering constitutes GreenLine BDC's primary planned revenue generator and is the basis of our financial model.

- **Financial resource planning and execution.** In addition to strategic planning help, financial resource planning and execution is perhaps the most valuable service the Company will provide to most of its clients. In addition to investing its own capital in each client company, GreenLine BDC will also make sure that each client has a clearly-defined financial plan that includes a future go-public event. Due to the Company's highly-experienced leadership and advisory teams, the members of which have been involved in numerous go-public events over the years, GreenLine BDC will be able to help each client reach public status far more effectively and efficiently than it would otherwise find possible. This ability also makes each investment the Company makes less risky and potentially more lucrative, as it can both shorten the time required to get public and reduce the risks inherent in a public offering - benefiting each client and GreenLine BDC and its shareholders.
- **Strategic planning.** Perhaps the most important discipline a young company can have is as the old adage goes "planning your work and working your plan." While this seems simple and obvious, in practice it is far more challenging to achieve than might initially be apparent. Most entrepreneurs are by definition opportunistic multi-taskers, comfortable in multiple roles (as they must be) as they pounce on promising opportunities and guide their once-startup company through the initial stages of growth and maturation.

Unfortunately, this same set of skills that makes early-stage entrepreneurs so capable can also become their own worst enemy, as they chase after great opportunity after great opportunity only to find that this has caused them to neglect their core business, sometimes to the extent of insolvency and complete corporate failure. As a GreenLine BDC client, however, young cannabis and hemp companies will have access to and assistance with the implementation of a proven, workable, periodic strategic planning process that will help them go after "the right" opportunities in a well thought out manner. This process will ensure that the most valuable new opportunities are not missed and that the core business is not neglected, all the while enabling the entrepreneur(s) to focus on daily execution with the confidence that their efforts are properly focused on maximizing long-term value and success.

- **Digital strategy, website development, and eCommerce implementation.** What the Company broadly refers to as digital marketing, competence in this area is an absolute requirement for any business seeking to maximize the potential of its product sales and, ultimately, its success as a fully-valued public company. GreenLine BDC considers this to be one of the most crucial areas of expertise on which it advises its clients and expects that all clients will benefit from digital marketing services it recommends. Digital marketing initiatives GreenLine BDC plans to recommend for the benefit of its clients include: an integrated digital marketing funnel that serves as a foundation; social media marketing, email marketing; content marketing, which for example could include a white paper on how to invest in clients' industries; influencer marketing, where those with hundreds of thousands or millions of followers will be hired to drive interest, and direct sales and tele-marketing.
- **Financial and human resources management.** At least initially through partnerships, GreenLine BDC plans to help its client companies with the somewhat mundane yet highly important tasks of managing personnel in compliance with local, state, and federal labor laws and in planning and managing day to day expenditures, investments, receivables collections and complying with state and federal taxation rules. This includes but is not limited to compliance with local and state laws pertaining to the taxation of cannabis-related product sales.
- **Legal compliance.** Through outsourcing, GreenLine BDC will help its portfolio companies successfully navigate and stay in compliance with the extremely complex state and local laws pertaining to those industries that touch the plant.

- **Technology selection.** Although GreenLine BDC principals are not farmers, they do have substantial expertise in technology systems in general, and specifically in regard to finance/accounting, CRM, salesforce automation, and digital marketing technologies. At some point in the future the Company foresees advising each of its clients in regard to these systems, and can foresee offering a complete solution to each client based on the same integrated platform that it operates for itself. For other types of specialized systems, the Company plans to draw on management experience and industry contacts/connections to help its clients make the optimal choices without incurring the high search and analysis costs (time, people) that such optimal technology selection often entails.
- **Sales & marketing.** While many or even most GreenLine BDC clients may not need help with “traditional” sales and marketing, at least some will. For those clients, the Company plans to use management’s industry contacts, experience, and sales and marketing expertise to help increase clients’ sales and build clients’ brand awareness within key target markets.
- **International expansion.** While GreenLine BDC does not foresee this becoming a major component of what it does for clients, some clients may wish to expand internationally. For example, a Canadian-based cannabis company might wish both to become public in the United States while also developing sales and relationships in the U.S., a market roughly 15 times the size of the Canadian market. In this case, GreenLine BDC would be of great help both in terms of going public in the U.S. and in terms of developing business opportunities in the States (note that 70% of GreenLine BDC’s revenues must be derived from the United States).
- **Operational efficiency.** This is one of the many benefits that comes from sound strategic planning and from the implementation of systems and processes that enable workers to do and become more. Depending on the client, GreenLine BDC plans to help transfer its principals’ and advisors’ understanding of these organizational technologies to the client’s leadership team.

