



CHARITY GROUP, LLC

CONTACT INFORMATION

Mr. Scott O. Talbot

Chairman, Board of Directors
Charity Group, LLC.
332 East 66th Street,
New York, NY 10065
Tel: 1-646-641-5739
Fax: 1-212-879-1113
Email: scotttalbot@mac.com

BOARD MEMBERS & SHAREHOLDERS

Steve Bernstein

(Former) Managing Director,
Citigroup Corporate &
Investment Bank

Ken Blanchette

Vice President, FreshDirect

Tom Crowley

(Former) Managing Director,
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Patricia Lynch

President, PLA Associates Inc

Lou Petrucci

Director, POM Wonderful

Blayne Ross

(Former) Creative Executive,
Showtime Network

Scott O. Talbot

Founder & Chairman,
Charity Group, LLC

RETAINED FIRMS

Del, Shaw, Moonves, Tanaka,
Finkelstein & Lezcano,
an entertainment law firm,
Jonathan Moonves, lead counsel

Lackenbach Siegel LLP an
intellectual property law firm,
Andrew Young, lead counsel

Torys LLP, a business law firm,
Bari Zahn, lead counsel

McGladrey & Pullen, LLP
Audit & Attest Services
Stephen Plattman, Partner

RSM McGladrey, Inc.
Tax & Business Consulting Services
Richard Grandini, Managing Director

Charity Group, LLC is an early stage company, providing innovative tools and platforms to help transform the way Nonprofit Organizations and Corporate Donors align and coordinate their fundraising efforts and objectives. The company's goal is to provide information and logistical resources that can increase the yield from fundraising activities, simplify event implementation, raise public awareness of nonprofit causes and deliver more usable dollars for actual charitable deployment.

STATEMENT OF OPPORTUNITY

Philanthropy as a market sector is a \$295 billion industry, with philanthropic giving representing 2% of the U.S. Gross Domestic Product. There are over 1.6 million nonprofit organizations in the U.S., each depending on (and competing for) their portion of mindshare and monetary contributions among the millions of individual and corporate donors nationwide. For all the good works that these charitable organizations perform, the process of raising and administering the funds to support their efforts is far from efficient. Currently 30-50% of the funds raised by nonprofits (\$100 to \$140 billion each year) go to cover administrative costs.

The nonprofit sector is comprised of several interrelated, "stakeholder" groups; the nonprofit organizations themselves, corporate sponsors, private foundations, individual donors, event attendees and a broad array of vendors who provide support products and services. It is the effective interaction and coordination between these groups that drive the underlying economic viability and success of the industry, which in turn fuels the nonprofits' extraordinary range of social and charitable contributions world-wide. While there are several organizations that monitor, assess and benchmark the performance and practices of nonprofits, there is currently no single resource available for connecting and facilitating the economic and operational dealings between these stakeholders.

CHARITY GROUP'S MISSION

Charity Group's core objective is to provide that connection. Emphasizing the strategic and tactical linkages between the Nonprofits, the Corporate Sponsors and the Product/Service Donors, the company is dedicating itself to organizing relevant information, facilitating operating logistics, increasing public visibility/exposure, and enhancing overall operating profitability/efficiency for all stakeholders. In short, Charity Group hopes to transform the \$295 billion nonprofit industry by refashioning stakeholder connections, strategically empowering donors and creating innovative new showcases for both the nonprofits and their supporters. In the process, it also intends to build a dynamic, profitable and sustainable business.



PROJECT ONE: CHARITYCHEX™

 Date 4/22/08 TIME 8:41PM
 MID000000475663

'THE RESTAURANT'
 332 East 66th Street, New York, NY 10065
 (646) 641-5739

PLEASE SIGN AND LEAVE MERCHANT COPY
 THE CUSTOMER COPY IS YOURS TO KEEP

MASTER XXXX-XXXX-XXXX-1178
 AUTH 035642 TBL 204 CHECK212475
 PURCHASE CAFE SARAH

AMOUNT 55.75
 TAX 4.67

 SUBTOTAL \$ 60.42
 + TIP \$ -----
 + CHARITABLE CONTRIBUTION \$ -----
 = TOTAL \$ -----

Signature X

I hereby authorize the credit card merchant 'The Restaurant' to deduct from my credit card the above mentioned amount as a charitable contribution to the charity of my selection indicated below:

- | CODE | CHARITABLE ORGANIZATIONS PROUDLY SUPPORTED BY 'THE RESTAURANT' |
|---------|--|
| 100 [] | Lead Investors Exclusive Charity |
| 101 [] | Living Beyond Belief |
| 102 [] | United Cerebral Palsy |
| 103 [] | UNICEF |
| 104 [] | Ali Forney Centre |
| 105 [] | Better Youth |
| 106 [] | Climater |
| 107 [] | Susan G. Komen for the Cure |
| 108 [] | Soldiers' Angels |
| 109 [] | Global Warming |
| 110 [] | Dr. Theodore A. Atlas Foundation |
| 111 [] | March of Dimes |
| 112 [] | Broadway Cares/ Equity Fights AIDS |
| 113 [] | New York Cares |
| 114 [] | The HOPE Program |

Charitable contributions to 501(c)(3) and similar tax exempt organizations are deductible to the maximum extent of the law. Please consult your tax advisor with respect to your individual situation.

MERCHANT COPY



The Market
 Restaurant Sales - \$558 B, 4% GDP*
 Average credit card use: 55% - \$307 B
 No of locations: 945,000
 Employees: 13.1 m
 * Source Restaurant Association - 2008 Forecast

Charity Group has created its first service offering, CharityChex™, to facilitate partnerships between retail businesses and charitable organizations at the local, regional or national levels. It does this through a proprietary credit card processing enhancement that promotes charitable giving and facilitates the capture of payer-designated charitable contributions at the retail point of sale.

By working in conjunction with major credit card merchant processors, the patent protected CharityChex™ system enables seamless transactions between a consumer (payer), a merchant establishment and one or more charitable organizations. It does this by appending an easy to use "contribution add-on" to the bottom of the regular credit card voucher, allowing the payer to designate a specific charity and donation amount as part of the overall transaction.

It requires no extra effort on the part of the retail establishment, but allows the retailer to promote a favorite charity, if desired. The contribution is processed automatically, providing records of participation for both the payer and the retail promoter.

CharityChex™ helps build a three-way connection between the consumer-donor, the retail establishment and a charitable organization in which they share an interest. The act of contributing is seamless, occurring when the consumer is already focused on completing a transaction. Whether a neighborhood retailer supporting a local cause, or a national retail-chain backing a national charity, CharityChex™ contributions, even if small individually, can aggregate into what, comparatively, can become very sizable total donations.

AMOUNT 55.75
 TAX 4.67

 SUBTOTAL \$ 60.42
 + TIP \$ 10.00
 + CHARITABLE CONTRIBUTION \$ 10.00
 = TOTAL \$ 80.42

"The Restaurant" Thanks you for your charitable Contribution to the none profit indicated below.

PLEASE RETAIN THIS IS YOUR OFFICIAL RECEIPT FOR TAX PURPOSES

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CUSTOMER COPY





PROJECT TWO: CHARITYCONNECT™

Corporate giving has evolved from "**checkbook philanthropy**," in which businesses satisfied their obligations simply by writing checks, to "**strategic philanthropy**," in which businesses are aligning their giving programs more closely with their strategic goals.

Scott O. Talbot, Founder & Chairman, Charity Group, LLC

"[We are] ... in a new era in corporate philanthropy. This new era is about a cultural change. Corporate giving has evolved from "checkbook philanthropy," in which businesses used to satisfy their obligations simply by writing checks, to "strategic philanthropy," in which businesses are aligning their giving programs more closely with their expertise and capabilities. This new level of philanthropy seeks greater collaboration among all stakeholders ... and more fully leverages tools available to businesses to maximize the impact of corporate investment."

Harold McGraw III
Chairman, The McGraw-Hill Companies
Chairman, Committee Encouraging Corporate Philanthropy

Charity Group's second initiative, CharityConnect™, has been created to strengthen the connections and coordination between nonprofits and large corporate donors, particularly in the planning and management of major fund-raising events. CharityConnect™ provides a web-based logistics management platform that can greatly simplify, reduce the cost and increase the effectiveness of any fund raising event. It also provides an online information resource and match-making tool kit to help non-profits and corporate donors identify and communicate with potential partners.

Of the \$295 billion raised by nonprofits in 2006, nearly 15% (or \$44 billion) was raised through events. The logistics of managing and implementing elaborate events are often complex and very cost/labor intensive. The potential for improving both top line performance and net donation yield from fundraising events is tremendous, with the improved performance benefiting all the charity stakeholders involved.