GreenLine BDC Business Model

From each new client company, GreenLine BDC plans to earn revenues in the form of both cash and equity securities from its planned financing activities, and additional cash and equity compensation from the provision of some or all of its consulting services.

Bridge Loans (cash and stock)

The Company’s bridge loans will generate interest payments, possibly fees at closing, and other compensation; they entail some risk, as some small percentage of the companies with which GreenLine works will for one reason or another fail to begin trading publicly, putting the full repayment of the bridge financing in jeopardy. In those rare cases, the Company plans to rely on secondary forms of collateral (secured during the loan origination process) such as UCC filings on hard assets and equipment, possibly personal guarantees, and other forms of collateral. We do not anticipate that bridge loan losses due to “failure to launch” events will be common or that sizeable, and should make little or no difference in terms of the Company’s overall profitability.

Consulting Fee (shares of stock)

The Company plans to charge a significant consulting fee, to be paid in equity securities (i.e. shares in the client company). These shares may be passed through to GreenLine BDC’s shareholders, who will then be able to each decide when and if to liquidate the shares.

Equity Line and the Equity Line Commitment Fee (shares of stock)

When each client company is engaged in the equity line agreement with the Company, GreenLine will receive a “commitment fee” equal to less than 4.9% of the outstanding equity securities of the client. When the client company subsequently becomes public and begins to put shares to Greenline in return for cash, GreenLine may invest direct or use these initial shares to sell in the open market to generate the funds to satisfy the client company’s “put.” We expect that the Company may earn a margin well over 25% on each put exercise it receives from clients.

Consulting Services Not Directly Related to Financing (mix of cash and stock to be set on a client by client basis)

For all of the other services the Company plans to offer, on a client-by-client basis, the Company will set specific pricing to include cash and/or shares of stock. While we have not modeled revenues from this non-financing line of business, we do expect that it will likely result in significant shares of client equity that will be mostly earned at pre-public (low) valuations, providing meaningful upside to GreenLine's shareholders.

Valuation "Arbitrage," Private Companies vs. Public Companies

The textbook definition of arbitrage is the capture of "riskless" profit by simultaneously executing opposing transactions on different markets. For example, if a given stock is selling at \$100 per share on one exchange and \$99.50 on another, a trader could simultaneously purchase it for \$99.50 and sell it for \$100, thus earning a riskless profit through arbitrage.

Private Company Valuation

Private companies, however, typically suffer from much lower valuations than do their public counterparts. This is because in addition to the same potential risks that public companies face, private company investment entail several significant drawbacks:

- Because there is no public market for shares in a private company, an investor who wishes to sell his or her share position must find a specific individual or group that may legally purchase the shares, and then do considerable legal paperwork to effectuate the sale.
- Because information about the business results and likely future fortunes of a private company can be very elusive, as they have no disclosure requirements and do not make filings with the SEC. This makes it very difficult to correctly assess the likely fair value of private company shares.

Given these two rather large problems private company investing entails, public company valuations can be and typically are two to three times higher for public companies than for private ones, all other things being equal. Since GreenLine BDC is in a position to "earn" shares in private companies by providing them with services and financing, they are able to earn these shares at very low "private" valuations. But because the Company's business model includes helping each client company become public, at which they will mostly succeed, the Company and/or its shareholders will likely be a position to benefit from this 2x - 3x jump in valuation fairly regularly over time. We believe that this perhaps more than any other single thing makes an investment in the Company in either its planned SAFE offering or go-public rounds to be very attractive to would-be investors. The Company refers to this aspect of its business as "private-to-public valuation arbitrage."

To help convey how this might work, we have selected five public companies that are in some way directly involved in the cannabis sector. These are markets that will likely be appropriate for many of GreenLine BDC's initial go-public events, although the most successful of these companies will likely up list at some point to either the NYSE or the Nasdaq. In any event, a comparison of these five companies' per-share valuations during their last pre-public financing round vs. their share price now illustrates the private-to-public valuation arbitrage upon which much of GreenLine BDC's business model is built.

Cannabis-related Public Companies Illustrating Private-to-Public Arbitrage

Company Name	Stock Symbol	Total Return from Final Pvt. Placement to Today	Final Pvt. Placement Share Price	Current Price*	Average Volume
Aurora Cannabis	ACB (TSE)	935.3%	C\$0.85	C\$8.80	12.8M
Solis Tek	SLTK (OTCQB)	55.0%	\$0.50	\$0.78	33.8K
GrowGeneration	GRWG (OTCQX)	558.6%	\$0.70	\$4.61	82K
Tilray	TLRY (NasdaqGS)	861.7%	\$6.78	\$65.20	5.3M
Canopy Growth	CGC (NYSE)	11,931.6%	\$0.38	\$45.72	6.4M

*Current closing prices as of Aug 31, 2018

Public Company Valuation

Public companies are typically valued at a multiple of revenues or earnings, and expected future revenues and earnings, but are “penalized” for risk. With public companies, the company-specific risks are the ones that affect valuation the most – those with high risk of product obsolescence, a large pending lawsuit, or myriad other risks – will typically get a smaller multiple of revenues or earnings in their share price than those that embody fewer risks – with all other things being equal.

As can be seen from these examples, the difference between private company valuations and public company valuations can be quite pronounced, and very beneficial to those investors who are in a position to select the most promising private company investments. However, we must also stress that we selected these particular cannabis companies after-the-fact, meaning that those that failed would not even show up in our universe. Clearly, not all investments likely to be made by GreenLine BDC will exhibit investment returns similar to those listed above.

Client Acquisition Strategy

Based on the principals’ and advisors’ experience in the financial industry, GreenLine BDC expects to find a high percentage of its clients via personal referral, either from within the financial industry or from within the cannabis sector itself. In the financial industry, the Company expects that it will garner referrals from the legal community, angel investment community, the venture capital / private equity community, and from small-market investment bankers. The Company also expects to generate new client referrals from attending sector-specific trade shows and via other cannabis-related professionals in the legal, accounting, and other industries.

Investment Marketing Strategy

GreenLine BDC has adopted a combination of digital and personal marketing methods to generate interest in its offering(s) and, ultimately, in its shares once it becomes a fully reporting, publicly trading company. On the personal side, the Company intends to employ a combination of well-trained licensed issuer agents to reach out to potential investors and establish their potential interest level in investing in the Company’s shares. For those who have a potential interest, an investment professional or a corporate officer will follow up to explain the opportunity the Company is offering, and when appropriate, to secure a commitment from an investor.

In terms of digital marketing, the Company plans to employ a combination of specialized landing pages (and its own primary website) as the first stages of a “marketing funnel” that will culminate in an investment professional or corporate officer following up with all potentially-interested investors.

Initially, the Company intends to use a “SAFE” offering, whereby investors will have their investment converted into shares in the Company’s go-public offering at a 50% discount to the offering price. We believe that this more than adequately compensates early stage investors for the additional risk their investment will entail. The Company plans to raise \$500,000 in initial capital from this offering, of which 80% will be earmarked for small investments in the Company’s first few clients. These clients include:

- **Baqua, Inc.**, a functional beverage company that has recently developed a hemp-infused energy drink
- **GreenLeaf Farms, Inc.**, which sells all organic, full spectrum Colorado CBD oil on line
- **E-MAX 86, Inc.**, a developer of proprietary technology to extract CBD, THC and THCA from industrial hemp and cannabis; and
- **Kentucky Mobile Extraction, LLC**, which intends to engage in the business of providing mobile hemp oil extraction services to Kentucky hemp growers.

Leadership Team

Ted Herman, *President and CEO*

Theodore “Ted” Herman has served as the President and CEO of GreenLine BDC, Inc. since inception. Prior to joining the Company, Mr. Herman was the CEO and sole Director of AP Corporate Services, Inc., and its subsidiaries. Previously a CPA, Mr. Herman has been an independent Financial Management Consultant since 1987, advising companies seeking to go public on the design and implementation of management information systems, business evaluations and feasibility studies, Sarbanes-Oxley compliance issues, and structuring debt and equity financings.