CharityConnect™ offers Nonprofit Organizations:

- Tools for efficient planning and management of big and small fund-raising and awareness building events.
- Opportunities to easily identify, connect and coordinate with potential corporate sponsors, product donors and implementation resources.
- A web-enhanced platform that facilitates those connections.
- Innovative ways to increase and streamline donations.
- Creative methods for increasing public awareness of the nonprofits' missions through innovative use of online and traditional mass media.

CharityConnect™ offers Corporate Sponsors and Product Donors:

- Market information and analysis of nonprofits to help corporations align their charitable giving/participation with their strategic business goals.
- Innovative ways to increase public awareness of their philanthropic activities and responsible corporate citizenship.
- A highly effective method of reinforcing brand awareness and showcasing donated products and services.
- Web-enhanced tools to better integrate sponsor/donor philanthropic activities into their broader corporate communications strategies.

Using elements of charity and donor profiling, criteria matching and search, community information sharing, sponsorship bidding, services exchange and member/group/project collaboration, CharityConnect™ brings together, in a single location on the web, an array of tools and support resources, especially designed for fund raising events.



PROJECT THREE: CHARITYPRODUCTIONS™

According to PQMedia, a consulting firm that tracks the product placement market, 2006 product placement was estimated at \$3.07B rising to \$5.6B in 2010.

"Searching for ways to thwart any trend toward skipping commercials on programs recorded on personal video recorders like TiVo, the networks are increasingly integrating their sponsors and their products into the shows themselves, rather than limiting their presence to commercials. Ford Motor and Coca-Cola, for example, are two of the advertisers that have paid millions of dollars to have their logos prominently displayed during episodes of "American Idol."

Article for the New York Times, Bill Carter

As a third component of its initial business strategy, Charity Group is in discussions with networks in the development of a series of unscripted television programs that will be focused on charitable fund raising, event design and philanthropic causes. Through its CharityProductions™ unit, the company has developed an innovative programming concept that has captured the interest of multiple broadcast networks, over thirty major corporate sponsors and over one hundred high profile, well regarded charities. While the actual program production will be handled through an outsourcing arrangement with a seasoned television production company, Charity Group has retained all copyright, licensing and other intellectual property rights. CharityProductions™ also serves as a major promotional platform for generating early brand awareness of the Charity Group as a whole. It also acts as a very effective catalyst for building relationships with major corporate donors and charities, by creating a high visibility showcase for promoting specific charitable causes and responsible corporate citizenship.

THE NONPROFIT TIMES

August 1, 2008

Fundraising To Become Reality TV

Taking different parts of some of the most popular reality television shows today, **Scott Talbot** wants to save the world "one fabulous party at a time." The founder of New York-based **The Charity Group**, is looking for nonprofits to participate in *America's Greatest Challenge: The Dream Team*, a reality show that combines parts of other reality shows, like *Extreme Makeover: Home Edition*, *Iron Chef* and *Top Chef*.



Nonprofits interested in participating can contact **Scott Talbot** at (646) 641-5739, or by email at scotttalbot@mac.com

The show focuses on fundraising events, bringing together an event planner, chef, decorator and mixologist for each episode to put together a charity gala. The Charity Group has secured \$150 million in commitments from food and beverage advertisers for their brands.

Filming begins at the end of this year with the broadcast of eight to 13 episodes scheduled in the spring on one of the television networks, though Talbot could not announce yet which one. The show, which will begin in New York and continue on to Chicago and Miami, will aim to pit cities against one another in terms of funds raised. "There's no healthy way of having an elimination competition when dealing with philanthropy," Talbot said, so they created a healthy competition in which each city will aim to raise more than the others.

Talbot said they will aim to raise \$20 million a week through text-messaging similar to *American Idol Gives Back*, and it will be a more uplifting and entertaining version than other charity-related reality shows.

Talbot, a philanthropist and restaurateur, and Showtime programming executive **Blayne Ross**, developed the concept for the show. Talbot also is developing CharityConnect, a comprehensive technology platform to connect nonprofits and corporations from securing sponsors to event planning, and CharityChex, software that will be provided free to restaurants and allow consumers to make a point-of-sale charitable donation while dining. — MARK HYWINA

fundraising SUCCESS

July 2008

Prime-Time Party for Philanthropy

Interested in having a ritzy, all-expenses-paid gala put together for your nonprofit and then have it televised?