Mr. Herman received his B.S. in Accounting and Business Administration from California State University, Northridge.

John Genesi, *Chief Financial Officer*

John Genesi has over 25 years of experience in accounting and finance. Prior to joining the Company, Mr. Genesi served as Controller for oBand, Inc., a Los Angeles based healthcare company. From June 2006 to December 2007, Mr. Genesi served as Chief Financial Officer of LandBank Group, Inc. and its sister company, Strategic Financial Companies, LLC. While building and managing LandBank Group, Inc., Mr. Genesi also helped take Strategic Financial Companies, LLC from a business plan to a company with over 100 employees and \$30 million in revenue.

Mr. Genesi graduated from California State University, Fullerton with a Bachelor of Arts degree in Business Administration with a concentration in Finance.

Matthew Mera, *Vice President – Investor Relations*

Mr. Mera serves as the Vice President of Investor Relations for GreenLine BDC, Inc. Prior to joining GreenLine he served as Head Equity Trader at World Trade Financial Group and CenterPoint Securities for 8 years, and from 2008-2010 was an institutional broker on the Capital Markets Desk at Maxim Group/Rodman & Renshaw.

Mr. Mera has held Series 7 and 63 Securities Licenses and graduated from the Zicklin School of Business at Baruch College with a BBA in Finance.

Ryan V. Armasu, *Director*

Mr. Armasu is a seasoned executive with a track record of success developing, financing, building and operating production and supply chain assets in the process industries. He has worked for large global chemical corporations such as Bayer Corp. and Akzo Nobel Inc. in various engineering and operations management roles.

Currently he serves as Managing Director – Technology, for Lexden Capital, a boutique private equity firm. He is responsible for +\$1 billion project pipeline tasked with identifying, evaluating, and selecting the technologies comprising the portfolio.

In an earlier role, Mr. Armasu served as Senior VP for an ocean power renewable energy company, where he led the deployment of a novel thermal technology and helped develop a \$150 million Sea Water Air Conditioning (SWAC) project in the island of Bahamas.

Mr. Armasu is a graduate of Texas A&M University with a MS degree in Chemical Engineering and post graduate studies at Stanford University, Rice University and Cornell University graduate schools of business.

Justin Frederico, *PhD, Director*

Doctor Frederico is an expert in the area of perfumery and essential oils quality. He is conducting research of industrial hemp under a Pennsylvania Department of Agriculture permit and is an organic chemist with more than 20 years of industrial experience. Dr. Frederico serves as President of JustBen Agriculture, the first industrial hemp farm in PA in over 45 years.

Dr. Frederico holds a PhD in organic chemistry from Temple University specializing in natural products and a post doctorate from Columbia University specializing in marine natural products.

Competition

As previously mentioned, GreenLine BDC is the first business development company focused on the legal cannabis sector in the United States. That said, it will face competition from various traditional financing sources. Because the constituents of these various financing entities are so numerous, it does not make sense to embark on a one-by-one analysis; however, we will consider each broad class of likely competition that GreenLine BDC will face.

- **Angel investors.** This is a broad classification that does include “friends and family” but also includes high net worth investors with whom the relevant entrepreneurs may contact via various methods, including pre-existing personal relationships or newly referred individuals. Note that angel investor groups such as the famous Band of Angels in Silicon Valley tend to act very much like venture capital firms in terms of process, although they will at times invest earlier in a company’s growth cycle. Overall GreenLine BDC management considers this group as much a source of possible client referrals as it does a competitive threat; this is a perspective with which we basically agree.
- **Private equity firms including venture capital.** The Company sees these organizations as important likely referrers more than anything, with which we partially agree. While we do believe these organizations will likely be important referral sources in many cases, we also see the smaller firms as possibly competitive due to their typical belief that they offer a similar value proposition to GreenLine BDC’s, albeit often for somewhat later-stage (but still private) companies
- **Asset-based lenders.** These organizations run the gamut from banks and credit card companies to equipment lease providers to specialty credit lenders. They almost universally lend (rather than invest) and base their funding decision almost entirely on the entrepreneur(s) credit worthiness and the readily realized market value of assets that can be collateralized. While viable alternatives for some companies in some cases, most of the Company’s prospective clients will not be good candidates for this type of financing.
- **Merchant banking firms.** These firms are the most direct competitors of GreenLine BDC, which by some could be considered a merchant banking firm under a BDC structure. Merchant banks are typically run by a small group of highly experienced business executives with backgrounds in some cases not unlike those of the Company’s principals. Furthermore, they typically take large, concentrated positions in just a few companies and then assume an active operating role or roles to help the company succeed. Despite these similarities and the high number of merchant banks in operation, we are not overly concerned by these would-be competitors, largely for one reason: market size. The cannabis sector is currently comprised of quite literally thousands of companies, and so in our view as long as GreenLine BDC is competitive in terms of its reputation, funding terms, and service offering/pricing, then it will find no shortage of attractive potential clients.

In closing, without a doubt there are myriad potential competitors in the space in which GreenLine BDC will operate, but given the size of its target market, we do not view this risk as unmanageable. While the Company will not likely succeed without providing its clients with a high-quality value proposition, this is not different from the situation facing any normal company in an industry with normal levels of competition. And given the fairly unique focus of GreenLine BDC on the cannabis sector, which will no doubt confer a certain level of advantage to the Company, we are not particularly concerned by competitive threats in the aggregate.

Other Risks

Other than the risks stemming from competitive threats, we believe that the greatest risk facing GreenLine BDC is its early stage of development. While not atypical with firms of this size, the risk that the Company will fail to raise adequate capitalization in the interim period before its go-public event is very real, albeit not particularly likely. Overall, we believe that the principals and their long history in the financial industry and the contacts they have built over the years should be more than adequate to satisfy the Company’s initial financing needs of \$500,000.

Valuation Analysis

We have developed and stand behind a simple, yet compelling investment thesis for the public shares of GreenLine BDC, should they become available at the price and under the terms that the Company hopes to offer them sometime late this or early next year. Note that the shares underneath their proposed SAFE Note 506(c) Offering confer the investor a 50% discount to the shares in the Company's planned IPO, so while somewhat riskier, they offer far more upside potential. Our thesis is based on several factors:

- The Company believes that it will be the first business development company entrant in the rapidly developing cannabis industry in the United States. Depending on the source, this market could grow some 200% to 500% over the next few years, "dragging" many ancillary participants along with it. This growth trend will almost certainly favor any specialty finance firms that manage to establish themselves as trusted experts in the industry.
- GreenLine BDC's management is highly seasoned and understands how to serve the high-risk investment industry with extremely high margin, essentially riskless instruments called Equity Lines. We believe that this product specialty may be very well matched to the U.S. cannabis sector at this juncture in its growth and development.
- The financial industry is currently underserving participants in the cannabis industry to a high degree, for a variety of reasons. This dynamic, in our opinion, has created an environment of exceptional opportunity for those nimble firms that are able to dedicate themselves to a specific focus on the cannabis space.
- In addition to all the demand for the financing services that the Company provides to the cannabis industry, the BDC structure offers a specific and valuable advantage to its shareholders, namely participation in the private equity market, which has historically had very solid returns that are mostly uncorrelated with the price movements of the public equity markets (thus conferring additional diversification benefits to investors). Almost exclusively the domain of professional investment funds and very high net worth "angel" investors, the Company's chosen business structure offers individual investors a rare and valuable opportunity to invest in the private equity sector through a publicly-traded vehicle. From most regular investors' perspectives, this is a truly exceptional opportunity.

While there can be no guarantees of success in a startup company such as GreenLine BDC, we believe that the Company shares will likely represent an excellent risk-reward trade-off for those investors who purchase them.