Who wouldn't be? Enter **Scott Talbot**, chairman of the board of directors for the New York-based **Charity Group**, which has created the reality show "America's Greatest Challenge."

During each episode, a "dream team" that consists of an event planner, a chef, decorator and mixologist pulls together a party for a charity with the help of corporate sponsors. Charity Group already has secured \$150 million in commitments from food and beverage advertisers that will be featured in the series. Organizations will raise funds through ticket sales from the parties and from viewers.

"Like 'American Idol,' the audience will get to participate, but this will be by texting in a \$1, \$5, \$10, whatever the amount donation," Talbot says. "[The nonprofit gets] 100 percent of the revenue and national network brand."

The show is expected to begin airing in spring 2009. About 150 nonprofits already have shown interest in being featured, Talbot says.

Interested nonprofits can reach Talbot at 646.641.5739 or at scotttalbot@mac.com.



MEDIA



June 23 - 29, 2008

NEW YORK, NEW YORK

Giving gets reality treatment

OPRAH'S *Big Give* made reality TV a tool for charities. Now, Showtime programming executive **Blayne Ross** and partner **Scott Talbot** want to get in on the act.

The pair are developing a reality series that will follow an event planner, chef, decorator and mixologist as they organize gala fundraising events at high-profile locations ranging from Gracie Mansion to an airborne jet. The show will feature one charity each week, with the goal of raising \$1 million for it.

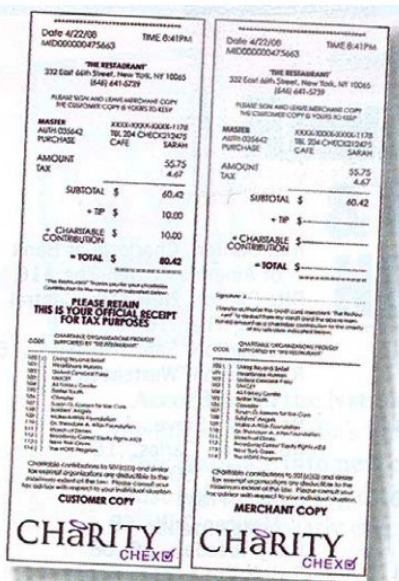
More than 150 organizations, from Unicef to God's Love We Deliver, are vying to take part in the series, *America's Greatest Challenge: The Dream Team*.

Mr. Talbot, an entrepreneur who founded Charity Group to help nonprofits, says he has already secured millions in commitments for ads and product placements from food and beverage companies. He says that several networks are interested in the series, which he hopes will debut next spring.

"It's frustrating to organize a fundraising party and find people have donor fatigue," Mr. Talbot says. "This show will raise awareness and money for charities."



July 15, 2008



Give a Suggestion

CharityChex is a proprietary credit card merchant technology system that facilitates a point-of-sale, payer-designated charitable donation, including a tax invoice receipt that's printed for the patron. CharityChex enables a seamless transaction between payer, merchant and charitable organization, so operators need not use any of their establishment's resources for the transaction. For more information, call (646) 641-5739 or e-mail scotttalbot@mac.com. **CharityChex**

THE CHRONICLE OF PHILANTHROPY FUND RAISING

July 11, 2008

New Reality Show Hopes to Raise Big Money for Charity

A new reality television show that seeks to raise at least \$10-million per episode for charity is being planned by Scott O. Talbot, an Australian businessman and philanthropist.

Working with the producer Blayne K. Ross, who was previously at Showtime, Mr. Talbot said that each show would provide document a fund-raising gala. While that would cost up to \$500,000 to carry out, he said the charity will not be charged.

The show would star four professionals — an event planner, chef, decorator, and bartender — as they work to pull off a one-of-a-kind charity event for each episode. The series would benefit charities such as Unicef, Susan G. Komen for the Cure, and March of Dimes, but Mr. Talbot said he wants at least half of the charities represented to be smaller, little-known organizations.

Mr. Talbot said has already secured \$120-million in advertising and product offers from companies that want to be featured on the show. He also said the reality series would provide a means for viewers to donate to the charity featured in each episode.

In hopes of a spring 2009 debut, Mr. Talbot and Mr. Ross said they are in negotiations with major networks such as ABC, NBC, CBS, and Fox, adding that different episodes of the show could run on more than one network.

— Holly Hall