Investment Thesis and Conclusion

It is a simple fact that rapid regulatory changes in the United States are unleashing pent-up demand for cannabis and products derived therefrom, for both recreational and medicinal use, and in the process causing a nascent sector to grow as quickly or more so than any other of its type in recorded history. GreenLine BDC has (for this sector) an innovative and potentially very lucrative business model that helps both those cannabis companies that avail themselves of GreenLine's financial offering, and those investors who become GreenLine BDC shareholders. ***We therefore rate the shares of GreenLine BDC a Strong Speculative Buy, and establish our 12-month price target at \$1.75 per share.***

GreenLine BDC Semi-Annual Profit and Loss Model

In (000s) except for pre-share and percentage data	FYE 2017	H1 `18	H2 `18	H1 `19	H2 `19	H1 `20	H2 `20	H1 `21
Revenues								
Operating revenues - Client funding			65	947	2,070	3,066	4,414	4,415
Equity Line consulting fee, 100% revenue recognition, shrs to shareholders			0	900	900	1,350	1,350	1,350
Equity Line commitment fee, 50% discount from market value, in clients' shares			450	450	450	450	675	675
Capital gains - sales of pvt. equity now public			0	0	0	0	0	0
Total revenues, equity portion			450	1,350	1,350	1,800	2,025	2,025
Total Revenues	80	0	515	2,297	3,420	4,866	6,439	6,440
Total gross costs	0	0	0	0	0	0	0	0
Gross profit	80	0	515	2,297	3,420	4,866	6,439	6,440
Operating expenses								
Sales and marketing		0	153	153	153	153	176	176
General and administrative	5	64	392	392	451	451	519	519
Go-public expenses			250	0	0	0	0	0
Total operating expenses	5	65	795	545	604	604	695	695
Operating profit	75	(65)	(280)	1,752	2,816	4,262	5,744	5,745
Operating margin	94%	N/A	N/A	76%	82%	88%	89%	89%
Interest expense	12	0	0	0	0	0	0	0
Pre-tax income	63.2	(64.9)	(280)	1,752	2,816	4,262	5,744	5,745
Marginal tax rate	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Net income passed to shareholders	63	(65)	(280)	1,752	2,816	4,262	5,744	5,745
Earnings per share	0.006	(0.006)	(0.023)	0.102	0.163	0.25	0.33	0.33
Total shares outstanding	11,262	11,262	12,262	17,262	17,262	17,262	17,262	17,262

Our Rating System

We rate enrolled companies based on the appreciation potential we believe their shares represent. The performance of those companies rated “Speculative Buy” or “Strong Speculative Buy” are often highly dependent on some future event, such as FDA drug approval or the development of a new key technology.

Explanation of Ratings Issued by Harbinger Research

STRONG BUY	We believe the enrolled company will appreciate more than 50% relative to the general market for U.S. equities during the next 12 to 24 months.
BUY	We believe the enrolled company will appreciate more than 30% relative to the general market for U.S. equities during the next 12 to 24 months.
STRONG SPECULATIVE BUY	We believe the enrolled company could appreciate more than 50% relative to the general market for U.S. equities during the next 12 to 24 months, if certain assumptions about the future prove to be correct.
SPECULATIVE BUY	We believe the enrolled company could appreciate more than 30% relative to the general market for U.S. equities during the next 12 to 24 months, if certain assumptions about the future prove to be correct.
NEUTRAL	We expect the enrolled company to trade between -10% and +10% relative to the general market for U.S. equities during the following 12 to 24 months.
SELL	We expect the enrolled company to underperform the general market for U.S. equities by more than 10% during the following 12 to 24 months.

Analyst Certification

I, Brian R. Connell, CFA, hereby certify that the views expressed in this research report accurately reflect my personal views about the subject securities and issuers. I also certify that no part of my compensation was, is, or will be, directly or indirectly, related to the recommendations or views expressed in this research report.

Harbinger Research is an independent equity research firm with a focus on providing coverage to small-cap companies. Our mission is to help our clients achieve fairer market valuations, an expanded shareholder base, improved liquidity, and easier access to capital markets. We do this by providing insightful, in-depth research reports and by making sure those reports are widely distributed and made available to both institutional and individual investors. We strive to deliver superior research coverage and the result is compelling – consistent coverage from industry-expert analysts that is well written and consists of insightful analysis, cogent arguments, and in-depth financial models. To learn more about Harbinger Research and view our research reports, we invite you to visit our website located at www.harbingerresearch.com.

Analyst Highlight

Brian Connell, CFA, Senior Research Analyst

Mr. Connell has over 20 years’ experience in the securities industry, as an equity analyst and portfolio manager, and as the founder and CEO of StreetFusion (acquired by CCBN/StreetEvents), a software company serving the institutional investment community. On the sell-side, Mr. Connell served as the technology analyst for Neovest, an Atlanta-based boutique, and as a Senior Analyst - Internet for Preferred Capital Markets, an investment bank based in San Francisco. Mr. Connell has also held the position of Executive Director of Marquis Capital Management, a technology-focused investment management organization.

Mr. Connell holds degrees in Economics and Psychology from Duke University, and is a CFA Charterholder.

Disclaimer

This report was prepared for informational purposes only. Harbinger Research, LLC (“Harbinger”) was paid ten thousand dollars by the Company for the preparation and distribution of this research report. All information contained in this report was provided by the Company. To ensure complete independence and editorial control over its research, Harbinger has developed various compliance procedures and business practices including but not limited to the following: (1) Fees from covered companies are due and payable prior to the commencement of research; (2) Harbinger, as a contractual right, retains complete editorial control over the research; (3) Analysts are compensated on a per-company basis and not on the basis of his/her recommendations; (4) Analysts are not permitted to accept fees or other consideration from the companies they cover for Harbinger except for the payments they receive from Harbinger; (5) Harbinger will not conduct investment banking or other financial advisory, consulting or merchant banking services for the covered companies.

Harbinger did not make an independent investigation or inquiry as to the accuracy of any information provided by the Company and is relying solely upon information provided by the Company for the accuracy and completeness of all such information. The information provided in the Report may become inaccurate upon the occurrence of material changes, which affect the Company and its business. Neither the Company nor Harbinger is under any obligation to update this report or ensure the ongoing accuracy of the information contained herein. This report does not constitute a recommendation or a solicitation to purchase or sell any security, nor does it constitute investment advice. This report does not take into account the investment objectives, financial situation or particular needs of any particular person. This report does not provide all information material to an investor’s decision about whether or not to make any investment. Any discussion of risks in this presentation is not a disclosure of all risks or a complete discussion of the risks mentioned. Information about past performance of an investment is not necessarily a guide to, indicator of, or assurance of, future performance. Harbinger cannot and does not assess, verify or guarantee the adequacy, accuracy, or completeness of any information, the suitability or profitability of any particular investment, or the potential value of any investment or informational source. Harbinger and its clients, affiliates and employees, may, from time to time, have long or short positions in, buy or sell, and provide investment advice with respect to, the securities and derivatives (including options) thereof, of companies mentioned in this report and may increase or decrease those positions or change such investment advice at any time. Harbinger is not registered as a securities broker-dealer or an investment adviser either with the U.S. Securities and Exchange Commission or with any state securities regulatory authority.

ALL INFORMATION IN THIS REPORT IS PROVIDED “AS IS” WITHOUT WARRANTIES, EXPRESSED OR IMPLIED, OR REPRESENTATIONS OF ANY KIND. TO THE FULLEST EXTENT PERMISSIBLE UNDER APPLICABLE LAW, HARBINGER EQUITY RESEARCH, LLC WILL NOT BE LIABLE FOR THE QUALITY, ACCURACY, COMPLETENESS, RELIABILITY OR TIMELINESS OF THIS INFORMATION, OR FOR ANY DIRECT, INDIRECT, CONSEQUENTIAL, INCIDENTAL, SPECIAL OR PUNITIVE DAMAGES THAT MAY ARISE OUT OF THE USE OF THIS INFORMATION BY YOU OR ANYONE ELSE (INCLUDING, BUT NOT LIMITED TO, LOST PROFITS, LOSS OF OPPORTUNITIES, TRADING LOSSES, AND DAMAGES THAT MAY RESULT FROM ANY INACCURACY OR INCOMPLETENESS OF THIS INFORMATION). TO THE FULLEST EXTENT PERMITTED BY LAW, HARBINGER EQUITY RESEARCH, LLC WILL NOT BE LIABLE TO YOU OR ANYONE ELSE UNDER ANY TORT, CONTRACT, NEGLIGENCE, STRICT LIABILITY, PRODUCTS LIABILITY, OR OTHER THEORY WITH RESPECT TO THIS PRESENTATION OF INFORMATION.